

**UTILIZING SITE QUALITY COMPARISON TO DETERMINE
POTENTIAL INCENTIVIZATION OR ATTRACTION OF A LATINO
SUPERMARKET TO THE CITY OF SURPRISE, ARIZONA**

by

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CHAPTER 1 - INTRODUCTION

From infancy to adulthood, a large part of our daily life is food related. Shopping for food in the western world has never been easier than it is today, with supermarkets (“a large self-service retail market that sells food and household goods”), super-centers (“large food/drug combination store and mass merchandiser under a single roof”), corner stores, and a wide range of fast food and other restaurants all vying to provide food to increasingly time-crunched American consumer market (Pettersson et al., 2004).

Most Americans make supermarkets or super-centers a regular part of their everyday food shopping routine. However, mainstream Anglo consumers increasingly demand convenience meal solutions (Unilever, 2006). At a time when super-centers like Wal-Mart are seen as the largest threat to supermarkets because of their lower prices and large selection, supermarkets are honing in on reliable markets. The Hispanic market is one such attractive group. Hispanic families are more likely to prepare and serve foods at home than other families, are more likely to dine with children, and spend 23% more on groceries than the average American household per year (Heise, 2002). Historically in Phoenix, Basha’s Food City stores have served this market. Since 2004, new competitors have arrived from California, including Pro’s Ranch Market and El Super.

In 2001, Lalie Melton in Community Business Development Services, Community and Economic Development for the City of Phoenix met Jim Katputo, General Construction Manager, and Michael Provenzano, Executive Vice President and Chief Financial Officer of Pro & Sons, the owner and operator of the Pro’s Ranch Market. The Pro’s Ranch Market management came to the city for technical assistance. The company was given no additional

incentives beyond technical assistance and has since located four stores in the Phoenix area, locally called Phoenix Ranch Market (Melton, 2005).

While working as a staff member at the City of Surprise, Arizona, this report's author was approached by members of the Surprise, Arizona City Council who expressed interest in locating a Pro's Ranch Market in the City of Surprise. This Master's Report (MR) delineates the literature review and search for a site selection assessment tool to be used to recommend whether the City of Surprise should utilize incentives or otherwise attract a Pro's Ranch Market to a location within City boundaries.

The literature review reviews the site selection process, retail food store location literature, and economic development incentives. The report's author found limited site selection analysis tools available within the retail site selection process, due to the secretive and proprietary nature of the field, and tested an analogue site evaluation process. Potential sites within Surprise are compared to the four existing greater Phoenix area locations of the target chain. Finally, the quality of potential sites within Surprise is analyzed.

This report's research perspective is both quantitative and qualitative because the site evaluation process requires compiling both quantitative and qualitative information. Some quantitative information is available through demographic sources such as Claritas and the Sites USA Regis Online Mapping and Reporting System. Subjective observations evaluation of other site criteria is qualitative.

There are three major limitations of this report. The first two limitations arise primarily from the literature review. The first derives from the secretive and proprietary nature of retail site selection systems. The second limitation is the nature of the Latino retail food market, a relatively small demographic niche within overall food retail. Beyond statistics and some

business articles, little academic literature or research is available. Finally, there is a gap in demographic information in Arizona “boomburbs,” or places with more than 100,000 residents that are not the largest city in their metropolitan areas and have maintained hyper growth, or double-digit rates of population growth, over consecutive censuses (Lang, 2007). The Census has released population estimates for 2005 but additional current Census demographics are not available. Non-Census sources like Claritas, Sites USA, and other proprietary demographic marketing systems have current demographic information but it is expensive and, in the Phoenix area, mostly available to brokers, private developers, and some municipal economic development departments. Todd Smith, Sites USA President, provided access to his company’s Regis Online Mapping and Reporting System for the purpose of this report’s demographic research.

This report focuses on a very narrow slice of a larger issue. The city’s need is to determine if certain projects should be incentivized. The two fundamental questions for the municipality are what will it cost the municipality to locate a specific business at a specific site, and then is that cost worth it to the public? The first question is answered by reviewing business needs and sites’ potential; then determining the amount of subsidy required to upgrade a site to the target businesses’ “hurdle rate of return.” (If the Expected Rate of Return on an investment is below the hurdle rate, a project is not undertaken.) This report focuses on the first half of the first question -- site analysis. This report does not focus on the second half of the first question – magnitude of incentives required, or the second question – are incentives justified to the public?

This report utilizes Fenker’s analogue method to reviews the attractiveness of a site, providing one tool to be utilized by the Economic Development Department. The outcome of

this analysis suggests that it makes sense for city Economic Development Department to utilize a site evaluation process to understand site quality before further determining need and magnitude of incentives required to locate a specific specialty food retailer to designated sites within the municipality. However, a other site selection evaluation methods than Fenker's may be available that will provide a more complete economic feasibility picture to balance fiscal impact and justify allowable incentives.

CHAPTER 2 - LITERATURE REVIEW

Introduction

The purpose of this chapter is to review site selection, retail food store location, and economic development incentive literature as the foundation concepts underlying this report's question of whether to provide incentives or otherwise attract a Pro's Ranch Market in the City of Surprise. Literature on the history of the site selection process explains both the dearth of demographic information and the limited retail site evaluation models found for this report. Literature on food retail reveals the high competition within this low markup, high volume industry. Literature on incentives clarifies that the Phoenix area, highly dependent on retail sales tax, will be impacted by state limitations on municipal incentives.

Site Selection

Site selection is a process of “eliminating all places, properties, and real estate that don't measure up against selection criteria” (Lyne, 1994). The initial steps to site selection are to determine the needs of the project: collect and analyze data, finalize the delineated area and evaluation factors, advertise for sites, and compile all offers to be evaluated into a “long list” which is then analyzed to identify the top three (3) sites for the project, or the “short list” (Moravec, 2006).

Site selection is a “process of enterprise development that encompasses all steps in choosing a location for an expansion or relocation, or new startup. It's a process of eliminating all places, properties, and real estate that don't measure up against selection criteria” (Lyne, 1994). Originally a behind-the-scenes deal-making process of corporate real estate executives, led by Fantus Consulting, the profession of site selection increased its public visibility in 1954 when McKinley Conway published *Site Selection* magazine (Khan, 2002).

Similar to site selection, site evaluation is “the measurement of the relative quality of a parcel of real estate, compared to other pieces of real estate, using all of the objective and subjective information available.” Site quality deals with the quality of real estate, factoring in demographics, site features (visibility, access, etc), and competition. Sales volumes result from site quality and other factors including marketing, market presence, operations, customer perception, and timing (Fenker, 1996). This report deals primarily with site quality issues.

Until the mid-1980s, little was written about site selection, site evaluation or site quality on an academic level, for three reasons. First, the academic roots of this field are in Marketing Geography, “a small, specialized sub-division of an otherwise diffuse discipline not generally noted for its orientation to business problems.” Secondly, the business applications of site selection have made this field extremely secretive, as businesses do not wish to share successful techniques and lose an advantage (Davies, 1984). Finally, over the past 25 years, increasing information system capabilities have given rise to an explosion of formal analytical models and databases for site selection (Clarke *et al.*, 2003).

There are two primary “old school” techniques in store location research: delimitations of trade areas through customer spotting techniques, and the forecasting of sales levels using an analogue approach. In other words, experienced retail managers used their “gut” knowledge to make location decisions by knowing the distances customers travel to retail stores and understanding competition.

William Applebaum, the “colossus” of Marketing Geography, emphasized scientific process rather than relying on subjective insights of seasoned retailers. Applebaum also stressed representing location information in map overlays. As computers became more developed, two additional techniques came into play: first, regression analysis and a range of

multivariate procedures were applied to assess efficiency of branch stores within a chain company. Secondly, spatial interaction or ‘gravity models’ estimated trade areas for existing or new stores, forecasts of sales levels, or measuring impact of other stores on competition (Davies, 1984).

Analogue, regression analysis, and gravity site selection models have been faulted for being excessively quantitative rather than qualitative. They have been criticized for ignoring the “useful soft insight of retail executives.” Clarke et al. (2000) suggest in their article on visualizing analogical thought in retail location decision-making that including related qualitative information in formal modeling approaches might result in better forecasts. Their cognitive mapping techniques used with retail managers have identified objective and subjective factors used to make intuitive decisions on site location. Basic determinants are summarized as: site location, store operations, and competition.

Seven underlying characteristics were defined: population characteristics related to consumption of goods and services; accessibility and size of competitive retail outlets; comparative prices of goods and services; variety of goods; quality of goods; shopping ambience; cross-shopping opportunities.

Due to the increasing cost and decreasing influence of each stage of the decision-making process, data analysis can take place in 3 hierarchical stages: first, the collection of key demographic variables: population size, household income, and ethnicity. Secondly, a review of competition’s spatial distribution and general characteristics – number of competitors in the store’s catchment area, stores’ service capacities, and travel distances involved. The last level of scouting consists of detailed store surveys regarding product assortment, presentation, prices, and service factors (Smith and Sanchez, 2003). This last level of scouting includes

marketing, market presence, operations, and customer perception; which are key determinants of sales volume but not of site quality, the focus of this report.

Responding to Smith and Sanchez's data analysis hierarchy, Fotheringham (1988) disputes the usefulness of detailed in-store surveys in the third stage of store location. Detailed information from surveys may be more useful in analyzing sales for individual products in established stores. His "parsimonious" models consider spatial distribution of customers, spatial distribution of stores, store size, and racial composition of population in catchment areas.

Two books published in 1996 specifically target site evaluation for small and medium-sized retail businesses. Both use the analogue method, essentially a checklist of characteristics whose scores provide a comparison between potential sites.

Salvaneschi

Salvaneschi (1996) creates a twelve-step location finding process, essentially: complete a total market analysis, identify and rank major activity nodes, analyze demographics/psychographics, analyze competitors, identify traffic generators, analyze traffic, identify natural and human-made barriers, chart equidistant time points, analyze the retail trading zone, select the area, select the site, and estimate store's future sales.

Salvaneschi's worksheet analyzes competitors or "analogues." Then weights are assigned to different factors contributing to sales and each competitor store is compared to the potential site.

Fenker

Fenker's basic equation is that demand equals total customers divided by competition. The three factors are broken down further. Customer sources are residents, daytime populations, and transients. Competition is based on market conditions (retail mix and market balance) and the store's status relative to the overall market, which is influenced by site image factors such as visibility, access, position, and quality of surroundings.

Fenker also provides worksheets that analyze characteristics of resident population, competition, and site features. Weighing each category's raw score produces an overall site quality score. At the end, a final site quality score is produced.

For the purposes of this report, the evolution of site selection literature is important. Decisions made on the basis of experienced managers' qualitative "gut instinct" are contrasted with quantitative analogue, regression analysis, and gravity site selection models. A combination of the two extremes seems to be most useful. Possibly due to the market-driven secretive site selection process, few readily available models for site evaluation were found and Fenker's retail site selection process was chosen as a limited model to use in this report.

Retail Food Store Location Literature

Background of US Food Retail Industry

Currently, the US food retail industry has over 48,000 stores. Of that total, over 27,000 are conventional supermarkets offering a full line of groceries, meat, and produce with at least \$2 million in annual sales. These stores typically carry approximately 15,000 items, offer a service deli and frequently a service bakery. Since their introduction to food retailing in 1988, the number of super-centers in the US has grown to over 1,600 stores. Super-centers are large food/drug combination stores and mass merchandisers under a single roof. Super-centers offer a wide variety of food as well as non-food merchandise. These stores average more than 170,000 square feet and typically devote as much as 40% of the space to grocery items. Well known chains are Wal-Mart, Kmart, Super Target, Meijer, and Fred Meyer (Food Marketing Institute, 2006).

Today, nearly half of food spending is for “food-away from home,” compared with 25% of food spending four decades ago. There is intense competition between food retailers, seen in an industry’s net after-tax profit of 1.16 percent for fiscal year 2004-2005. According to the Food Marketing Institute, low markup to stimulate high volume is the way food retailers compete. To illustrate high volume sales strategy, for example, retailers sell a \$1 item 100 times, making a penny on each sale, rather than 10 times with a dime markup.

Table 1: Types of Food Retail in US, 2005

Foodstore sales by segment

Total food and non-food sales by foodstores reached \$484 billion in 2005

Supermarkets	Superettes, Small Grocery Stores	Convenience Stores	Specialized Foodstores
<i>Percent</i>			
68.4	22.6	4.8	4.2

Sources: Census Bureau, 2005, Census Bureau, 2002

History of the Retail Grocery Industry

Volume purchasing first became a competitive advantage for grocery retailers in the US in 1859 with the founding of the first chain grocery store, The Great Atlantic and Pacific Tea Company (later called A&P). Compared to individually-owned stores, chain groceries purchased more goods and thus had a lower price per unit advantage. Then, as now, lower overhead costs meant higher profits. A typical chain grocery store of that time had a relatively limited assortment of goods and was 500 to 600 square feet (Adelman, 1959).

James Mayo's 1993 book *The American Grocery Store: The Business Evolution of An Architectural Space* provided much of the historical overview on the history of grocery stores and their evolution. In 1916 the first "truly self-service market," Piggly Wiggly, was opened. Customers directly selected their products without the intervention of the store clerk. By 1930 over 30,000 chain stores were thriving in the US, including A&P, American, First National, Kroger, Safeway, and National Tea companies .

The Great Depression affected food retailing through cost-cutting developments like self-service, cash and carry, larger retail outlets between 5,200 and 6,400 square feet, lower prices, and multiple stores to reduce wholesale costs.

During the 1930s, the first supermarket, Big Bear, was created as a combination of 15,000 square feet of grocery retailing with an additional 35,000 square feet of different departments like automotive accessories, hardware, and drugs. In 1932, this supermarket generated a sales volume equal to 100 A&P stores in the same state of New Jersey. Since supermarkets required significantly fewer workers than then-standard groceries, they were initially seen as a monopolistic activity. Legislation was created to limit the spread and number of supermarkets in several communities. However, it became obvious that converting

chain stores to supermarket format was successful. From 1936 to 1941, A&P eliminated approximately 10,000 chain stores while building replacement supermarkets. Major chains converted and increased sales, while adding additional non-food markets and becoming stronger “one-stop destinations.” In the late 1930s, inventions like the shopping cart, gondola shelving to serve two aisles, and wider store aisles at least two shopping carts apart were common.

Post WWII, supermarkets flourished through improvements in food production, changes in urban transportation, increased suburbs, and new household affluence. The average supermarket size increased to 18,000 square feet by 1956. The total number of retail food stores declined by over 31% because of larger and more efficient supermarkets. At this time unions were created like the Retail Clerks International Association and the Meat Cutters Union.

In 1946, supermarkets were 3 percent of the total volume of grocery stores, but 28 percent of total sales volume. By 1954, they increased to 5.1 percent and 48 percent. Square footage of store space grew, and number of items carried by supermarkets doubled from 1946 to 1966, but the ratio of number of food items to store square footage remained generally stable. Overhead costs went up from new developments like air conditioning, better mechanical equipment, large lots, etc.

In the early 1960s, the Federal Trade Commission prohibited future grocery store mergers without prior FTC approval for 10 years. This was the beginning of heavy scrutiny regarding antitrust in the US food retailing (Marion *et al.*, 1979). As the nation’s Prosperity increased in the 1960’s, shoppers became more interested in the quality and range of

supermarket goods and services. Deli and bakery departments were added to supermarkets and competed with the new fast-food market.

In the 1970s, technological improvements like the Uniform Pricing Code (UPC) or bar code and supermarket checkout scanners were implemented. New food retail formats surfaced as competition to supermarkets during this decade's energy crises and economic recession, including the warehouse supermarket format. This format lowered quality of design, service and atmosphere in return for lower prices. Bag boys were eliminated and the customer had to sack his or her own groceries. An additional evolution of store format was the hypermarket, originating in Europe. Hypermarkets typically combined 30% of space dedicated to food retail, with remaining space for non-food general retail. By 1989, average hypermarkets were over 175,000 square feet, combining "the supermarket, the discount store, and the shopping mall."

Wholesale clubs began in 1976 and combined membership, tight control of overhead expenses, and quick turnover of limited merchandise. By 1990, this niche was roughly 3 percent of total US food sales.

The latest major threat to the retail grocery sector has been the supercenter. As defined by *Progressive Grocer* (2005), super-centers combine food retailing with general merchandising and pharmacy under one roof, devoting up to 40 percent of floor space to grocery items.

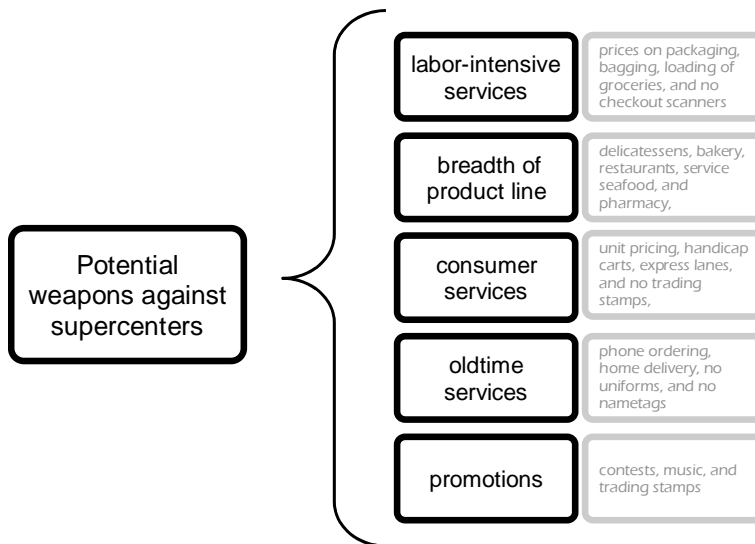
The first supercenter was opened by Fred Meijer in 1962 in Grand Rapids, Michigan. By the 1980s, some of the largest general merchandise chains in the US began selling both food and other merchandise in "one-stop shopping" destinations, or super-centers. Today

there are over 1,600 super-centers in the US with estimated annual food sales of over \$70 billion, accounting for over 15% of total grocery sales (FMI, 2006, McTaggart *et al.*, 2006).

With highly developed and efficient distribution systems and low overhead costs, super-centers offer low prices on a range of goods for customers. In the 2005 Annual Report Survey by *Progressive Grocer*, the largest supercenter, Wal-Mart, was perceived as the single biggest threat to other food retailers. After cutting overhead and other costs as much as possible, grocery retailers are still unable to compete with the low prices of super-centers. According to the Food Marketing Institute, the only way that grocery retailers can compete with super-centers is through increasing their service or targeting a niche market (Selesnick, 2005). Important service strategies for grocery retailers are:

1. Labor-intensive services, including prices on packaging, bagging, loading of groceries, and no checkout scanners,
2. The breadth of supermarket product line, i.e., delicatessens, bakery, restaurants, service seafood, and pharmacy,
3. Consumer services, including unit pricing, handicap carts, express lanes, and no trading stamps,
4. Old-time services, including phone ordering, home delivery, no uniforms, and no nametags, and
5. Promotions, including contests, music, and trading stamps (Cotterill, 1983).

Figure 1: Potential Strategies Against Super-Centers



Source: Cotterill, 1983

An additional strategy is niche marketing. Targeted markets can include health-conscious consumers or specific ethnic groups (Selesnick, 2005). This report focuses on marketing to the Latino niche as a strategy for competition in today's tough retail food sales arena.

US Latino Demographics

Webster's New World College Dictionary from 2000 defines Hispanic as "Spanish or Spanish-and-Portuguese" and Latino as "a Latin American." A second definition for both Hispanic and Latino in the dictionary is the exact same: "a usually Spanish-speaking person of Latin American birth or descent who lives in the U.S." This report uses the two concepts interchangeably.

Nationally, the Hispanic population grew from about 22.4 million or 9 percent of the U.S. population in 1990 to 35.3 million or 14.5 percent in 2005 (U.S. Department of Commerce, 2005).

Latinos are responsible for 8 percent of total spending in the United States, yet less than 3 percent of spending on marketing is directed at them (The Boston Consulting Group, 2003).

US Hispanic Food Market

According to the Americas Global Foundation (2003), The Hispanic market is concentrated, consumer-oriented, brand-loyal and fast-growing. Hispanics spent 23% more on groceries than the average American household per year. Since Hispanic families are more likely to prepare and serve foods at home than other families, and are more likely to dine with children, Hispanic purchasing power has strongly influenced the American food marketplace (Heise, 2002).

According to the Food Marketing Institute (2002), when Hispanics in the United States are deciding where to shop, they rate as very important bilingual employees with knowledge about the products they consume, as well as bilingual signs and bilingual packages on food products. Of total U.S. Hispanics, 74% strongly agree in that “foods made from scratch and fresh ingredients are more nutritious than packaged foods.”.

Arizona Hispanic Food Market

The US Census Bureau (2000) states that persons of Hispanic or Latino origin are 25.3% of Arizona’s population.

Review of the Phoenix Latino Food Market

Phoenix is the eighth-largest Hispanic market in the US (Howell, 2005). Greater Phoenix has an overall 28.3% Hispanic population (Greater Phoenix Economic Council, 2005). In the Valley, Hispanic households control nearly \$15 billion in spending, 55% of Hispanic households own their homes and 86% have at least one bank account. The average

annual household income is \$51,525 (Reinhart, 2006). "Based on the census numbers, if you're not doing multicultural marketing . . . or having dollars allocated toward the Hispanic market, you're just waiting to go out of business," says Greg Patterson, the son of a former Chandler mayor and owner of Andale Communications in Mesa.

Together with other Sun Belt cities like Orlando, Las Vegas, and Austin, metropolitan Phoenix had one of the fastest growing grocery markets in the nation last year. In the Phoenix area, California-based chains and local grocery chains are targeting the Hispanic market. Desirable areas for Hispanic supermarkets are between 28 to 35% Hispanic. "They have appealed through an improved quality of store, more merchandise, bilingual orientation and paid attention to the nostalgia market with products made in Mexico," said Earl de Berge, research director at the public opinion and market research firm Behavior Research Center One issue the chains face is the lack of vacant big boxes and land in areas that are predominantly Hispanic (Higuera, 2006).

Phoenix Area Supermarkets/Super-centers with Latino Market Focus

Pro Market

The Pro's Ranch Markets' large, brightly merchandised authentic stores "have elevated Latino grocery stores to new levels." Based in California, Pro's Ranch Market opened its first Phoenix Ranch Market in 2001 in south Phoenix. Currently, the company has four stores operating in the Phoenix area, with a fifth under construction. Stores range from 45,000 to 60,000 square feet (Higuera, 2006).

El Super

In summer 2005, El Super opened a Latino grocery store in the west Phoenix area. The chain has seven stores in California and is reportedly looking for further locations

(Higuera, 2006). Bodega Latina, the parent company, is partly owned by the Grupo Comercial Chedraui, Mexico's fifth largest retailer located in 13 eastern and southern Mexican states (Hoovers Online, 2006).

Fiesta Mart

Fiesta Mart is a Texas-based company selling ethnic and conventional groceries, including items popular with its target customers: Mexican- and Asian Americans. Its stores are located in the Houston, Dallas/Fort Worth and Austin areas. The company also runs 17 Beverage Mart liquor stores. Fiesta Mart, founded in 1972 by Donald Bonham and O. C. Mendenhall, was acquired by wholesaler Grocers Supply Co. in 2004 (Hoover's Online, 2005).

Bashas – Food City

Food City is one of the three banners under the Basha's chain of over 150 stores located primarily in Arizona, as well as some stores in California and New Mexico. Its holdings include Bashas' traditional supermarkets, AJ's Fine Foods (gourmet-style supermarkets), and Food City supermarkets (targeting Hispanics in southern Arizona). Basha's operates a handful of Dine Markets in the Navajo Nation ("dine" means "the people" in Navajo). Basha's was founded in 1932 and is still owned by the Basha family (Bashas, 2006).

Basha's bought Food City in 1993 and currently has over 60 stores statewide, 41 in the Phoenix area. A brand new Food City is being built in southern Phoenix. The 55,000 square foot store will have a full-service restaurant, bakery, tortilla-making panadería (Higuera, 2006).

Fry's

Fry's Food & Drug Stores Inc. also operates under the banner of Fry's Marketplace, a chain of super-centers. As of February 2005, there were 115 Fry's Food and Drug/Fry's Marketplace stores in Arizona (Kroger, 2005). Fry's was founded in the 1950s by Donald Fry in California and expanded into Arizona in 1960. After a series of mergers and acquisitions in the 1970s and 1980s, the company, then known as Smith's Food & Drug Centers under parent company Fred Meyer, became part of Kroger in May 1999. At that time, Arizona and Texas were the only two of 31 states where there was overlap of stores and brands from the merger. The Kroger Co., choosing to operate with one brand in the market, rebranded most Arizona Smith's Food & Drug Centers to Fry's Food & Drug Stores (Peale, 1999).

Today, Fry's Food and Drug maintains Kroger's primary supermarket format. These stores draw customers from a 2 - 2.5 mile radius. The Kroger Company (2006) states that although Fry's Food and Drug Stores are considered "neighborhood stores" in terms of size, shopping experience, and travel time, their specialty departments include whole health sections, pharmacies, pet centers and perishables such as fresh seafood and organic produce. Fry's Marketplace is a multi-department store (super-center) that offers full-service grocery, pharmacy, Ticketmaster/Ticketron, one-hour photo lab, and general merchandise including outdoor living products, electronics, home goods and toys. Ranging in size from 80,000-105,000 square feet, Fry's Marketplace was derived from the Fred Meyer concept but on a smaller scale.

Without targeting an entire store format to Hispanic products, Fry's has increased merchandising of Hispanic products in Phoenix areas with high Hispanic populations (Higuera, 2006).

Wal-Mart

Wal-Mart is the largest grocery retailer in the United States. The company has an estimated 20% of the retail grocery and consumables business (Ortiz, 2006). Wal-Mart is the largest retailer in the world in revenue as of 2007 (Staff Writer, 2007). According to the Wal-Mart website (2006), for the fiscal year ending January 31, 2006, Wal-Mart reported net income of \$11.2 billion on \$316 billion of sales revenue, a 3.5% profit margin. Wal-Mart is the largest private employer in the United States and Mexico. According to Wal-Mart Chairman Lee Scott, eighty percent of residents of the United States shop at Wal-Mart at least once a year (The Charlie Rose Show, 2006). Each week, 100 million customers visit Wal-Mart's U.S. stores - "more than one-third of the U.S. population" (Zimmerman, 2006).

Wal-Mart Stores Division U.S. is Wal-Mart's largest business subsidiary, accounting for 67.2% of fiscal 2006 net sales. The division consists of traditional retail formats: discount stores, super-centers, and neighborhood markets, and walmart.com. Major emphasis is now focused on the super-centers. Wal-mart customers report that low prices and value are the most important reason for shopping at Wal-Mart (Ortiz, 2006).

Wal-Mart has not devoted an entire store to Hispanic products in the Phoenix areas with high Hispanic populations, but the company has increased Hispanic products merchandising (Higuera, 2006).

Conclusions Regarding Retail Food Store Location Literature

The history of retail food stores highlights new retail frameworks supplanting old food retail operations again and again. Currently supermarkets, super-centers, and niche stores all coexist in an uneasy effort to remain profitable in the greater Phoenix market by focusing on reliable Hispanic shoppers.

Economic Development Incentives

Economic Development Base Theory

Base employment theory states that local and regional economies are typically broken into “basic” and “non-basic” economic activities. Basic activities export goods and services outside of the area and thus bring revenues in. Examples are manufacturing, agricultural, and tourism. Non-basic activities are retail, service, financial, educational, and government establishments. They serve needs of community residents and businesses. Since the 1950s, economic development incentives have targeted manufacturing and other base industries.

Because of the current US decreased manufacturing base and increased knowledge and consumer economy, new theoretical focus has been brought on non-industry jobs. Although not a base industry, retail offerings are still important to Arizona communities. In Arizona, a large percentage of municipal revenue is provided by local sales tax (Wright, 2004). The Arizona Department of Economic Security - Research Administration (2006) states that employment in retail and wholesale trade is 17% of total employment for the Phoenix-Mesa Metropolitan Statistical Area (MSA).

There are three reasons to justify focusing on retail trade as an economic development strategy. One, new retail development can diversify a location’s employment structure.

Two, easy access to high quality goods and services is essential for a location to be attractive to knowledge workers. Finally, expanded retail prevents the leakage of money out of the area and pulls in “in-shoppers” from an expanded trade area to establish an export sector (Gibson *et al.*, 2003).

Literature Review: Economic Development Incentives

Since the colonial history of the United States, incentives have been part of economic development. Local merchants’ “primary motivation was to promote commerce and development that would boost profits and property values” (Bartik, 2005). After World War II, federal government funding addressed geographic needs for worker skill upgrades and to support local job creation. Today, federal economic development funding is funneled to locally controlled programs, and efforts to attract new jobs take place at a state, regional, and local level (Bartik, 2005). There are two broad justifications for business incentives. First, incentives lead to business investments and new jobs, creating increased local demand for goods and services. Secondly, economic growth raises public revenues, followed by improved public services or declining tax rates (Bartik, 2005). An additional rationale for incentives is alleviation of unemployment or poverty through enterprise zones or workforce incentives (Peters, 2004).

Today, business incentives include both tax instruments – property tax abatements, tax increment financing, sales tax exemptions and credits, and corporate income tax exemptions and credits for investments/jobs, and non-tax incentives such as business grants, loans, and loan guarantees.

An estimated \$48.8 billion was spent in total state and local expenditures on economic development incentives in the US in 1996 (Thomas, 2000). Peters and Fisher

(2002a) estimated that around \$50 billion is spent annually on economic development incentives in the US.

According to a 2001 report to the Connecticut General Assembly, tax incentives often are not enough by themselves to lure a major supermarket chain. Assembling a site of at least 5 acres, in order to accommodate the store and necessary parking, is often the biggest hurdle (Moran, 2001).

Critique of Economic Development Incentives

Criticism of economic development incentives revolves around three issues. First, incentives, although they impact state and local government costs, are still much smaller proportionally than the wage and other costs of a business. According to Peters and Fisher, for the average manufacturing firm in the US, payroll is about 11 times the firm's state and local taxes before incentives. So, incentives are seldom big enough to have an impact on site location decisions. States give away tax revenue mostly to firms that would have located in the state anyhow (Peters and Fisher, 2004) (Bartik, 2005).

Gabe and Craybill (2002) analyzed Ohio companies receiving incentives and the actual growth of these companies. Growth is measured as "the actual employment change that occurred in the two years after expansions were launched and as the employment growth announced when an establishment expanded." Their empirical findings indicate that incentives have very little (or even a negative) effect on actual growth and they have a substantial positive effect on announced growth. Findings also imply that businesses receiving incentives overestimated their announced employment targets more than establishments that did not receive incentives.

Secondly, establishments are footloose. By the time incentives have expired and a firm would be paying full taxes without incentives, some firms have already left town and many others will be around only a few years. Meanwhile, newly incentivized firms are still arriving (Bartik, 2005).

Finally, enterprise zones focusing on economically depressed areas and residents may be excessively costly. Research shows that jobs provided don't go to needy local residents, but instead to more qualified outsiders (Bartik, 2005) (Dabney, 1991).

State vs. Local Impact of Incentives

Incentives are more likely to influence the location of investment among closely matched local areas like neighboring cities than among states (Chapman & Walker, 1990).

If a state subsidizes the reshuffling of movement of investment among localities, there are no fiscal benefits for that state. The weak interstate effects of incentives on the location choices of businesses means that state governments and local governments overall probably lose far more revenue by cutting taxes to firms that would have located in that state anyway than they gain from the few firms induced to change location (Peters & Fisher, 2004).

Arizona cities and towns currently provide tax incentives to retail businesses as a means to entice those businesses to locate within their borders. In most cases, municipalities offer businesses a rebate on the city sales tax to serve as an economic development tool. Municipalities may also provide a tax incentive in exchange for the developer paying the initial costs of public infrastructure construction. Tax incentives are also provided in

blighted or declining areas to allow the local businesses to reinvest the tax savings back into their business.

Arizona legislation passed in 2005 requires that before a municipality enters into a retail development tax incentive agreement, it must confirm both that the proposed tax incentive is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement and also that the retail business or a similar retail business would not locate in the municipality in the same time, place or manner without the tax incentive. In July 2007, House Bill 2515 was passed prohibiting “municipalities located entirely within a metropolitan statistical area with a population of two million or more from providing retail tax incentives to induce businesses to locate in their municipality.” If incentives are provided after July 1, 2007, state shared transaction privilege and severance tax returned to the community is reduced in the same amount of the incentive given, extended over a period of sixty months. Incentives that are still allowed include tax incentives for all existing retail business facilities, redevelopment areas, reimbursement for public infrastructure dedicated to the government entity, or historic preservation efforts (Arizona State Legislature, 2007).

Incentives in Greater Phoenix

According to the Greater Phoenix Economic Council (GPEC) (2005), tax incentives available in Greater Phoenix range from general programs that can benefit almost any business, to industry-specific programs to make the area more attractive for research and development, environmental technology and other specific types of businesses.

Incentives in Surprise

The City of Surprise offers the following incentives for businesses. Its targeted business incentive goals are the following:

- Attraction, retention or expansion projects which retain or create jobs including but not limited to industrial, healthcare, tourism, education and biotech manufacturing and research.
- Attraction, retention or expansion projects which retain or create municipal sales tax revenues, including but not limited to tourism related businesses and retail development.
- Attraction, retention or expansion projects located within the Original Town Site.
- Development that is expected to generate, within an estimated period of time, revenues exceeding the level of the City's financial participation.
- Those businesses that advance the City's economic development strategy.

(Surprise, 2003)

Conclusions Regarding Incentives

Literature on incentives clearly demonstrates the differences between regional or state perspectives and municipal perspective. The most important issue seems to be the new state law limiting incentives by municipalities, which would preclude the City of Surprise from offering incentives to the Pro's Market chain to locate in its city, unless the site is in a redevelopment area.

Chapter Conclusion

Beginning this chapter's literature review, the author expected to find an accessible model for site evaluation that could be used to determine whether to provide incentives or otherwise attract a Pro's Ranch Market to the City of Surprise. Since the literature review showed the secretive and proprietary nature of site selection process, the scope of the report was narrowed to analyzing the site quality through Richard Fenker's analogue method rather than overall site evaluation, which would have provided a more robust analysis. Literature regarding food retail and Latino shoppers delineated how existing retailers are beginning to target greater Phoenix opportunities. Literature regarding tax incentives clarified that new Arizona legislation bars municipalities from offering incentives, a previous standard practice.

CHAPTER 3 - PRESENTATION OF PROJECT AND METHODOLOGY

Introduction

The preceding chapter outlined the relevant research in the areas of site selection, retail food store location literature, and finally economic development incentives. Due to a paucity of retail food store selection site evaluation models, Dr Richard Fenker's site quality assessment model was chosen, although using this model meant that only site quality is reviewed and detailed store surveys are not utilized in store site location process.

After an initial difficulty in accessing current demographic data for these sites, free access to the Regis Online Mapping and Reporting System from Sites USA was provided to the author, and utilized in Fenker's evaluation process, as further outlined in this chapter. Fenker provides worksheets that analyze characteristics of resident population, competition, and site features. These characteristics are then totaled for a raw site quality score. Weighing each category's raw score produces an overall site quality score. A final site quality score is produced. Specifics of the four existing Phoenix Ranch Markets, two potential Surprise sites, and an average of the four existing Phoenix Ranch Market results are all analyzed in the following chapter.

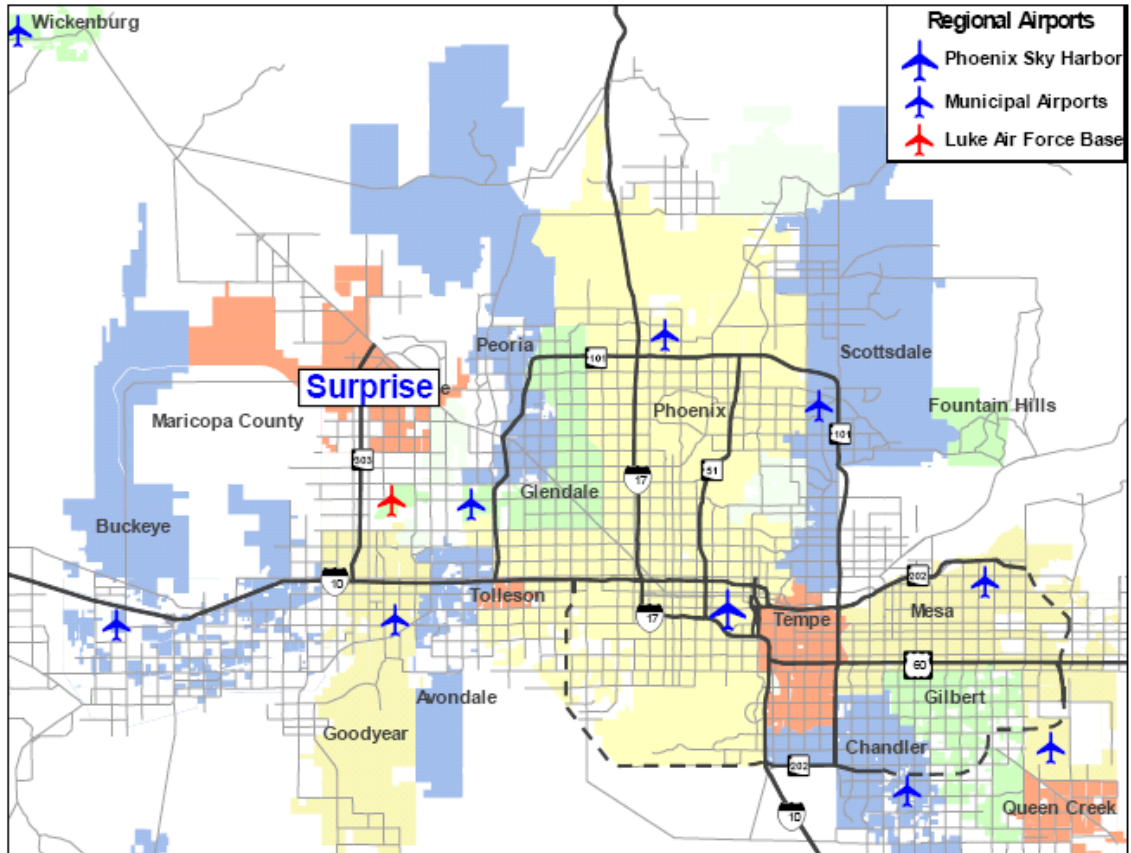
Presentation of Project

The purpose of this Master's Report (MR) is to structure a preliminary site quality assessment to determine the feasibility of the City of Surprise Economic Development Department using Fenker's site evaluation process to determine need for incentives or, alternately, setting up an attraction effort to attract the Pro's Ranch Market grocery chain to potential locations within City boundaries.

Background on City of Surprise

The community of Surprise, Arizona is located northwest of the greater Phoenix metropolitan area. Surprise was incorporated in 1959 as a housing development for farm workers on the fringes of Phoenix.

Figure 2: City of Surprise Location in Greater Phoenix



So

source: GPEC, 2006.

The City of Surprise has grown from 10,737 residents in 1995 residing mainly in the one-square mile Original Town Site (OTS) to 78,265 in 2005, representing a 629 percent increase in ten years, according to the Arizona Department of Economic Security. Today, residents of the Original Town Site (OTS) remain primarily Hispanic. However, that original core of the community is now just a fraction of the total population. Today, Surprise

is 23% Hispanic, as compared to greater Phoenix's 28.3% Hispanic demographics (Greater Phoenix Economic Council (GPEC), September 2005).

Table 2: City of Surprise Historic Population, 1980-2005

GPEC Member Cities	1980 *	1990	1995	2000	2004	2005
Surprise	3,723	7,122	10,737	30,848	63,960	78,265

Source: (Greater Phoenix Economic Council (GPEC), September 2006)

Table 3: Average Annual Percent Growth, City of Surprise

Average Annual Percent Growth				
	1980-1990	1990-1995	1995-2000	2000-2005*
Surprise	9%	10%	37%	37%

Source: U.S. Census Bureau, March 2001. *Source: Maricopa Association of Governments, 2006

In tandem with its growth beyond the original square mile townsite, Surprise's hyper growth rates have radically changed the original demographic characteristics of the community. The median age of Surprise Original Town Site residents in 1980 was 20.3 years. The first large developments near Surprise were active adult communities built in the late 1980s and early 1990s. As these original communities reach build out in the late 1990s and early 2000s, later developments have been marketed to all ages. In 2003, the median age within Surprise's expanded municipality was 45.2 years old, demonstrating the impact of the active adult communities.

Table 4: Median Age, City of Surprise 1980-2003

Year	Median Age (Years)	Percent of Change
2003	45.3	-2%
2000	46.1	11%
1995	41.7	26%
1990	33.0	63%
1985	24.2	19%
1980	20.3	-

Source: U.S. Census Bureau and City of Surprise (2003).

Economic Development Efforts in Surprise

“Economic development is fundamentally about enhancing the factors of productive capacity - land, labor, capital, and technology - of a national, state or local economy.“

(Economic Development Administration, 2005)

Economic development is important in Arizona. The Greater Phoenix population increased by an annual average of 108,453 between 1996 and 2005. Migration accounted for almost 70% of population growth, or 760,600 persons (Greater Phoenix Economic Council (GPEC), 2007). The area’s new residential developments tend to be developed first, secondly retail, than later accompanying employment areas: “commercial development often follows rooftops” (City of Surprise, 2006). Residents of new houses often drive significant distances to jobs, with increasing delays in travel time and increased air pollution. Municipalities respond to this by allocating commercial and industrial spaces in their zoning and allocating staff to work towards attracting companies to those locations. Municipal goals are to increase local sales tax revenue and provide a higher quality of life for residents. The idea behind increased quality of life is that working and living in the same community means more enjoyable alternatives to time spent commuting for residents.

By using its resources and powers to reduce the risks and costs that could prohibit investment, the public sector often has been responsible for setting the stage for employment-generating investment by the private sector (Economic Development Administration, 2005).

Economic development goals for Surprise include the attraction of industrial companies and retail businesses. Specific companies are recruited based on those goals or additional input from elected officials (Hagen, 2005). Incentivization of a food retail store

has not taken place in the past and a significant political or economic impetus would have to be provided for such incentivization to be provided by the City Council.

Methodology

Analogue Questionnaire

To weigh the merits of potential sites in the municipality of Surprise against existing successful similar supermarkets, this report tests a site evaluation process from Richard Fenker's book for small and medium-sized retail businesses. This process generally follows the first two of Smith and Sanchez's hierarchical stages, while omitting the third level of detailed store surveys for post-occupancy or operation during final store site location.

Information Sources

Information for this report has been gathered from site observations and demographic sources like the Regis Online Mapping and Reporting System from Sites USA, the City of Surprise GIS system, Business Analyst, and the US Census.

Overview of Fenker's Site Evaluation Process

Site selection's first decisions establish the criteria for a list of potential sites within a delineated area and corresponding to evaluation factors. After analysis to identify the top sites, or the "short list," Fenker's detailed evaluation process has been used to develop the final recommendation for site selection.

Fenker's process for site evaluation is the following sequence: gather preliminary information on the company and its target market, drive the trade area to observe key factors,

enter ratings for specific site factors in the spreadsheet, formulate final considerations and ultimately conclude by comparing different sites' scores.

Preliminary Information

Part of the preliminary information on the company and its target market involves determining the needs of the project, best clarified through the company's strategic plan/business plan. Although Fenker does not elaborate on business plans, a business plan should encompass a market analysis, company description, organization & management, marketing & sales management, product line, funding needs, and financial projections (US Small Business Administration, 2006).

Company's Growth Strategy

A company's growth strategy involves its plans for expansion. Growth strategy varies depending on whether the company has one or a few locations. The degree to which the market is built out is also a variable, as is the company's strategy for market penetration, the degree to which current store locations penetrate or exhaust the potential supply of customers. Pro's Ranch Market has chosen its first expansion outside of California in the greater Phoenix area and located nearly half of its dozen stores in Arizona.

Methodology of Spreadsheet Rankings

Fenker provides worksheets that analyze characteristics of resident population, competition, and site features. These characteristics are then totaled for a raw site quality score. Weighing each category's raw score produces an overall site quality score. At the end, a final site quality score is produced. See Appendix B for site worksheets.

Ratings System

Fenker reasons that the success of a business location is based on the real judgments of ordinary consumers about the suitability of subjective site features, so although people rating the same factor are likely to give different answers, most of the time, raters can agree on three major classes of ratings: below average, average, and above average. By adding two additional categories at the extreme ends, Fenker creates a simple five-choice rating scale that is consistent for most raters and can be used to compare individual sites. A ranking of 1 is the lowest valuation: “little to none,” “sparse,” or “not convenient at all.” A ranking of 2 is “some,” or “only slightly convenient,” while a ranking of 3 is “moderate,” “adequate,” or “fairly convenient.” A ranking of 4 is “good level,” and “natural, convenient.” Finally, a ranking of 5 is the highest valuation: “high level,” “abundant,” or “a major thoroughfare.”

Customer Sources

Retail businesses seek to attract shoppers from the surrounding community: residents, local workers, shoppers, enjoyment seekers, travelers, and commuters. Other special populations may be found in schools, military bases, or in seasonal residents. Appendix A provides demographics of each site considered, including estimated current population, estimated population density, trade area size, estimated number of households, and Hispanic/Latino Population. The trade area is the area containing 70 to 80 percent of a business’s potential customers. Trade area is broken out into zones with drive times of one-minute (“residential zone”), five-minute (“convenience zone”) and ten-minute (“destination zone”) of each site.

The weights for neighborhood population, special population, and resident fit are calculated for each zone. Within the one-minute drive time residential zone and five-minute

convenience zone, density of residents is more important than the ten-minute destination zone, according to Fenker. Therefore, in Table 2, a weight of 45% was given to each of the scores for the one and five-minute drive times, while the ten-minute drive time has a 10% weight, showing the importance of residents in the closer drive distance. This might be weighed differently if a different percentage of customers is correlated with drive times, based on local customer and residential demographics.

The final customer source score is calculated by adding all 3 weighted site scores. Final customer source scores for each site follow. Final spreadsheet calculations for each site are found in Appendix A, "Demographics" and Appendix B, "Site Evaluation Worksheet."

Demographic data for this report was provided by the Regis Online Mapping and Reporting System from Sites USA. Sites USA creates the most up to date, customized demographic information available for the Phoenix metropolitan area that includes calculation of trade area size based on drive times and traffic counts.

Residents

The second table ranks neighborhood population, special population, and resident fit for the Ranch Market on Fenker's five-point subjective rating scale where 1 is lowest and 5 is highest

Site visits and the Regis Online Mapping and Reporting System were utilized as sources of information.

Neighborhood Population

According to Fenker's book, "neighborhood population" is simply the population of residents within a zone. Neighborhood population is rated by comparing a site's overall population density, or number of persons per square mile, to an average of the population density at four existing Ranch Market supermarket sites.

A zone's score of 1 ("Sparse") is less than 45% of the existing 4-location average, 3 ("Adequate") is from 45% to less than 80%, 4 ("Good") is 80 to 100% of the existing 4-location average, and 5 ("Abundant") is over the existing 4-location average. Each zone score is later totaled for a final score.

Special Population

Special population is "any school, military base, or seasonal residents, etc. that are not adequately represented by demographics." scored from 0 to 5 for each zone. A zone's ranking of 1 is "Sparse." 2 is "Fair." 3 is "Adequate." 4 is "Good." and 5 is "Abundant." Each zone score is then totaled for a final score.

Resident Fit

Resident fit, the portion of residents within a certain zone that fit the target customer profile, ranges from 1, "Sparse," to 5, "Abundant." Resident fit is calculated by comparing a site's percentage Hispanic/Latino population to an average of the four existing Ranch Market supermarket sites' percentage Hispanic/Latino population. A resident fit score of 1 ("Sparse") is less than .45 of the existing 4-location average, 3 ("Adequate") is less than .65, a score of 4 ("Good") is 80 to 100% of the existing 4-location average, and 5 ("Abundant") is more than the existing 4-location average.

Daytime Population

The second primary source of customers is the daytime population, which, according to Fenker, is a “group of daily migrants [that] fills the streets, shops, restaurants, and offices near your site during the day and then returns home in the evening.” Daytime population is made up of several different customer sources. This report considers employees and shoppers, but not entertainment seekers.

Each category is scored from 0 to 5, for the three drive-time rings. A ranking of 1 is “Sparse.” 2 is “Fair.” 3 is “Adequate.” 4 is “Good.” and 5 is “Abundant.”

A final daytime population score is calculated by adding the weighted scores for each zone. Calculations for each site are found in Appendix A, “Demographics” and Appendix B, “Site Evaluation Worksheet.”

Workers - Employees

People working in an area “will shop coming to and from work, at lunch break, and after work.” 2006 demographics data from Regis Online Mapping and Reporting System was utilized to calculate ratings for Employee Population, Business Activity, Transient Population, and Employee Fit. See Appendix C, “Daytime Population,” for details on specific sites.

Employee Population

The impact of Employee Population is determined by estimating what percentage of employees using this Latino supermarket concept is found in the one-minute drive time residential zone and five-minute convenience zone. The ten-minute destination zone is unlikely to provide many customers since employees rarely travel more than a few miles to a business during work hours. Therefore, a weight of 70% was given to the scores for the one-

minute convenience drive times, while the five-minute residential zone drive time has a 30% weight.

Business Activity

Business Activity is the level of overall activity in the retail trade area around a proposed site. Individual factors contributing to the Business Activity rating include retail activity in the area around the site, whether major, good, moderate, limited or poor; restaurant activity in the area around the site, entertainment activity around the site, and evening activity around the site. A ranking of 1 is “little to no activity.” 2 is “some activity.” 3 is “moderate level of activity.” 4 is “good level of activity.” and 5 is “high level of activity.”

Transient Population

The impact of Transient Population is the level of impact of both commuters and travelers on a site. First, there is a rating of how well the retail business area in the convenience zone functions as a realistic place for commuters to stop. A ranking of 1 is “it is not convenient at all to stop.” 2 is “it is only slightly convenient to stop.” 3 is “it is a fairly convenient place to stop.” 4 is “it is a natural, convenient place to stop.” and 5 is “this is a major thoroughfare for commuters and travelers.” Secondly, traveler influence is rated by considering the potential of this site to attract travelers – people in transit through the city. Considerations include volume of travelers on the roads near the site and the likelihood that a traveler will actually note the signage, be able to exit, and come to this site. A ranking of 1 is “None,” 2 is “slight.” 3 is “fair.” 4 is “Good.” and 5 is “Excellent.” The final transient population rating for this report was determined by giving a weight of 90% to the commuter and 10% to traveler consideration. The convenience zone is most likely to provide any

customers since employees rarely travel more than a few miles to a business during work hours. Residential and destination zones are not considered for transient population ratings.

Employee Fit

Employee fit is determined by rating the portion of employees in the convenience and residential zone that are likely to fit the customer profile, based on observations at site visits, demographics on local businesses, and overall employee demographics. A ranking of 1 is “None,” 2 is “A Few,” 3 is “Some,” 4 is “Most,” and 5 is “All.”

Shoppers

Site observations and 2006 demographics data from Regis Online Mapping and Reporting System were utilized to calculate ratings for Shopper Fit and Transient Fit. See Appendix D, Shoppers - Surrounding Retail, for information on specific sites.

Shopper Fit

Shopper fit is determined by rating the portion of shoppers in the convenience zone who are likely to fit the customer profile. A ranking of 1 is “None,” 2 is “A Few,” 3 is “Some,” 4 is “Most,” and 5 is “All.”

Transient Fit

Transient fit is determined by rating the portion of transients traveling through the convenience zone who are likely to fit the customer profile. A ranking of 1 is “None,” 2 is “A Few,” 3 is “Some,” 4 is “Most,” and 5 is “All.”

Demand Section

Fenker's base calculation is that demand equals total customers divided by competition. Prior calculations of customer sources quantify total customers. To quantify competition, the individual impact of direct and indirect competition is assessed, and then a general competition rating is created. Calculations for each site are found in Appendix A, "Demographics" and Appendix B, "Site Evaluation Worksheet." See Appendix D, Demand Analysis, for information on specific sites.

Demand Rating

The Subtotal for Demand is calculated by summing up previous rankings of customer sources. Then the Demand Rating is calculated by assigning a ranking based on the sum of customer source ratings. A sum of less than 15 is a ranking of 1, a sum of between 15 and 22 is a ranking of 2, a sum between 22 and 30 is a 3, a sum between 30 and 37 is a 4, and a sum between 37 and 45 is a 5.

Direct Competition

Direct competition comes from businesses similar in theme, merchandise, food, or target customer. True direct competitors are essentially competing for the same dollar within the trade area. Selection criteria between direct competitors include convenience, habit or preference, perceived quality, selection, service, and variety. To estimate the level of direct competition for a business, a ranking of 1 is "Slight." 2 is "Low." 3 is "Moderate." 4 is "High." and 5 is "Excessive."

Indirect Competition

Indirect competition comes from two main areas: stores that sell the same food or merchandise as a small part of their overall business; or stores that sell similar goods, but

with a different theme, price, quality level, or selection. To estimate the level of indirect competition for a business, a ranking of 1 is “Slight,” 2 is “Low,” 3 is “Moderate,” 4 is “High,” and 5 is “Excessive.”

General Competition Rating

In this report, the direct competition and indirect competition ratings are given equal weight using an average of the direct and indirect ratings to calculate the general competition rating

Competition

Regis Online Mapping and Reporting System supermarket competitor reports have been utilized within 1-minute (“convenience zone”), 5-minute (“residential zone”), and 10-minute (“destination zone”) drive times. The final Competition Score is calculated by dividing the Demand Rating (1-5) by the Competition Rating (1-5).

Site Features

Site characteristics and site character issues consider drop-in features that influence a site’s convenience for potential unplanned visits, trade area features of the site’s surrounding area, and features of the general market.

Drop-In Features

Drop-in features influence the convenience and potential of the site to attract customers making unplanned visits. Drop-in features include visibility, access from major traffic arteries to the site, and strategic access, which is the convenience of the store’s position relative to key customer sources, i.e. bus lines or major arterials.

Since supermarkets are a destination concept, accessibility has a lesser impact than for convenience destinations. Fenker quantifies the impact of accessibility as about 2-5% of overall business volume. Shoppers already plan to go to the store, so will take the time to wait out minor local road or transit accessibility delays. Therefore a site with lower access scores should not be ruled out.

Visibility

Ratings for visibility of sites' sign and building from the primary road range from 1, "No Visibility," to 5, "Excellent or Prominent Visibility." Site observations are used for rankings of each of the sites.

Prototype

"Prototype" is the building, signage, and façade of a concept conveying a distinctive image that is easy to recognize when similar to a common prototype and difficult to recognize when forced into an unusual space or building. Ratings for prototype range from 1, "Quite Different from a Typical Prototype," To 5, "Identical to a Typical Prototype." The Ranch Market chain has a successful prototype for a Latino

supermarket – clearly "able to be discriminated," as Fenker states, from surrounding stores to a person who has never seen this company's stores and is only moderately familiar with the sign or building prototype. (See photo.)



Figure 3: Ranch Market Prototype
Source: Pro's Market, 2006

Access

“Access” is rated by how easy it is to get from the major traffic arteries to a convenient place to park for the site. Access ratings range from 1, “Difficult,” to 5, “Very Easy.”

Existing Ranch Market supermarkets are located at a major intersection and close to major arterials and are easily accessible by automobile. Additional access is through Valley Metro bus lines and a free Pro’s Ranch



Figure 4 Pro's Market Shuttle,
Source: Pro's Market, 2006

Market shuttle to return customers home. Site observations are used for rankings of each of the sites. See Appendix E, Site Features, for detailed drawings of ingress and egress for each site.

Strategic Position

Ratings for strategic position consider how the site is situated relative to other businesses in the immediate area. Ratings range from 1, “Weak Strategic Position,” to 5, “Premier or Unique Strategic Position.” Site observations are the source of rankings of each of the sites.

Parking

Parking ratings rate the portion of time that convenient parking is available, from 1, “Seldom,” to 5, “All of the Time.” Site observations are used for rankings of each of the sites.

Overall Drop-In Feature Rating

To calculate an overall rating for each site’s drop-in features, the five individual trade area categories of Visibility, Prototype, Access, Strategic Position, and Parking are weighted

based on which of these categories are most important to this concept. The Ranch Market supermarkets in Phoenix share the same prototype standards, so that category is not included in the overall rating. Strategic Position and Parking were assigned weights of .40 as the most important consideration. Access and Visibility were each given a weight of .10 since supermarkets are a destination concept not wholly dependent on the ease of access for their customers. The calculated drop-in features rating is then rounded to get a score from 1, “Poor Drop-In Features,” to 5, “Excellent Drop-In Features.”

Trade Area Features

The trade area is the area containing 70 to 80 percent of a business’s customers. Trade area features include the type of neighborhood the site is in; physical character of the neighborhood; quality of surroundings; retail balance; amount of direct competition; linkages with surrounding retail; traffic, and some general market features.

Typical considerations for retail targeting higher income customers revolve around avoiding lower quality surroundings. However, in this market segment, which targets Hispanic shoppers, an older, more urban physical character of the neighborhood does not appear to impact customers. Current Phoenix Ranch Market supermarkets have security guards at entrances and in parking lots; however that is normal for this demographic and urban environment.

To calculate an overall rating for each site’s trade area features, the five individual trade area categories of Surroundings, Growth, Resident Access, Employee Access, and Business Cluster proximity are weighted based on which of these categories are most important to this concept. Surroundings and Growth are not included in the overall rating because a destination Hispanic supermarket may be located in a lower income, higher density

location that may have lower surrounding and growth scores than non-Hispanic concentration locations. Resident access was given a weight of .60 as the most important consideration first because supermarkets are convenience concepts depending on access, and secondly, a Hispanic-focused supermarket with fresh produce, meats, and other staples depends on access to an even higher extent.. Business cluster was assigned a weight of .30 since the surrounding retail influences shopper behavior. Finally, employee access was given a weight of .10 since local employees may “trip-chain” on their way to or from work. The trade area features rating is then rounded to get a score from 1, “Poor Trade Area Features,” to 5, “Excellent Trade Area Features.”

Resident Access

The quality of the access corridor between the major residential areas and the site is rated from 1, “Poor,” to 5, “Excellent.” Site observations are used for rankings of each of the sites. See Appendix E “Site Features” for site drawings showing ingress and egress, major intersections, medians, and freeways.

Employee Access

The quality of the access corridor between the offices, factories, or other employment sources and the site is rated from 1, “Poor,” to 5, “Excellent.” Site observations are used for rankings of each of the sites.

Business Clusters

The assessment of how similar the people who are likely to shop at other stores and restaurants in the immediate retail trade area are to the concept’s customers is categorized from 1, “Not Very Similar,” to 5, “Very Much.” Site observations are used for rankings of each of the sites.

Calculating Final Weighted Score

At this point, each category's current score was weighted according to the relative importance of each category. Resident fit and competition were both given the highest weight of 20 based on their importance to the Latino niche supermarket concept. Employee fit, drop-in features, and trade area features were given weights around 10 and are the next highest weighted categories.

The final weighted category scores was totaled for the raw site quality score. A final site quality estimate of "Dog" (weakest), "Fair," "Average," "Above Average," or "Excellent" (highest score) was calculated by summing all weighted scores.

Conclusion

This chapter defines this project's purpose, that is, structuring a preliminary site quality assessment to determine the feasibility of the City of Surprise Economic Development Department using Fenker's site evaluation process to determine need for incentives or, alternately, setting up an attraction effort to attract the Pro's Ranch Market grocery chain to potential locations within City boundaries. Subsequently, the chapter details the process for Richard Fenker's site quality evaluation process. Demographic information and site observations were the primary data entered into Fenker's site evaluation spreadsheets. An initial difficulty in accessing current demographic data instead of outdated Census 2000 was solved by accessing proprietary demographic data from Claritas. Another difficulty that arose in using Fenker's evaluation process, which limited the research to site quality issues rather than economic feasibility of the development. Data on the four existing Phoenix Ranch Markets, two potential Surprise sites, and an average of the four existing Phoenix Ranch Market results are all analyzed in the following chapter.

CHAPTER 4 DATA ANALYSIS AND DISCUSSION

Introduction

Following the three previous chapters in this report which detailed a literature review for site selection issues and municipal economic development attraction efforts for a Latino supermarket in the greater Phoenix area, and the subsequent choice of Richard Fenker's site quality evaluation process, this chapter analyzes data for four Phoenix Ranch Market locations and two potential locations in the City of Surprise, Arizona, utilizing Fenker's site quality evaluation framework to review customer sources, competition, site features, and additional final considerations. Important findings within this chapter are that the Surprise potential sites are most different from the four existing Phoenix stores in the surrounding neighborhood population, resident fit, employee fit, and shopper fit; while closest to the existing stores in employee population, transient population, parking, and amount of direct and indirect competition.

The resulting final site scores for the two potential sites in Surprise will be evaluated in Chapter 5 in order to recommend whether the City of Surprise Economic Development Department should utilize incentives to attract the Pro's Ranch Market supermarket chain to Surprise, and the limited but useful applications of Fenker's method to municipal economic development processes.

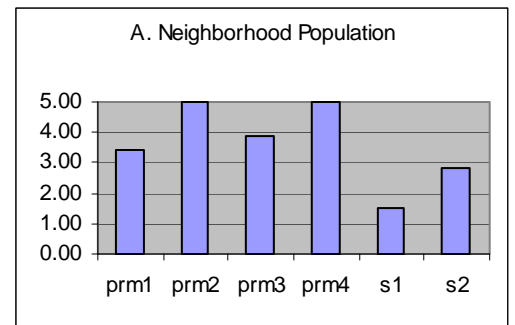
Customer Sources

Residents - Weighed Scores

Within the one-minute drive time residential zone and five-minute convenience zone, density of residents is more important than the ten-minute destination zone. Therefore, to calculate the final weighted score for each category, a weight of 45% was given to the scores for the one and five-minute drive times, while the ten-minute drive time has a 10% weight, showing the importance of residents in the closer drive distance.

Neighborhood Population

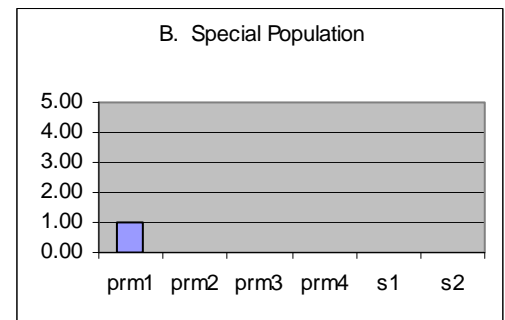
	Final Score
Phoenix Ranch Market #1	3.45
Phoenix Ranch Market #2	5.0
Phoenix Ranch Market #3	3.88
Phoenix Ranch Market #4	5.0
Surprise Potential Site #1	1.5
Surprise Potential Site #2	2.85



Special Population

Special population is “any school, military base, or seasonal residents, etc. that are not adequately represented by demographics.”

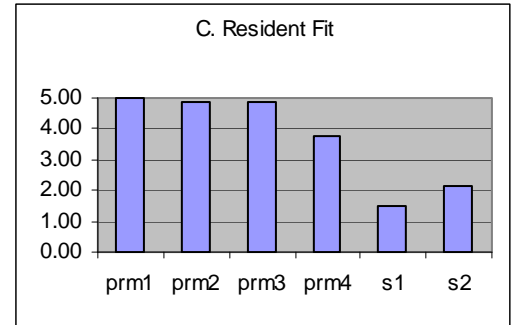
	Final Score
Phoenix Ranch Market #1	1.0
Phoenix Ranch Market #2	0.0
Phoenix Ranch Market #3	0.0
Phoenix Ranch Market #4	0.0
Surprise Potential Site #1	0.0
Surprise Potential Site #2	0.0



Resident Fit

Resident fit rates the portion of residents within a certain zone that fit the target customer profile. The locations with the highest score had the highest percentage of Hispanic resident population.

	Final Score
Phoenix Ranch Market #1	5.0
Phoenix Ranch Market #2	4.9
Phoenix Ranch Market #3	4.9
Phoenix Ranch Market #4	3.78
Surprise Potential Site #1	1.5
Surprise Potential Site #2	2.18



Daytime Population

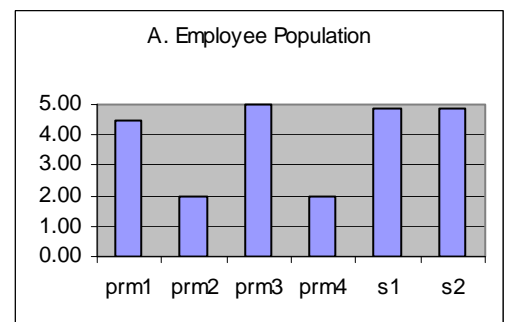
Daytime population is a “group of daily migrants [that] fills the streets, shops, restaurants, and offices near your site during the day and then returns home in the evening.” This report considered employees and shoppers, but not entertainment seekers, since a shopping destination is not an entertainment destination.

Workers - Employees

Employee Population

To calculate the final score, a weight of 70% was given to the scores for the one-minute convenience drive times, while the five-minute residential zone drive time was given a 30% weight. The locations with the highest score have the highest percentage of employees likely to fit the customer profile.

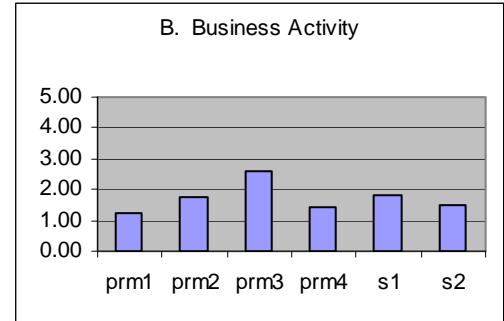
	Final Score
Phoenix Ranch Market #1	4.5
Phoenix Ranch Market #2	2.0
Phoenix Ranch Market #3	5.0
Phoenix Ranch Market #4	2.0
Surprise Potential Site #1	4.85
Surprise Potential Site #2	4.85



Business Activity

Business Activity is the level of overall activity in the retail trade area around a proposed site. The locations with the highest score have the highest level of overall activity in the retail trade area around a proposed site, including retail, restaurant, entertainment, and evening activity in the area around the site.

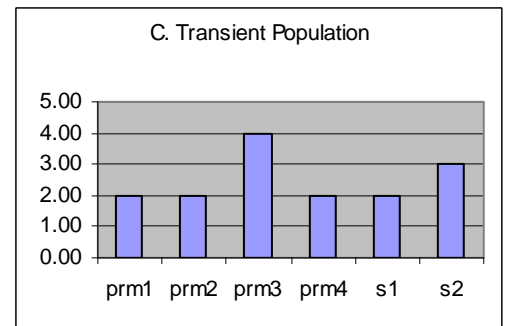
	Final Score
Phoenix Ranch Market #1	1.23
Phoenix Ranch Market #2	1.75
Phoenix Ranch Market #3	2.63
Phoenix Ranch Market #4	1.40
Surprise Potential Site #1	1.84
Surprise Potential Site #2	1.49



Transient Population

The locations with the highest score are ranked as a realistic place for commuters to stop.

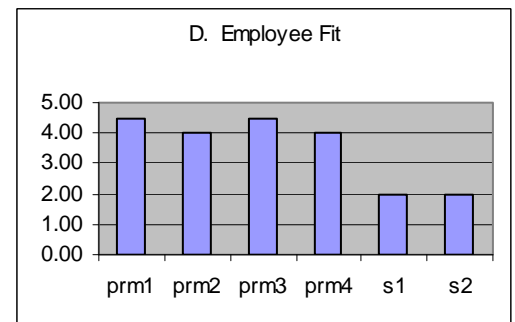
	Final Score
Phoenix Ranch Market #1	2.0
Phoenix Ranch Market #2	2.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	2.0
Surprise Potential Site #1	2.0
Surprise Potential Site #2	3.0



Employee Fit

The locations with the highest score are determined to have the highest portion of employees in the convenience and residential zone likely to fit the customer profile.

	Final Score
Phoenix Ranch Market #1	4.5
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.5
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	2.0
Surprise Potential Site #2	2.0

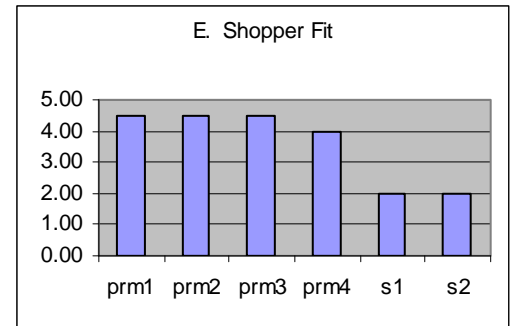


Shoppers

The locations with the highest score have the highest portion of shoppers in the convenience zone who are likely to fit the customer profile.

Shopper Fit

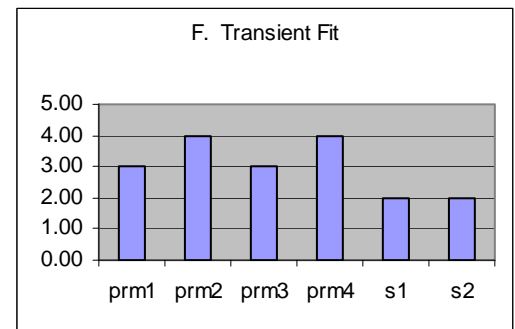
	Final Score
Phoenix Ranch Market #1	4.5
Phoenix Ranch Market #2	4.5
Phoenix Ranch Market #3	4.5
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	2.0
Surprise Potential Site #2	2.0



Transient Fit

The locations with the highest score have the highest number of transients traveling through the convenience zone who are likely to fit the customer profile.

	Final Score
Phoenix Ranch Market #1	3.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	2.0
Surprise Potential Site #2	2.0



Demand Section

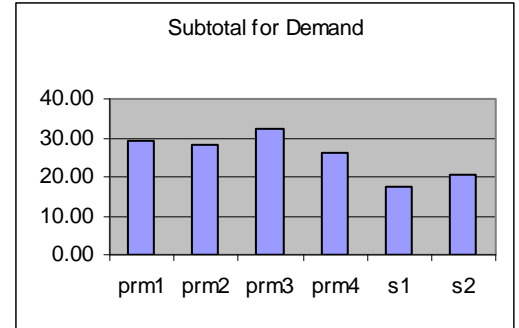
Fenker's base calculation is that demand equals total customers (daytime and resident population) divided by competition.

Demand Rating

Subtotal for demand was calculated for each site. All final customer scores were totaled, then ranked on a scale from 1 to 5. Scores from 0 to 15 resulted in a final demand rating of 1, over 15 to 22 in a rating of 2, over 22 to 30 in a rating of 3, over 30 to 37 in a

rating of 4, and over 37 to 45 in a rating of 5. The locations with the highest score have the highest rankings for overall customer sources.

	Final Score	Rating
Phoenix Ranch Market #1	29.18	2.0
Phoenix Ranch Market #2	28.15	2.0
Phoenix Ranch Market #3	32.40	3.0
Phoenix Ranch Market #4	26.18	2.0
Surprise Potential Site #1	17.69	1.0
Surprise Potential Site #2	20.36	1.0

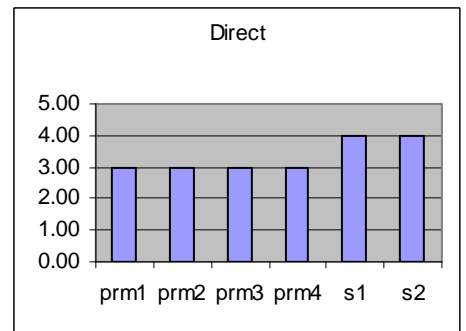


Direct Competition

Based on counting the number of directly competing supermarkets within a 5-minutedrive time based on Regis Online Mapping and Reporting data, each site’s level of direct competition for a Latino supermarket was ranked from 1, “Slight.” to 5, “Excessive.”

Locations with the highest score have the most direct competitors.

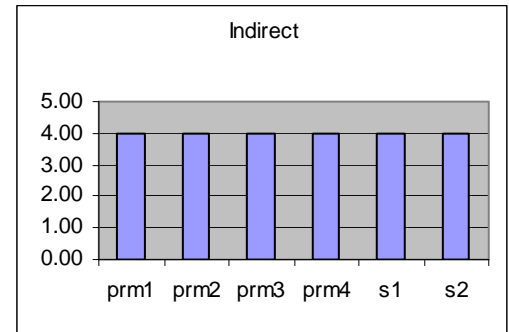
	Final Score
Phoenix Ranch Market #1	3.0
Phoenix Ranch Market #2	3.0
Phoenix Ranch Market #3	3.0
Phoenix Ranch Market #4	3.0
Surprise Potential Site #1	4.0
Surprise Potential Site #2	4.0



Indirect Competition

Based on counting the number of indirectly competing specialty supermarkets and super-centers within a 5-minute drive time based on Regis Online Mapping and Reporting data, each site’s level of indirect competition for a Latino supermarket was ranked from 1, “Slight.” to 5, “Excessive.” Locations with the highest score have the most indirect competitors.

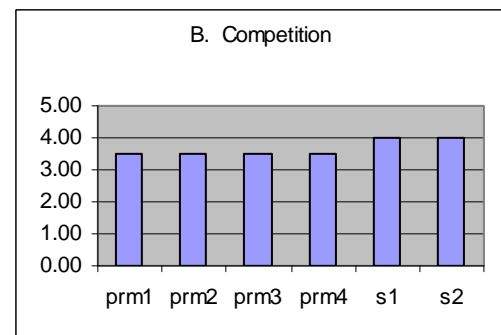
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	4.0
Surprise Potential Site #2	4.0



General Competition Rating

The general competition rating was calculated equally using the average of competition and indirect competition ratings. Locations with higher scores have the most direct and indirect competitors.

	Final Score
Phoenix Ranch Market #1	3.5
Phoenix Ranch Market #2	3.5
Phoenix Ranch Market #3	3.5
Phoenix Ranch Market #4	3.5
Surprise Potential Site #1	4.0
Surprise Potential Site #2	4.0



Competition

Final Competition Score

The final Competition Score is calculated by dividing the Demand Rating (1-5) by the Competition Rating (1-5). Depending on the local demand, competition's impact is different. In a saturated market, any additional competition just reduces sales for all similar stores. In a healthy market, additional competition helps to meet the strong demand. For the final competition score, locations with higher scores have more competition. The remaining question is, is there sufficient local demand?

	Final Score
Phoenix Ranch Market #1	.57
Phoenix Ranch Market #2	.57
Phoenix Ranch Market #3	.86
Phoenix Ranch Market #4	.57
Surprise Potential Site #1	.25
Surprise Potential Site #2	.25

Site Features

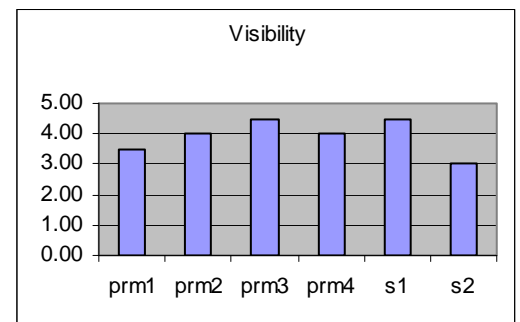
Site characteristics and site character issues review drop-in features that influence a site's convenience for potential unplanned visits, trade area features of the site's surrounding area, and features of the general market.

Drop-In Features

Visibility

Locations with higher scores have better visibility from major and lesser arteries.

	Final Score
Phoenix Ranch Market #1	3.5
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.5
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	4.5
Surprise Potential Site #2	3.0



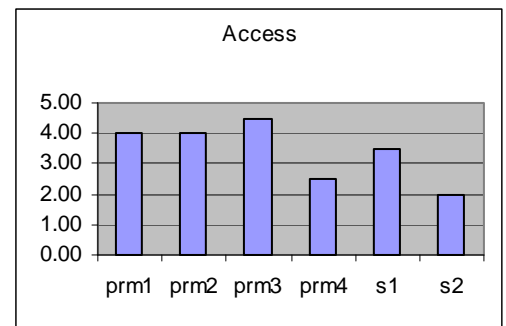
Prototype

The Ranch Market prototype is the same for each site, so the ranking is a consistent 5 for each site. Higher scores have a distinctive concept image in building, signage, and façade.

Access

Locations with higher scores have better access from the major traffic arteries to a convenient place to park for the site.

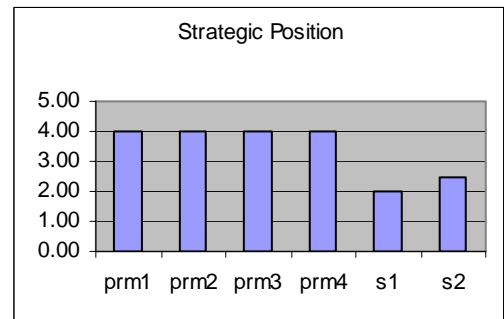
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.5
Phoenix Ranch Market #4	2.5
Surprise Potential Site #1	3.5
Surprise Potential Site #2	2.0



Strategic Position

Locations with higher scores are better situated relative to other businesses in the immediate area.

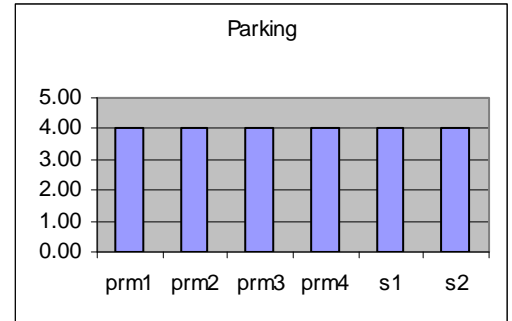
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	2.0
Surprise Potential Site #2	2.5



Parking

Locations with higher scores have more convenient parking available.

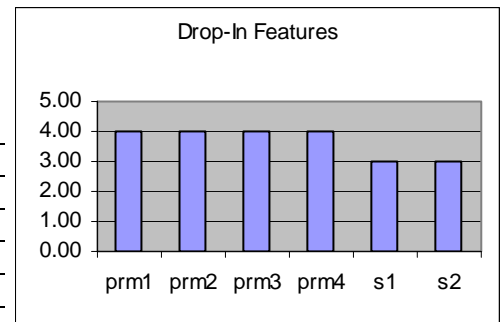
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	4.0
Surprise Potential Site #2	4.0



Calculating Overall Drop-In Feature Rating

Each site's calculated drop-in features rating follows. Locations with higher scores show higher Strategic Position, Parking, Access and Visibility scores.

	Final Score	Rounded Score
Phoenix Ranch Market #1	3.95	4
Phoenix Ranch Market #2	4.0	4.0
Phoenix Ranch Market #3	4.1	4.0
Phoenix Ranch Market #4	3.85	4.0
Surprise Potential Site #1	3.20	3.0
Surprise Potential Site #2	3.1	3.0

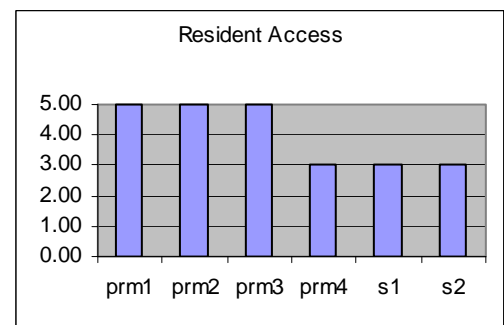


Trade Area Features

Resident Access

Locations with higher scores have better quality access corridor between major residential areas and the site.

	Final Score
Phoenix Ranch Market #1	5.0
Phoenix Ranch Market #2	5.0
Phoenix Ranch Market #3	5.0
Phoenix Ranch Market #4	3.0
Surprise Potential Site #1	3.0
Surprise Potential Site #2	3.0

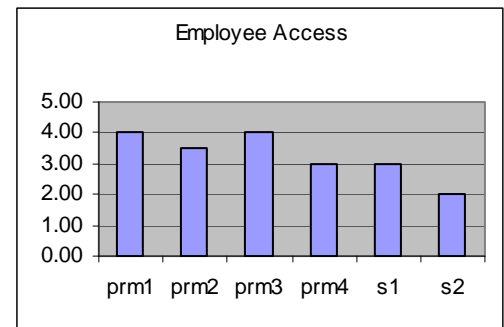


Employee Access

Locations with higher scores have better quality of the access corridor between major residential areas and the site.

Ratings for the quality of the access corridor between the offices, factories, or other employment sources and the site follow.

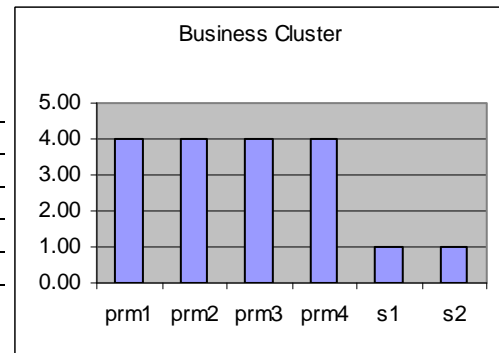
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	3.5
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	3.0
Surprise Potential Site #1	3.0
Surprise Potential Site #2	2.0



Business Clusters

Locations with higher scores are where the people who are likely to shop at other stores and restaurants in the immediate retail trade area are more similar to the concept's customers.

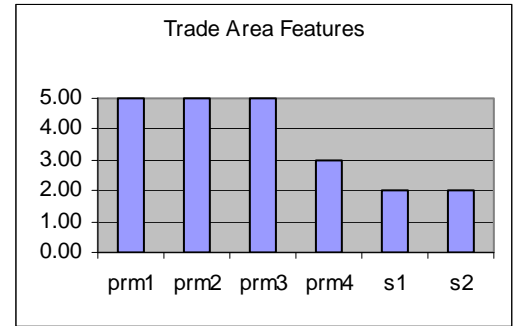
	Final Score
Phoenix Ranch Market #1	4.0
Phoenix Ranch Market #2	4.0
Phoenix Ranch Market #3	4.0
Phoenix Ranch Market #4	4.0
Surprise Potential Site #1	1.0
Surprise Potential Site #2	1.0



Trade Area Features

To calculate an overall rating for each site’s trade area features, the five individual trade area categories of Surroundings, Growth, Resident Access, Employee Access, and Business Cluster proximity were weighted based on which of these categories are most important to this concept. Locations with higher scores have overall higher individual trade area categories.

	Final Score	Rounded Score
Phoenix Ranch Market #1	4.6	5
Phoenix Ranch Market #2	4.55	5
Phoenix Ranch Market #3	4.6	5
Phoenix Ranch Market #4	3.3	3
Surprise Potential Site #1	2.4	2
Surprise Potential Site #2	2.3	2

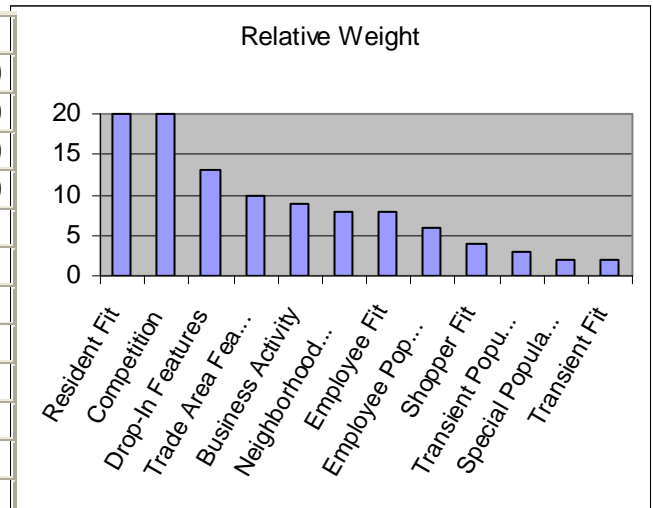


Calculating Final Weighted Score

At this point, each category’s current score has been weighted according to the relative importance of each category. As stated previously, Resident Fit and Competition are both given the highest weight of 20 based on their importance to the Latino niche supermarket concept. Employee Fit, Drop-In Features, and Trade Area features are given weights around 10 and are the next highest weighted categories. Fenker assigns weights based on 100 for the final weighted score, while using weights based on 1 for individual category current scores.

Table 4 Relative Weights of Site Characteristics

Relative Weights for Hispanic Supermarket Concept	
Resident Fit	20.00
Competition	20.00
Drop-In Features	13.00
Trade Area Features	10.00
Business Activity	9.00
Neighborhood Population	8.00
Employee Fit	8.00
Employee Population	6.00
Shopper Fit	4.00
Transient Population	3.00
Special Population	2.00
Transient Fit	2.00



The final weighted category scores is totaled for the raw site quality score.

Phoenix Ranch Market #1

Table 5 Weighting Site Characteristics for Hispanic Supermarket Concept (Phoenix Ranch Market #1)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	3.45	8.00	27.60
Special Population	1.00	2.00	2.00
Resident Fit	5.00	20.00	100.00
Employee Population	4.50	6.00	27.00
Business Activity	1.23	9.00	11.03
Transient Population	2.00	3.00	6.00
Employee Fit	4.50	8.00	36.00
Shopper Fit	4.50	4.00	18.00
Transient Fit	3.00	2.00	6.00
Competition	0.57	20.00	11.43
Drop-In Features	4.00	13.00	52.00
Trade Area Features	5.00	10.00	50.00

Raw Site Quality Score 372.05

Phoenix Ranch Market #2

Table 6 Weighting Site Characteristics for Hispanic Supermarket Concept (Phoenix Ranch Market #2)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	5.00	8.00	40.00
Special Population	0.00	2.00	0.00
Resident Fit	4.90	20.00	98.00
Employee Population	2.00	6.00	12.00
Business Activity	1.75	9.00	15.75
Transient Population	2.00	3.00	6.00
Employee Fit	4.00	8.00	32.00
Shopper Fit	4.50	4.00	18.00
Transient Fit	4.00	2.00	8.00
Competition	0.57	20.00	11.43
Drop-In Features	4.00	13.00	52.00
Trade Area Features	5.00	10.00	50.00

Raw Site Quality Score 363.18

Phoenix Ranch Market #3

Table 7 Weighting Site Characteristics for Hispanic Supermarket Concept (Phoenix Ranch Market #3)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	3.88	8.00	31.00
Special Population	0.00	2.00	0.00
Resident Fit	4.90	20.00	98.00
Employee Population	5.00	6.00	30.00
Business Activity	2.63	9.00	23.63
Transient Population	4.00	3.00	12.00
Employee Fit	4.50	8.00	36.00
Shopper Fit	4.50	4.00	18.00
Transient Fit	3.00	2.00	6.00
Competition	0.86	20.00	17.14
Drop-In Features	4.00	13.00	52.00
Trade Area Features	5.00	10.00	50.00

Raw Site Quality Score 398.77

Phoenix Ranch Market #4

Table 8 Weighting Site Characteristics for Hispanic Supermarket Concept (Phoenix Ranch Market #4)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	5.00	8.00	40.00
Special Population	0.00	2.00	0.00
Resident Fit	3.78	20.00	75.50
Employee Population	2.00	6.00	12.00
Business Activity	1.40	9.00	12.60
Transient Population	2.00	3.00	6.00
Employee Fit	4.00	8.00	32.00
Shopper Fit	4.00	4.00	16.00
Transient Fit	4.00	2.00	8.00
Competition	0.57	20.00	11.43
Drop-In Features	4.00	13.00	52.00
Trade Area Features	3.00	10.00	30.00

Raw Site Quality Score 315.53

Potential Surprise Site #1

Table 9 Weighting Site Characteristics for Hispanic Supermarket Concept (Potential Surprise Site #1)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	1.50	8.00	12.00
Special Population	0.00	2.00	0.00
Resident Fit	1.50	20.00	30.00
Employee Population	4.85	6.00	29.10
Business Activity	1.84	9.00	16.54
Transient Population	2.00	3.00	6.00
Employee Fit	2.00	8.00	16.00
Shopper Fit	2.00	4.00	8.00
Transient Fit	2.00	2.00	4.00
Competition	0.25	20.00	5.00
Drop-In Features	3.00	13.00	39.00
Trade Area Features	2.00	10.00	20.00

Raw Site Quality Score 210.64

Potential Surprise Site #2

Table 10 Weighting Site Characteristics for Hispanic Supermarket Concept (Potential Surprise Site #2)

	Final Score	Relative Weight	Final Weighted Score
Neighborhood Population	2.85	8.00	22.80
Special Population	0.00	2.00	0.00
Resident Fit	2.18	20.00	43.50
Employee Population	4.85	6.00	29.10
Business Activity	1.49	9.00	13.39
Transient Population	3.00	3.00	9.00
Employee Fit	2.00	8.00	16.00
Shopper Fit	2.00	4.00	8.00
Transient Fit	2.00	2.00	4.00
Competition	0.25	20.00	5.00
Drop-In Features	3.00	13.00	39.00
Trade Area Features	2.00	10.00	20.00

Raw Site Quality Score 234.79

Final Scores

Final Site Quality Score is calculated by dividing the raw site quality score by five. (Fenker does not elaborate on the reason for dividing by five. Apparently, it is done to get the site quality score to a more “manageable” number below 100.) The following scale is used to determine a site quality estimate.

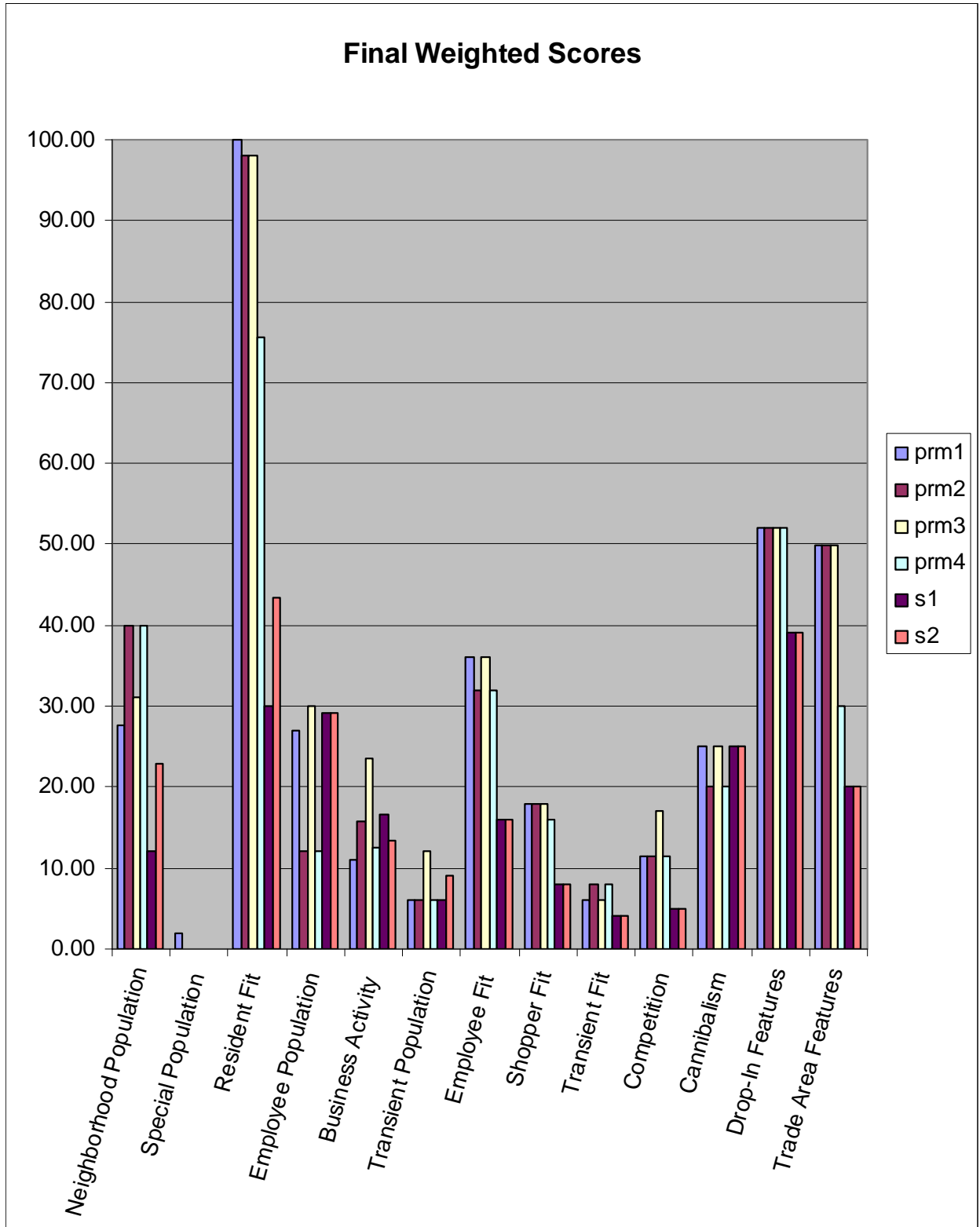
Table 11: Scale of Measurement for Site Quality Estimate

Site Quality Score	Site Quality Estimate
89 or above	Excellent
77-88	Above Average
64-76	Average
51-63	Fair
22-50	Dog

	Final Weighted Score	Ranking
Phoenix Ranch Market #1	74.41	“Average”
Phoenix Ranch Market #2	72.64	“Average”
Phoenix Ranch Market #3	79.75	“Above Average”
Phoenix Ranch Market #4	63.11	“Average”
Surprise Potential Site #1	42.13	“Dog”
Surprise Potential Site #2	46.96	“Dog”

The Phoenix Ranch Market #1 scored 74.41, or "Average;" Phoenix Ranch Market #2 scored 72.64, "Average." Phoenix Ranch Market #3 scored 79.75, or Above Average." Phoenix Ranch Market #4 scored 63.11, "Fair." Surprise Site #1 scored 42.13, "Dog." Surprise Site #2 scored 46.96, "Dog."

Figure 5: Weighted Final Scores by Category and Site



Customer Source

The two Surprise sites scored significantly lower for neighborhood customer sources than the existing Phoenix sites. From a possible total of 15 points, Surprise Site 1 scored between 6.45 points to 8.78 points lower than the existing Phoenix Ranch market sites, while Surprise Site 2 scored between .75 to 5.75 points lower. Demographic sources are up to date with the Regis Online Reports, so there should be no significant changes in the Surprise site's percentage of Hispanic neighborhood residents when Census 2010 figures are available.

Daytime population for the two Surprise sites was significantly lower than the existing Phoenix sites, pointing out a weakness in the sites. Although there is considerable business and retail surrounding the potential sites, the local retail shoppers and employees are not Hispanic.

Site Features

The two Surprise sites scored one to two points lower, on a scale of 1-5, than the existing Phoenix sites on Drop-In and Trade Area Features. This is a minor decrease, possibly reflecting that these Greenfield sites can be developed to current development standards regarding traffic access and driveway standards.

Demand and Competition

The two Surprise sites scored from one to two points lower than the Phoenix sites, on a scale of 1-5 on demand rating scores. Competition scores for the Surprise sites were slightly higher at 4 points each compared to 3.5 points each for the existing Phoenix sites. The Surprise sites were eight to ten points lower on the subtotal for demand than the next highest

existing Phoenix site. However, the Surprise sites demonstrated that at the time of the 2006 research the Surprise area provided an excellent market for additional food retail.

Chapter Conclusion

This chapter completes the test of Fenker's site quality evaluation process, by detailing data for each section of Fenker's site quality evaluation process. The Surprise potential sites are weaker than the four existing Phoenix stores in factors such as the surrounding neighborhood population, resident fit, employee fit, and shopper fit; while equal or higher rated than the existing stores in factors like employee population, transient population, parking, and amount of direct and indirect competition. The four Phoenix sites ranked as "Average" and "Above Average," while the two potential Surprise sites ranked as "Dogs." The final chapter, Conclusions and Recommendations, provides recommendations regarding the City of Surprise further pursuing or incentivizing the Pros Market chain, and discusses the limited usefulness of Fenker's method for the analysis of need for incentivization of sites by the City of Surprise economic development staff.

CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS

This report details a literature review for a site selection and municipal economic development attraction efforts for a Latino supermarket in the greater Phoenix area, the subsequent utilization of Richard Fenker’s site quality evaluation process to analyze two potential sites within the City of Surprise in contrast with four existing locations in the Phoenix area, an analysis of data on customer sources, competition, site features, and additional final considerations. Important previous findings are that the Phoenix sites ranked “Average” and “Above Average,” while the two Surprise sites ranked as “Dog,” or “do not consider.” The Surprise potential sites are most different from the four existing Phoenix stores in the surrounding neighborhood population, resident fit, employee fit, and shopper fit; while closest to the existing stores in employee population, transient population, parking, and amount of direct and indirect competition.

Chapter 5, “Conclusions and Recommendations,” concludes that the City of Surprise Economic Development Department has two choice, based on the City Council’s commitment to having a Pros Ranch Market in its jurisdiction. If the Council is highly committed to pursuing the Pros Ranch Market possibility further, economic development staff should continue the attraction and incentivization process: contact the Pros Ranch Market real estate department and begin negotiations regarding the amount and type of subsidy that would interest the company in locating at one of these sites, followed by a further cost/benefit analysis by the City. If the Council is not committed to the concomitant subsidies needed to attract a Pros Ranch Market but there is interest in providing the community with an additional Latino supermarket, this report would recommend focusing

on a Fry's Mercado or another supermarket with special Latino section, due to lower overall Latino demographics compared to other Greater Phoenix municipalities.

Another final recommendation is to identify a different site evaluation method due to the limited but useful applications of Fenker's method to the municipal economic development processes.

Final lessons learned from this report include how the changing nature of municipal incentives puts a new emphasis on expedited land development process; the importance of a current source of demographic information in Arizona boomburbs which have outstripped the Census 2000 demographic information, and the identified need for a more robust site evaluation model than that provided by Fenker's model.

Assessment of Fenker's Site Evaluation Process

Fenker's site evaluation analogue process has provided a method by which to compare several current and potential sites for a Pro's Ranch Market supermarket. This evaluation is just a fraction of the original question posed to the City of Surprise Economic Development staff of how to evaluate sites in order to determine if potential food retail businesses would require incentivization in order to locate there. Due to the limitation of Fenker's model which doesn't review either economic factors of site location or retail market study information, other site feasibility models should be identified by the City of Surprise.

This report has shown the need and value to the City of Surprise's Economic Development Department of doing site evaluation assessment, although Fenker's method is flawed. There may be other methods available that will provide a more complete economic feasibility picture to balance a fiscal impact and justify allowable incentives.

Although limited in usefulness, Fenker's site evaluation process scores are a way to quantify site quality characteristics and flag issues that might otherwise not be identified within a strictly subjective site selection process. Fenker's raw scores can be used to identify if a site is atypical compared to other locations, based on demographics or other site characteristics, and the final scores can be used to highlight sites warranting further review. Fenker's process would be useful for businesses without access to a site selection consultant as the owners/managers go through the site evaluation process.

Final Recommendation

The purpose of this report is to recommend whether the City of Surprise should pursue a Pro's Ranch Market with the range of incentives of its economic development program. The City's economic development goals are primarily focused on industrial and office development (City of Surprise, 2005), and there has been no past history of incentives being given for a retail food business. Even with incentives offered, would the site be attractive to Pro's Market management? The potential Surprise sites' final scores in Fenker's evaluation process were 42.13, "Dog" and 46.96, "Dog." The Hispanic population base within a five-minute drive time of the potential Surprise sites is roughly four to eight times smaller than current Pro's Ranch Market sites. Given that there are several other communities in the Phoenix metro area such as Mesa with concentrations of Latinos equal to that of the current Phoenix Ranch Market sites, it is doubtful that company management will be interested in a Surprise location. Additionally, future construction of a brand new Food City in El Mirage will draw much of the potential Pro's Ranch Market customer base since those brand new Food City stores share many of the attractive characteristics of the Ranch Markets.

While the Surprise sites may be low in terms of site quality, if the Surprise community is willing to pay for its unique supermarket concept through a large enough subsidy, then the Pro's Market management might choose to locate there. Given the sites' low quality scores, the subsidy would have to be higher than if it were a good site, making the attraction and incentivization by the City of Surprise even harder to justify. However, if the resultant tax outlay from the operating supermarket were high enough, then it would justify incentives. This can be estimated through a Fiscal Impact Analysis spreadsheet, currently available through the City of Surprise Economic Development and Finance Departments. Ultimately, Fenker's site evaluation method does not answer the policy question of whether a municipality should pursue the attraction or incentivization of a specialty supermarket. However, Fenker's process does provide a measurement tool to analyze a site's quality and provide an indication of the difficulty and extra expense needed to attract a company. Therefore, the benefits required to justify the attendant outlay will need to be relatively large.

Based on the above considerations, this report recommends one of two future paths. If the Council is committed to pursuing the Pros Ranch Market possibility further, economic development staff could contact Pros Ranch Market real estate department and determine the amount and type of subsidy that would interest the company in locating at one of these sites. Following that would be a further cost/benefit analysis. If the Council is not committed to the concomitant subsidies needed to attract a Pros Ranch Market but there is interest in providing the community with an additional Latino supermarket, this report would recommend focusing on a Fry's Mercado or another supermarket with special Latino section rather than a solely Latino store, due to area demographics showing the smaller Latino

population in this area compared to higher concentrations of Latinos in other Phoenix area municipalities..

Lessons Learned for Economic Development or Planning Staff

Incentives

The literature review of current incentive policy and food retail in Arizona concluded that many food retailers find site provision more important than incentives. Correspondingly, in light of the new curtailment of incentives by the Arizona Legislature, a new municipal emphasis will be placed on expediting the land development process for food retail and other retail developments as a replacement for incentives offered by a municipality to distinguish its offering from other Phoenix area locations. Also, new emphasis may be placed on redevelopment areas within municipalities since revitalization incentivization is still allowed under House Bill 2151.

Demographic Resources

A significant lesson for planners is the usefulness of utilizing demographic software such as Regis or Claritas to get a baseline analysis of a target customer market for a business that may be of interest for municipal or local economic development attraction efforts. These demographic statistics can provide a comparison between the potential local market and existing market. Based on this comparison, a go/no go decision can be made on attraction efforts, and significant time can be saved on projects that do not match community demographics.

A second lesson learned is the value of up to date demographics from Regis or Claritas. Existing Census 2000 data gives a dated, incorrect perspective on this boomburb

with skyrocketing growth. Although costly, commercial demographic sources provide the only accurate picture of this region's market for food retail.

Tools for Evaluating Requests for Economic Development Attraction Efforts

A third lesson learned is the value of finding a more robust model to evaluate sites, as quantitative analysis to provide an objective response to a political request to pursue a targeted retail company for location in a municipality. Utilizing this process to evaluate specific sites provides staff a basis to not pursue or incentivize such a project instead of spending staff time on a pursuit which would not be of interest to the target company.

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Appendix A, Demographics

Phoenix Ranch Market #1 CENTRAL						
	1 min drivetime	%	5 min drivetime	%	10 min drivetime	%
Est Population (2005)	4,684.0	psm	72,719.0	psm	218,047.0	psm
Comparison						
Est Population Density (2005)	6,237.2	psm	3,541.2	psm	2,782.4	
Comparison	0.834		0.613		0.618	
	4.0		3.0		3.0	
Trade Area Size	0.8	sq mi	20.5	sq mi	78.4	sq mi
Comparison	higher		lower		lower	
Estimated Households (2005)	1,279.0		18,764.0		60,571.0	
	lower		lower		lower	
Hispanic or Latino Population	3,742.0	80%	53,568.0	74%	147,179.0	68%
		1.187		1.098		1.130
		5.0		5.0		5.0
Est. Household Density	1,703.6	psm	913.7	psm	772.9	psm
	lower		lower		lower	
Average per household vehicle (2005)	1.4		1.6		1.5	
Total Number of Businesses	161.0		1,584.0		12,660.0	
	higher		lower		lower	
Total Number of Employees	1,172.0		21,719.0		232,829.0	
	higher		lower		higher	
Residential population per business	29.1		45.9		17.2	
	0.405		0.970		0.533	
	5.0		4.5		5.0	
Est. Adjusted Daytime Demographics (age 16+)	2,752.0	%	47,370.0	%	312,282.0	
comparison	higher		lower		lower	
Median Age of Homes	30.0	years	30.8		35.2	
	lower		higher		higher	
Owner Occupied Median Home Value	\$ 66,715.00		\$ 74,207.00	%	\$ 88,784.00	
	lower		lower		lower	
Renter Occupied Median Rent	207.0		299.0		336.0	
Food and Beverages Consumer Expenditures						
Annual	\$ 6,819,930.00		\$ 106,939,148.00		\$ 362,930,394.00	
	lower		lower		lower	
Per household per month	\$ 444.00	16%	\$ 475.00	16%	\$ 499.00	15%
	0.876		0.968		0.976	
	3.5		4.0		4.0	
Median Age	26.9	yrs	26.2	yrs	27.2	yrs
	0.988		0.966		0.985	
	4.0		4.0		4.0	
Age <19 years	1,771.0	38%	28,583.0	39%	78,795.0	36%
	lower	higher	lower	higher	lower	lower
Age 20 to 64 years	2,534.0	54%	38,178.0	53%	122,930.0	56%
	lower	lower	lower	lower	lower	higher
Age >64 years	379.0	8%	5,957.0	8%	16,321.0	8%
	higher	higher	lower	higher	lower	lower

Appendix A, Demographics

Phoenix Ranch Market #2 THOMAS						
	1 min drivetime	%	5 min drivetime	%	10 min drivetime	%
Est Population (2005)	7,083.0	psm	150,148.0	psm	475,702.0	psm
Comparison						
Est Population Density (2005)	10,190.7	psm	6,971.7	psm	4,946.0	
Comparison	1.363		1.207		1.098	
	5.0		5.0		5.0	
Trade Area Size	0.7	sq mi	21.5	sq mi	96.2	sq mi
Comparison	higher		lower		higher	
Estimated Households (2005)	1,838.0		40,950.0		142,757.0	
	higher		higher		higher	
Hispanic or Latino Population	5,118.0	72%	103,117.0	69%	279,836.0	59%
		1.074		1.023		0.985
		5.0		5.0		4.0
Est. Household Density	2,644.4	psm	1,901.4	psm	1,484.3	psm
	higher		higher		higher	
Average per household vehicle (2005)	1.8		1.7		1.6	
Total Number of Businesses	49.0		2,341.0		12,929.0	
	lower		lower		lower	
Total Number of Employees	462.0		35,048.0		199,110.0	
	lower		lower		lower	
Residential population per business	145.4		64.1		36.8	
	2.023		1.355		1.139	
	1.0		2.0		3.0	
Est. Adjusted Daytime Demographics (age 16+)	2,640.0		81,386.0	%	340,843.0	
	higher		lower		lower	
Median Age of Homes	28.4	years	26.8		28.9	
	lower		lower		lower	
Owner Occupied Median Home Value	\$ 75,209.00		\$ 76,788.00		\$ 86,694.00	
	lower		lower		lower	
Renter Occupied Median Rent	517.0		493.0		451.0	
Food and Beverages Consumer Expenditures						
Annual	\$ 11,509,663.00		\$ 240,206,366.00		\$ 871,185,172.00	
	higher		higher		higher	
Per household per month	\$ 522.00		\$ 489.00		\$ 509.00	
	1.030		0.996		0.996	
	5.0		4.0		4.0	
Median Age	24.7	yrs	28.7	yrs	27.3	yrs
	0.907		1.058		0.988	
	4.0		5.0		4.0	
Age <19 years	2,855.0	40%	59,505.0	40%	175,510.0	37%
	higher	higher	higher	higher	higher	higher
Age 20 to 64 years	3,809.0	54%	80,597.0	54%	265,653.0	56%
	higher	lower	higher	lower	higher	lower
Age >64 years	418.0	6%	10,047.0	7%	34,539.0	7%
	higher	lower	higher	lower	higher	lower

Appendix A, Demographics

Phoenix Ranch Market #3 ROOSEVELT						
	1 min drivetime	%	5 min drivetime	%	10 min drivetime	%
Est Population (2005) <i>comparison</i>	3,441.0	%	137,937.0	psm	567,505.0	psm
Est Population Density (2005) <i>comparison</i>	5,558.9	psm	5,346.0	psm	5,014.1	
	0.743		0.925		1.114	
	3.5		4.0		5.0	
Trade Area Size <i>comparison</i>	0.6	sq mi	25.8	sq mi	113.2	sq mi
	<i>lower</i>		<i>higher</i>		<i>higher</i>	
Estimated Households (2005)	1,050.0		42,060.0		181,783.0	
	<i>lower</i>		<i>higher</i>		<i>higher</i>	
Hispanic or Latino Population	2,381.0	69%	93,933.0	68%	337,113.0	59%
		1.028		1.014		0.995
		5.0		5.0		4.0
Est. Household Density	1,696.6	psm	1,630.1	psm	1,606.1	psm
	<i>lower</i>		<i>lower</i>		<i>higher</i>	
Average per household vehicle (2005)	1.3		1.4		1.5	
Total Number of Businesses	152.0		10,264.0		25,416.0	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Total Number of Employees	1,354.0		168,267.0		375,820.0	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Residential population per business	22.6		13.4		22.3	
	0.314		0.283		0.690	
	5.0		5.0		5.0	
Est. Adjusted Daytime Demographics (age 16+)	2,391.0	%	218,360.0	%	563,412.0	
	<i>lower</i>		<i>higher</i>		<i>higher</i>	
Median Age of Homes	50.0	years	41.0		33.9	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Owner Occupied Median Home Value	\$ 107,851.00		\$ 93,601.00	%	\$ 97,036.00	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Renter Occupied Median Rent	180.0		353.0		445.0	
Food and Beverages Consumer Expenditures						
Annual	5,992,421.0		249,555,144.0		\$ 1,116,736,814.00	
	<i>lower</i>		<i>higher</i>		<i>higher</i>	
Per household per month	\$ 476.00	16%	\$ 494.00	15%	\$ 512.00	15%
	0.939		1.007		1.001	
Median Age	4.0		5.0		5.0	
	28.2	yrs	27.4	yrs	28.3	yrs
	1.036		1.010		1.024	
	5.0		5.0		5.0	
Age <19 years	1,166.0	34%	48,686.0	35%	197,415.0	35%
	<i>lower</i>	<i>lower</i>	<i>higher</i>	<i>lower</i>	<i>higher</i>	<i>lower</i>
Age 20 to 64 years	2,064.0	60%	78,725.0	57%	322,134.0	57%
	<i>lower</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>
Age >64 years	211.0	6%	10,527.0	8%	47,956.0	9%
	<i>lower</i>	<i>lower</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>

Appendix A, Demographics

Phoenix Ranch Market #4 CAMELBACK						
	1 min drivetime	%	5 min drivetime	%	10 min drivetime	%
Est Population (2005)	5,673.0	psm	146,206.0	%	476,175.0	psm
<i>Comparison</i>						
Est Population Density (2005)	7,923.0	psm	7,251.9	psm	5,268.6	
<i>Comparison</i>	1.060		1.255		1.170	
	5.0		5.0		5.0	
Trade Area Size	0.7	sq mi	20.2	sq mi	90.4	sq mi
<i>Comparison</i>	<i>higher</i>		<i>lower</i>		<i>lower</i>	
Estimated Households (2005)	1,567.0		41,917.0		144,925.0	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Hispanic or Latino Population	2,713.0	48%	84,972.0	58%	253,363.0	53%
		0.710		0.865		0.891
		3.5		4.0		4.0
Est. Household Density	2,189.0	psm	2,079.1	psm	1,603.5	psm
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Average per household vehicle (2005)	2.1		1.7		1.7	
Total Number of Businesses	63.0		2,222.0		9,009.0	
	<i>lower</i>		<i>lower</i>		<i>lower</i>	
Total Number of Employees	414.0		29,577.0		122,122.0	
	<i>lower</i>		<i>lower</i>		<i>lower</i>	
Residential population per business	90.4		65.8		52.9	
	1.258		1.391		1.638	
	2.0		2.0		2.0	
Est. Adjusted Daytime Demographics (age 16+)	1,889.0	%	69,581.0	%	253,757.0	
	<i>lower</i>		<i>lower</i>		<i>lower</i>	
Median Age of Homes	29.2	years	24.5		24.5	
	<i>lower</i>		<i>lower</i>		<i>lower</i>	
Owner Occupied Median Home Value	\$ 85,280.00		\$ 83,360.00	%	\$ 89,522.00	
	<i>higher</i>		<i>higher</i>		<i>lower</i>	
Renter Occupied Median Rent	588.0		484.0		485.0	
Food and Beverages Consumer Expenditures						
Annual	\$ 11,017,555.00		\$ 253,830,337.00		\$ 909,892,921.00	
	<i>higher</i>		<i>higher</i>		<i>higher</i>	
Per household per month	\$ 586.00	15%	\$ 505.00	15%	\$ 525.00	15%
	1.156		1.029		1.027	
	4.0		5.0		5.0	
Median Age	29.1	yrs	26.2	yrs	27.7	yrs
	1.069		0.966		1.003	
	5.0		4.0		5.0	
Age <19 years	2,108.0	37%	57,253.0	39%	176,805.0	37%
	<i>higher</i>	<i>lower</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>
Age 20 to 64 years	3,098.0	55%	79,823.0	55%	264,665.0	56%
	<i>higher</i>	<i>lower</i>	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>lower</i>
Age >64 years	467.0	8%	9,130.0	6%	34,705.0	7%
	<i>higher</i>	<i>higher</i>	<i>higher</i>	<i>lower</i>	<i>higher</i>	<i>lower</i>

Appendix A, Demographics

Calculated Average of Existing Locations						
	1 min drivetime	%	5 min drivetime	%	10 min drivetime	%
Est Population Density (2005)	5,220.3	psm	163,084.5	psm	506,460.7	psm
Est Population Density (2005)	7,477.5	psm	5,777.7	psm	4,502.7	
	#N/A					
Trade Area Size	0.7	sq mi	22.0	sq mi	94.5	sq mi
Estimated Households (2005)	1,433.5		35,922.8		132,509.0	
Hispanic or Latino Population	3,488.5	67%	83,897.5	67%	254,372.8	60%
Est. Household Density	2,058.4	psm	1,631.1	psm	1,366.7	psm
Average per household vehicle (2005)	1.7		1.6		1.6	
Total Number of Businesses	106.3		4,102.8		15,003.5	
Total Number of Employees	850.5		63,652.8		232,470.3	
Residential population per business	71.9		47.3		32.3	
Est. Adjusted Daytime Demographics (age 16+)	2,418.0		104,174.3		367,573.5	
Median Age of Homes	34.4	years	30.8		30.6	
Owner Occupied Median Home Value	\$ 83,763.75		\$ 81,989.00	%	\$ 90,509.00	
Renter Occupied Median Rent	373.0		407.3		429.3	
Food and Beverages Consumer Expenditures						
Annual	\$ 8,834,892.25		\$ 212,632,748.75		\$ 815,186,325.25	
Per household per month	\$ 507.00	15%	\$ 490.75	15%	\$ 511.25	15%
Median Age	27.225	yrs	27.125	yrs	27.625	yrs
Age <19 years	1,975.000	0.373	48,506.750	0.384	157,131.250	0.4
Age 20 to 64 years	2,876.3	0.6	69,330.8	0.5	243,845.5	0.6
Age >64 years	368.8	7%	8,915.3	7%	33,380.3	8%

Site Evaluation Worksheet

Phoenix Ranch Market #1
5833 South Central Ave
Phoenix, AZ 85040
602.276.3800
 35,000 ft²

Appendix B: Site Evaluation Worksheet

CZ Convenience Zone Up to 2 miles (or one minute drive time) around the site.
 RZ Residential Zone 2-5 miles (five minutes drive time)
 DZ Destination Zone 3-10 mile (10 minute drive time)

	CZ	RZ	DZ	FINAL SCORE
I. Resident Population				
	0.45	0.45	0.10	% for concept
A. Neighborhood Population	4.00	3.00	3.00	→ 3.45
	1.80	1.35	0.30	
B. Special Population	1.00	1.00	1.00	
C. Resident Fit	0.45	0.45	0.10	→ 1.00
	5.00	5.00	5.00	→ 5.00
	2.25	2.25	0.50	
II. Day Part Population				
	0.70	0.30	0.00	% for concept
A. Employee Population	4.50	4.50		→ 4.50
	3.15	1.35		→ 1.23
B. Business Activity	1.75			
Retail 2.00	1.23			
Restaurant 1.00				→ 2.00
Entertainment 2.00				
Evening 2.00				
C. Transient Population	100.00			→ 2.00
Commuter 2.00	2.00			
Traveler				
D. Employee Fit	0.60	0.40	0.00	% for concept
	4.50	4.50		→ 4.50
	2.70	1.80		
E. Shopper Fit	4.50			→ 4.50
F. Transient Fit	3.00			→ 3.00

	CZ	RZ	DZ
Age		4.00	4.00
Income			4.00
Education			
Household Size	5.00		5.00
Food & Beverage	3.50		4.00
Buying Power			4.00

Subtotal for Demand		29.18
A. Demand Rating		2.00
B. Competition		3.50
Direct	3.00	→ 0.57
Indirect	4.00	
C. Cannibalization		5.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features		
Visibility	3.50	0.10
Prototype	5.00	
Access	4.00	0.10
Strategic Position	4.00	
Parking	4.00	0.40
		→ 3.95
		→ 4.00

Trade Area Features		
Surroundings	3.00	0.00
Growth	4.00	
Resident Access	5.00	0.60
Employee Access	4.00	
Business Cluster	4.00	0.10
		0.30
		→ 4.60
		→ 5.00

Suggested Relative Weights for Convenience Concept			
	Final Score	Suggested R _z	Final Weighted Score
Neighborhood Population	3.45	8.00	27.60
Special Population	1.00	2.00	2.00
Resident Fit	5.00	20.00	100.00
Employee Population	4.50	6.00	27.00
Business Activity	1.23	9.00	11.03
Transient Population	2.00	3.00	6.00
Employee Fit	4.50	8.00	36.00
Shopper Fit	4.50	4.00	18.00
Transient Fit	3.00	2.00	6.00
Competition	0.57	20.00	11.43
Cannibalism	5.00	5.00	25.00
Drop-In Features	4.00	13.00	52.00
Trade Area Features	5.00	10.00	50.00
			372.05 Raw Site Quality Score

Site Quality Score	Site Quality Estimate
74.41	Average
0.00 Forget It 22.00 Dog 51.00 Fair 64.00 Average 77.00 Above Average 88.00 Excellent	

Site Evaluation Worksheet

Phoenix Ranch Market #2
5802 West Thomas Road
Phoenix, AZ 85033
623.247.2168
 55,000 ft²

Appendix B: Site Evaluation Worksheet

CZ Convenience Zone Up to 2 miles (or one minute drive time) around the site.
 RZ Residential Zone 2-5 miles (five minutes drive time)
 DZ Destination Zone 3-10 mile (10 minute drive time)

	CZ	RZ	DZ	FINAL SCORE
I. Resident Population	0.45	0.45	0.10	% for concept
A. Neighborhood Population	5.00	5.00	5.00	→ 5.00
B. Special Population	2.25	2.25	0.50	
C. Resident Fit	0.00	0.00	0.00	→ 0.00
	5.00	5.00	4.00	→ 4.90
	2.25	2.25	0.40	
II. Day Part Population	0.70	0.30	0.00	% for concept
A. Employee Population	2.00	2.00		→ 2.00
B. Business Activity	1.40	0.60		
Retail	4.00			→ 1.75
Restaurant	2.00			
Entertainment	2.00			
Evening	2.00			
C. Transient Population				→ 2.00
Commuter	2.00			
Traveler	2.00			
D. Employee Fit	0.60	0.40	0.00	% for concept
	4.00	4.00		→ 4.00
	2.40	1.60		
E. Shopper Fit	4.50			→ 4.50
F. Transient Fit	4.00			→ 4.00

	CZ	RZ	DZ
Age		4.00	5.00
Income			4.00
Education			
Household Size	5.00		5.00
Food & Beverage Buying Power	5.00		4.00

Subtotal for Demand		28.15
A. Demand Rating		2.00
B. Competition		3.50
Direct	3.00	→ 0.57
Indirect	4.00	
C. Cannibalization		4.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features		
Visibility	4.00	0.10
Prototype	4.50	
Access	4.00	0.10
Strategic Position	4.00	
Parking	4.00	0.40

Trade Area Features		
Surroundings	4.00	0.00
Growth	4.50	
Resident Access	5.00	0.60
Employee Access	3.50	
Business Cluster	4.00	0.30

Suggested Relative Weights for Convenience Concept			
	Final Score	Suggested R ₁	Final Weighted Score
Neighborhood Population	5.00	8.00	40.00
Special Population	0.00	2.00	0.00
Resident Fit	4.90	20.00	98.00
Employee Population	2.00	6.00	12.00
Business Activity	1.75	9.00	15.75
Transient Population	2.00	3.00	6.00
Employee Fit	4.00	8.00	32.00
Shopper Fit	4.50	4.00	18.00
Transient Fit	4.00	2.00	8.00
Competition	0.57	20.00	11.43
Cannibalism	4.00	5.00	20.00
Drop-In Features	4.00	13.00	52.00
Trade Area Features	5.00	10.00	50.00
			363.18 Raw Site Quality Score

Site Quality Score	Site Quality Estimate Average
72.64	
0.00 Forget It 22.00 Dog 51.00 Fair 64.00 Average 77.00 Above Average 88.00 Excellent	

Phoenix Ranch Market #3
1602 Roosevelt Street
Phoenix, AZ 85006
602.254.6676

CZ Convenience Zone
 RZ Residential Zone
 DZ Destination Zone

Appendix B: Site Evaluation Worksheet

Up to 2 miles (or one minute drive time) around the site.
 2-5 miles (five minutes drive time)
 3-10 mile (10 minute drive time)

30 to 40 year lease on a 100,000 square foot building

	CZ	RZ	DZ	FINAL SCORE
I. Resident Population	0.45	0.45	0.10	% for concept
A. Neighborhood Population	3.50	4.00	5.00	→ 3.88
B. Special Population	1.58	1.80	0.50	
C. Resident Fit	0.00	0.00	0.00	→ 0.00
	5.00	5.00	4.00	→ 4.90
	2.25	2.25	0.40	
II. Day Part Population	CZ	RZ	DZ	FINAL SCORE
	0.70	0.30	0.00	% for concept
A. Employee Population	5.00	5.00		→ 5.00
B. Business Activity	3.75	1.50		→ 2.63
Retail 3.00	2.63			
Restaurant 4.00				
Entertainment 4.00				
Evening 4.00				
C. Transient Population	CZ	RZ	DZ	→ 4.00
Commuter	4.00			→ 4.00
Traveler				
D. Employee Fit	CZ	RZ	DZ	% for concept
	0.60	0.40	0.00	
	4.50	4.50		→ 4.50
	2.70	1.80		
E. Shopper Fit	CZ	RZ	DZ	→ 4.50
	4.50			
F. Transient Fit	CZ	RZ	DZ	→ 3.00
	3.00			

	CZ	RZ	DZ
Age		5.00	5.00
Income			5.00
Education			
Household Si	5.00		5.00
Food & Beverage	4.00		5.00
Buying Power		5.00	5.00

Subtotal for Demand	32.40
A. Demand Rating	3.00
B. Competition	
Direct 3.00	} → 3.50 → 0.86
Indirect 4.00	
C. Cannibalization	5.00 → 5.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features		
Visibility	4.50	} 0.10
Prototype	5.00	
Access Strategic Position	4.50	} 0.10 → 4.10 → 4.00
Parking	4.00	
	4.00	0.40

Trade Area Features		
Surroundings	4.00	} 0.00
Growth	4.50	
Resident Access	5.00	} 0.60 → 4.60 → 5.00
Employee Access	4.00	
Business Cluster	4.00	0.30

Site Quality Score: 79.75
 Site Quality Estimate: Above Average

- 0.00 Forget It
- 22.00 Dog
- 51.00 Fair
- 64.00 Average
- 77.00 Above Average
- 88.00 Excellent

	Final Score	Suggested R _z	Final Weighted Score
Neighborhood Population	3.88	8.00	31.00
Special Population	0.00	2.00	0.00
Resident Fit Employee Population	4.90	20.00	98.00
Business Activity Transient Population	5.00	6.00	30.00
Employee Fit Shopper Fit	2.63	9.00	23.63
Transient Fit	4.00	3.00	12.00
Competition	4.50	8.00	36.00
	4.50	4.00	18.00
Cannibalism	3.00	2.00	6.00
Drop-In Features	0.86	20.00	17.14
Trade Area Features	5.00	5.00	25.00
	4.00	13.00	52.00
	5.00	10.00	50.00
			398.77 Raw Site Quality Score

Site Evaluation Worksheet
Phoenix Ranch Market #4
6730 West Camelback Road
Glendale, AZ 85303
6232474200.00

Appendix B: Site Evaluation Worksheet

CZ Convenience Zone Up to 2 miles (or one 2074090707.00
RZ Residential Zone 2-5 miles (five minutes drive time)
DZ Destination Zone 3-10 mile (10 minute drive time)

	CZ	RZ	DZ	FINAL SCORE
I. Resident Population				
A. Neighborhood Population	0.45	0.45	0.10	% for concept
	5.00	5.00	5.00	
	2.25	2.25	0.50	→ 5.00
B. Special Population				
	0.00	0.00	0.00	→ 0.00
C. Resident Fit	3.50	4.00	4.00	
	1.58	1.80	0.40	→ 3.78
II. Day Part Population				
A. Employee Population	0.70	0.30	0.00	% for concept
	2.00	2.00		
	1.40	0.60		→ 2.00
B. Business Activity	2.00			
Retail	3.00			} → 1.40
Restaurant	2.00			
Entertainment	1.00			
Evening	2.00			
C. Transient Population				
Commuter	2.00			} → 2.00
Traveler				
D. Employee Fit	0.60	0.40	0.00	% for concept
	4.00	4.00		
	2.40	1.60		→ 4.00
E. Shopper Fit	4.00			→ 4.00
F. Transient Fit	4.00			→ 4.00

	CZ	RZ	DZ
Age		5.00	4.00
Income			5.00
Education			
Household Si	3.50	4.00	4.00
Food & Beverage	4.00	5.00	5.00
Buying Power			

Subtotal for Demand	26.18
A. Demand Rating	2.00
B. Competition	
Direct	3.00
Indirect	4.00
	} → 3.50
C. Cannibalization	4.00
	→ 4.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features				
Visibility	4.00	} → 3.85	0.10	→ 4.00
Prototype	4.50			
Access	2.50			
Strategic Position	4.00			
Parking	4.00			

Trade Area Features				
Surroundings	3.50	} → 3.30	0.60	→ 3.00
Growth	4.00			
Resident Access	3.00			
Employee Access	3.00			
Business Cluster	4.00			

Suggested Relative Weights for Convenience Concept			
	Final Score	Suggested R _z	Final Weighted Score
Neighborhood Population	5.00	8.00	40.00
Special Population	0.00	2.00	0.00
Resident Fit	3.78	20.00	75.50
Employee Population	2.00	6.00	12.00
Business Activity	1.40	9.00	12.60
Transient Population	2.00	3.00	6.00
Employee Fit	4.00	8.00	32.00
Shopper Fit	4.00	4.00	16.00
Transient Fit	4.00	2.00	8.00
Competition	0.57	20.00	11.43
Cannibalism	4.00	5.00	20.00
Drop-In Features	4.00	13.00	52.00
Trade Area Features	3.00	10.00	30.00
Features			315.53 Raw Site Quality Score

Site Quality Score	Site Quality Estimate
63.11	Fair
0.00 Forget It 22.00 Dog 51.00 Fair 64.00 Average 77.00 Above Average 88.00 Excellent	

Site Evaluation Worksheet

Potential Surprise Site #1
 Southeast Corner Bell Rd and Lit
 Surprise, AZ

CZ Convenience Zone
 RZ Residential Zone
 DZ Destination Zone

Appendix B: Site Evaluation Worksheet

Up to 2 miles (or one minute drive time) around the site.
 2-5 miles (five minutes drive time)
 3-10 mile (10 minute drive time)

	CZ	RZ	DZ	FINAL SCORE
I. Resident Population				
	0.45	0.45	0.10	% for concept
A. Neighborhood Population	1.50	1.50	1.50	
	0.68	0.68	0.15	→ 1.50
B. Special Population				
	0.00	0.00	0.00	→ 0.00
C. Resident Fit	1.50	1.50	1.50	
	0.68	0.68	0.15	→ 1.50
II. Day Part Population				
	0.70	0.30	0.00	% for concept
A. Employee Population	5.00	4.50		
	3.50	1.35		→ 4.85
B. Business Activity	2.63			
Retail 5.00	1.84			→ 1.84
Restaurant 3.00				
Entertainm 1.00				
Evening 1.50				
C. Transient Population	3.00			
Commuter 2.00	2.00			→ 2.00
Traveler 2.00				
D. Employee Fit	0.60	0.40	0.00	% for concept
	2.00	2.00		
	1.20	0.80		→ 2.00
E. Shopper Fit	2.00			→ 2.00
F. Transient Fit	2.00			→ 2.00

	CZ	RZ	DZ
Age		2.00	2.00
Income			2.00
Education			
Household Si	1.50		1.50
Food & Beverage	3.50		3.00
Buying Power			2.00

Subtotal for Demand	17.69	
A. Demand Rating	1.00	
B. Competition		
Direct 4.00	4.00	→ 0.25
Indirect 4.00		
C. Cannibalization	5.00	→ 5.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features			
Visibility	4.50	0.10	→
Prototype	5.00		
Access Strategic Position	3.50	0.10	→ 3.20
Parking	4.00	0.40	→ 3.00

Trade Area Features			
Surroundings	4.00	0.00	→
Growth	5.00		
Resident Access	3.00	0.60	→ 2.40
Employee Access	3.00	0.10	→ 2.00
Business Cluster	1.00	0.30	

Site Quality Score Site Quality Estimate
 42.13 Dog

0.00 Forget It
 22.00 Dog
 51.00 Fair
 64.00 Average
 77.00 Above Average
 88.00 Excellent

Suggested Relative Weights for Destination Concept			
	Final Score	Suggested R _f	Final Weighted Score
Neighborhood Population	1.50	8.00	12.00
Special Population	0.00	2.00	0.00
Resident Fit Employee Population	1.50	20.00	30.00
Business Activity Transient Population	4.85	6.00	29.10
Employee Fit Shopper Fit	1.84	9.00	16.54
Transient Fit	2.00	3.00	6.00
Competition	2.00	8.00	16.00
Cannibalism	2.00	4.00	8.00
Drop-In Features	2.00	2.00	4.00
Trade Area Features	0.25	20.00	5.00
	5.00	5.00	25.00
	3.00	13.00	39.00
	2.00	10.00	20.00
			210.64 Raw Site Quality Score

	CZ	RZ	DZ		FINAL SCORE
I. Resident Population				% for concept	
A. Neighborhood Population	0.45	0.45	0.10		
	3.00	3.00	1.50		
	1.35	1.35	0.15	→	2.85
B. Special Population	0.00	0.00	0.00		
	0.00	0.00	0.00	→	0.00
C. Resident Fit	1.50	3.00	1.50		
	0.68	1.35	0.15	→	2.18
II. Day Part Population				% for concept	
A. Employee Population	0.70	0.30	0.00		
	5.00	4.50		→	4.85
	3.50	1.35			
B. Business Activity	2.13			→	1.49
Retail 3.50	1.49				
Restaurant 2.00					
Entertainm 1.00					
Evening 2.00					
C. Transient Population					
Commuter	3.00			→	3.00
Traveler					
D. Employee Fit	0.60	0.40	0.00	% for concept	
	2.00	2.00			
	1.20	0.80		→	2.00
E. Shopper Fit	2.00			→	2.00
F. Transient Fit	2.00			→	2.00

	CZ	RZ	DZ
Age		2.00	2.00
Income			2.00
Education			
Household Si	1.50	3.00	1.50
Food & Beve	3.00	3.00	2.00
Buying Power			

Subtotal for Demand	20.36
A. Demand Rating	1.00
B. Competition	
Direct 4.00	4.00
Indirect 4.00	0.25
C. Cannibalization	5.00

0.00	1.00
15.00	1.00
22.00	2.00
30.00	3.00
37.00	4.00
45.00	5.00

Drop-In Features	
Visibility 3.00	0.10
Prototype 5.00	0.00
Access 2.00	0.10
Strategic Position 2.50	0.40
Parking 4.00	0.40
	3.10
	3.00

Trade Area Features	
Surroundings 2.00	0.00
Growth 5.00	0.00
Resident Access 3.00	0.60
Employee Access 2.00	0.10
Business Cluster 1.00	0.30
	2.30
	2.00

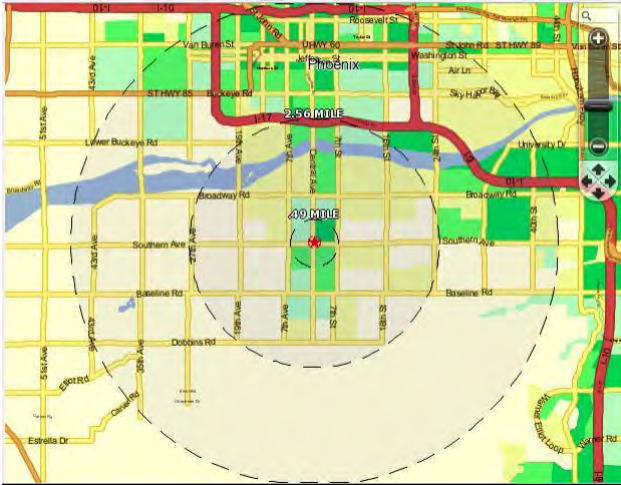
	Final Score	Suggested R _z	Final Weighted Score
Neighborhood Population	2.85	8.00	22.80
Special Population	0.00	2.00	0.00
Resident Fit	2.18	20.00	43.50
Employee Population	4.85	6.00	29.10
Business Activity	1.49	9.00	13.39
Transient Population	3.00	3.00	9.00
Employee Fit	2.00	8.00	16.00
Shopper Fit	2.00	4.00	8.00
Transient Fit	2.00	2.00	4.00
Competition	0.25	20.00	5.00
Cannibalism	5.00	5.00	25.00
Drop-In Features	3.00	13.00	39.00
Trade Area Features	2.00	10.00	20.00
			234.79 Raw Site Quality Score

Site Quality Score	Site Quality Estimate
46.96	Dog

0.00 Forget It
22.00 Dog
51.00 Fair
64.00 Average
77.00 Above Average
88.00 Excellent

Appendix C, Daytime Population

Phoenix Ranch Market #1



Workers, Phoenix Ranch Market #1

Employee Population Business Activity Transient Population Employee Fit

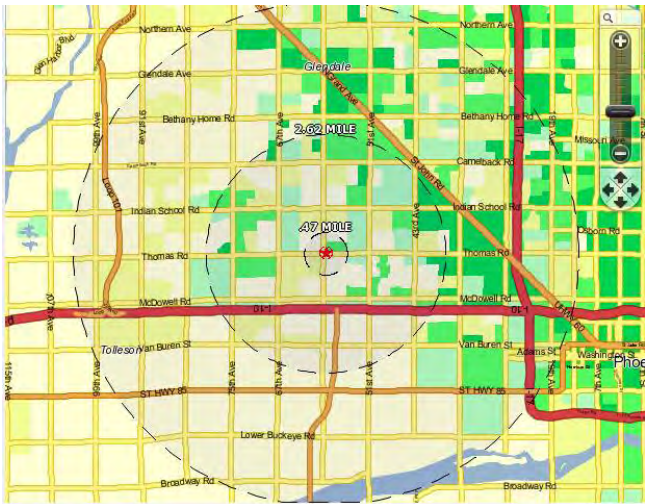
4.5
1.23
2.0
9.00

Within a 5-minute drive time of this site there are 1,584 businesses with 21,719 workers.

Source: Regis Online Mapping and Reporting System, 2006

Figure 1: Phoenix Ranch Market #1 Area Businesses
Source: Regis Online Mapping and Reporting System, 2006

Phoenix Ranch Market #2



Workers, Phoenix Ranch Market #2

Employee Population Business Activity Transient Population Employee Fit

2.0
1.75
2.00
8.00

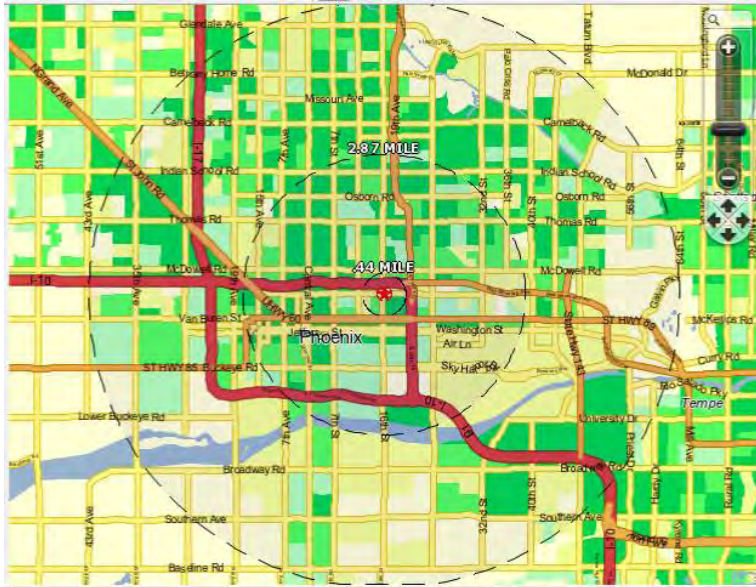
Within a 5-minute drive time of this site there are 2,341 businesses with 35,048 workers.

Source: Regis Online Mapping and Reporting System, 2006

Figure 2: Ranch Market 2 Area Businesses
Source: Regis Online Mapping and Reporting System, 2006

Appendix C, Daytime Population

Phoenix Ranch Market #3



Workers, Phoenix Ranch Market #3

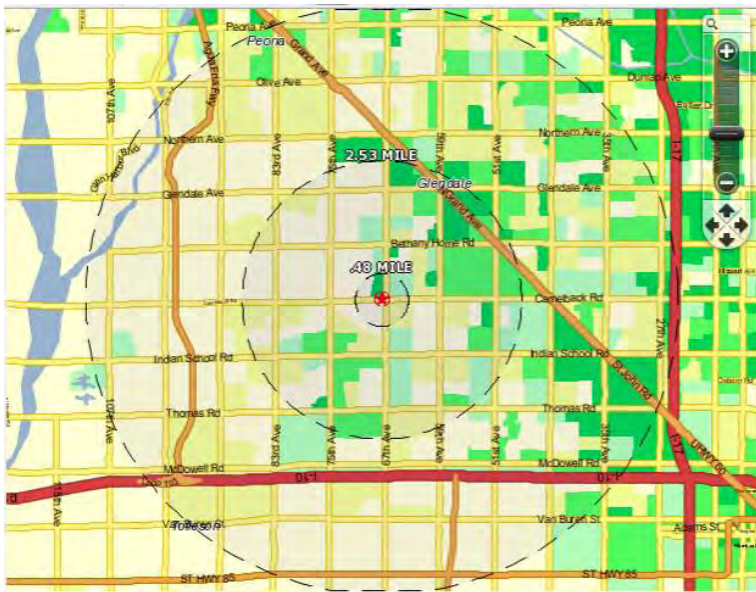
Employee	5.0
Population	5.0
Business	2.63
Activity	4.00
Transient	4.00
Population	9.00
Employee	9.00
Fit	

Within a 5-minute drive time of this site there are 10,264 businesses with 168,267 workers.

Source: Regis Online Mapping and Reporting System, 2006

Figure 3 Phoenix Ranch Market #3 Area Businesses Source Regis Online Mapping and Reporting System, 2006

Phoenix Ranch Market #4



Workers, Phoenix Ranch Market #4

Employee	2.0
Population	2.0
Business	2.63
Activity	2.0
Transient	2.0
Population	8.0
Employee	8.0
Fit	

Within a 5-minute drive time of this site there are 2,222 businesses with 29,577 workers.

Source: Regis Online Mapping and Reporting System, 2006

Figure 4: Ranch Market 4 Area Businesses Source: Regis Online Mapping and Reporting System, 2006

Appendix D, Shoppers – Surrounding Retail

Phoenix Ranch Market #1

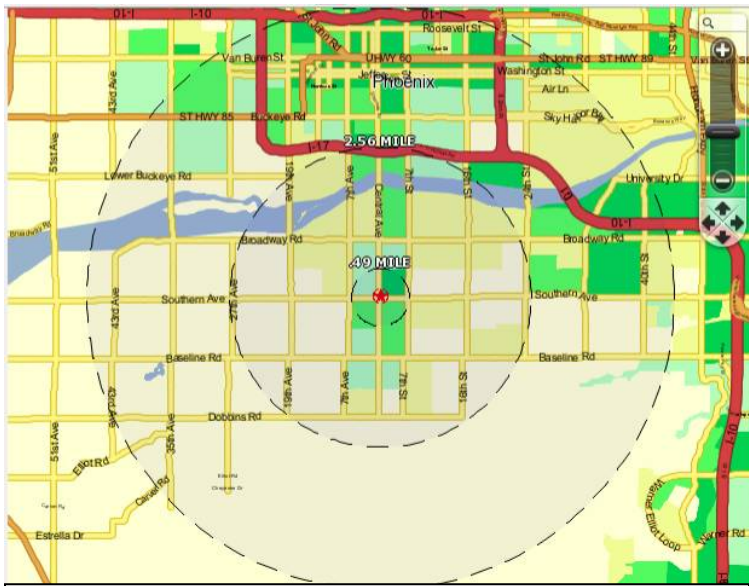


Figure 13: Ranch Market #1 Surrounding Retail Source: Regis Online Mapping and Reporting System, 2006

Surrounding Retail, Phoenix Ranch Market #1

Shopper Fit 4.5 This location has poor linkages with surrounding retail. Co-located stores in the same strip mall consist of rather shabby Hispanic-focused stores like a shoe store, barbershop.

No large malls are nearby; however several strip malls are in the vicinity.

Transient Fit 3.00

Source: Regis Online Mapping and Reporting System, 2006

Phoenix Ranch Market #2

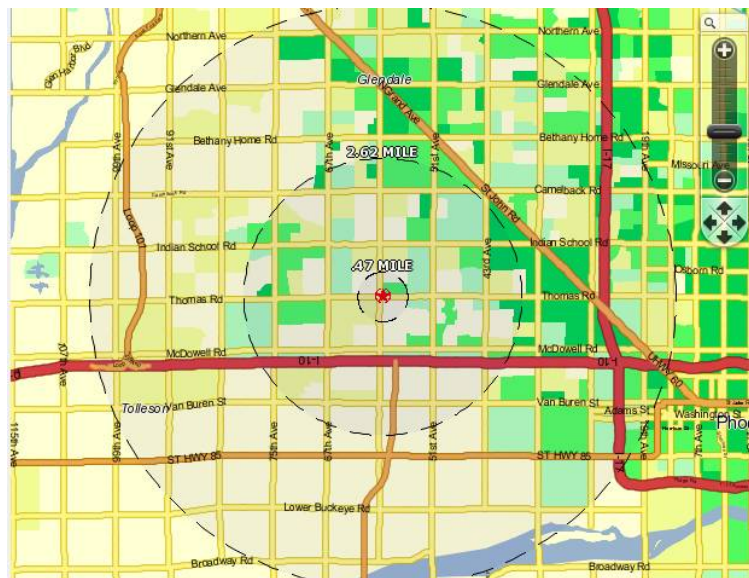


Figure 13: Ranch Market #2 Surrounding Retail Source: Regis Online Mapping and Reporting System, 2006

Surrounding Retail, Phoenix Ranch Market #2

Shopper Fit 4.5 This site has a higher level of surrounding retail quality than the original store on Central Avenue, with a newer retail strip mall including Hollywood Video, a liquor store, a dental office, barber shop, income tax preparation service, Check Cashing and 7-11 on the street. The site is in a corner lot of a mostly residential neighborhood

Transient Fit 4.00

Source: Regis Online Mapping and Reporting System, 2006

Appendix D, Shoppers – Surrounding Retail

Phoenix Ranch Market #3

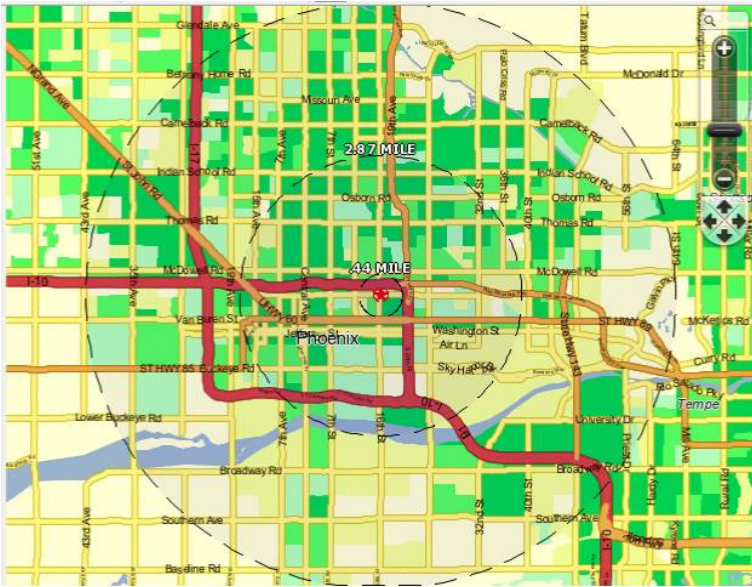


Figure 14 Ranch Market #3, Surrounding Retail Source: Regis Online Mapping and Reporting System, 2006

Surrounding Retail, Phoenix Ranch Market #3

Shopper Fit 4.5 This location has newer surrounding retail than the original Phoenix Ranch Market.

Transient Fit 3.00

Source: Regis Online Mapping and Reporting System, 2006

Phoenix Ranch Market #4

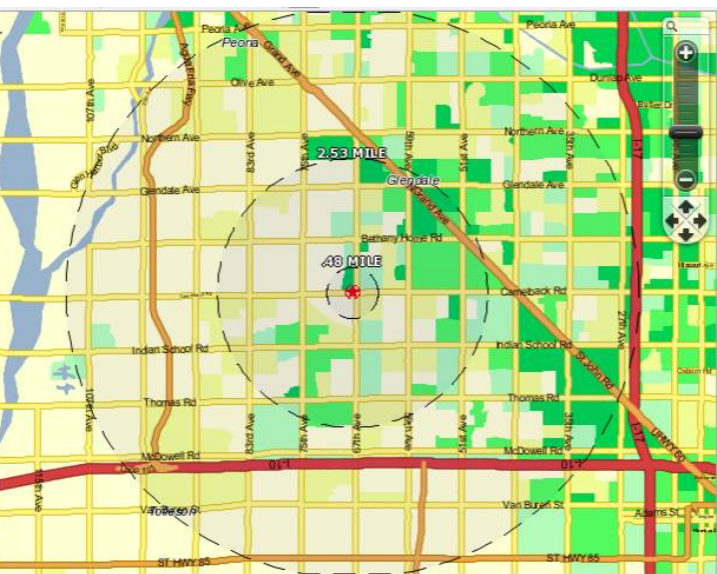


Figure 13 Ranch Market #4, Surrounding Retail, Source: Regis Online Mapping and Reporting System, 2006

Surrounding Retail, Phoenix Ranch Market #4

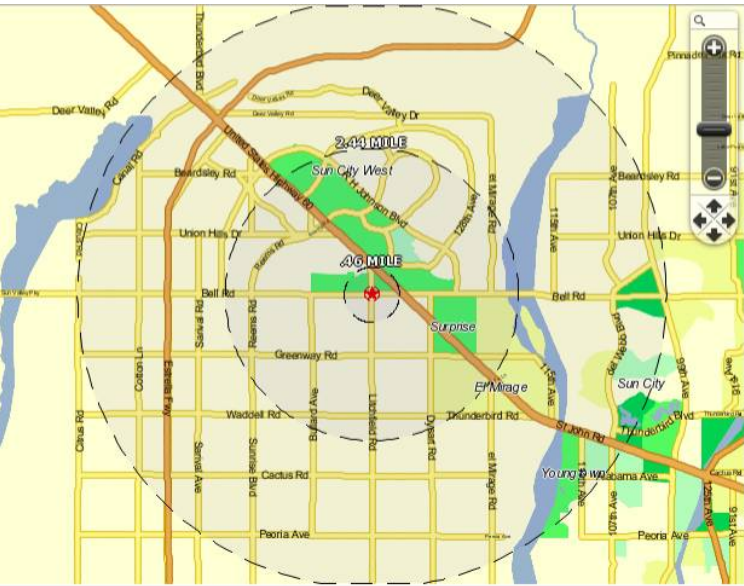
Shopper Fit 4.00 This location has newer surrounding retail than the original Phoenix Ranch Market. However, it is difficult to access because of ongoing construction.

Transient Fit 4.00

Source: Regis Online Mapping and Reporting System, 2006

Appendix D, Shoppers – Surrounding Retail

Potential Surprise Site #1



Surrounding Retail, Potential Surprise Site #1

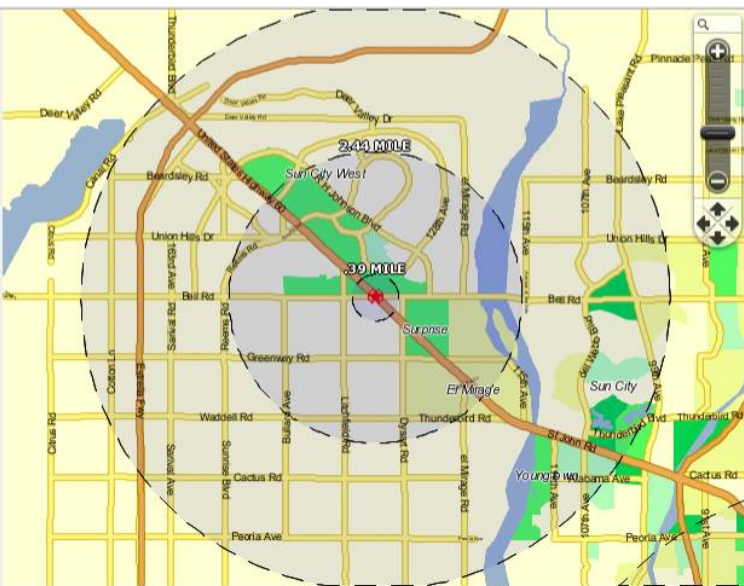
Shopper Fit 2.00 Surrounding retail is new within the last five years. This site is within the retail core of the city of Surprise. Unlike current Phoenix Ranch Market sites, however, this site has little other Hispanic retail for linkages, so shopper fit is not good..

Transient Fit 2.00

Source: Regis Online Mapping and Reporting System, 2006

Figure 14 Potential Surprise Site #1, Surrounding Retail Source: Regis Online Mapping and Reporting System, 2006

Potential Surprise Site #2



Surrounding Retail, Potential Surprise Site #2

Shopper Fit 2.00 Surrounding retail is new within the last five years. This site is within the retail core of the city of Surprise. Unlike current Phoenix Ranch Market sites, however, this site has little other Hispanic retail for linkages, so shopper fit is not good.

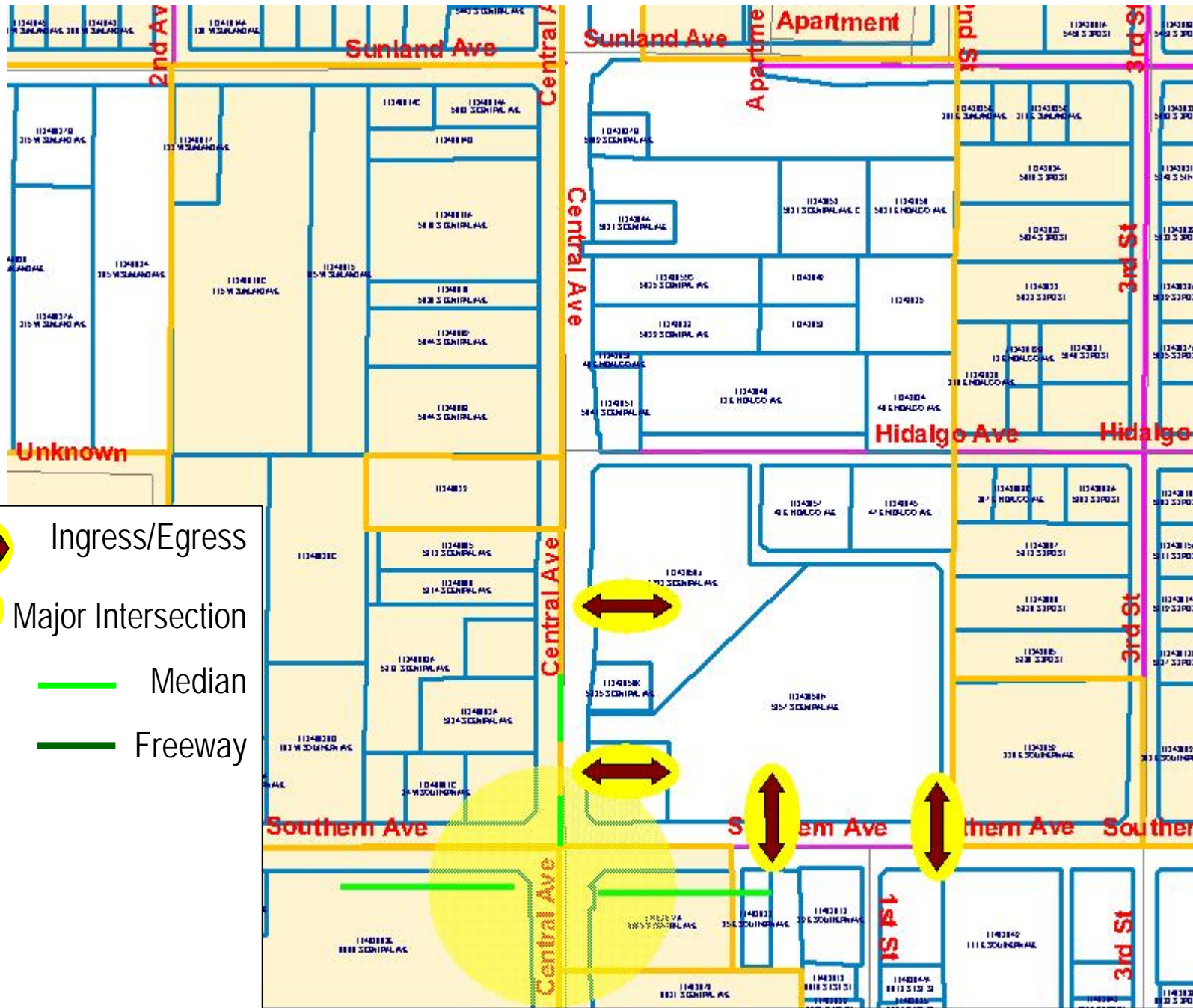
Transient Fit 2.00





Source: Regis Online Mapping and Reporting System, 2006

Figure 15 Potential Surprise Site #2, Surrounding Retail, Source: Regis Online Mapping and Reporting System, 2006

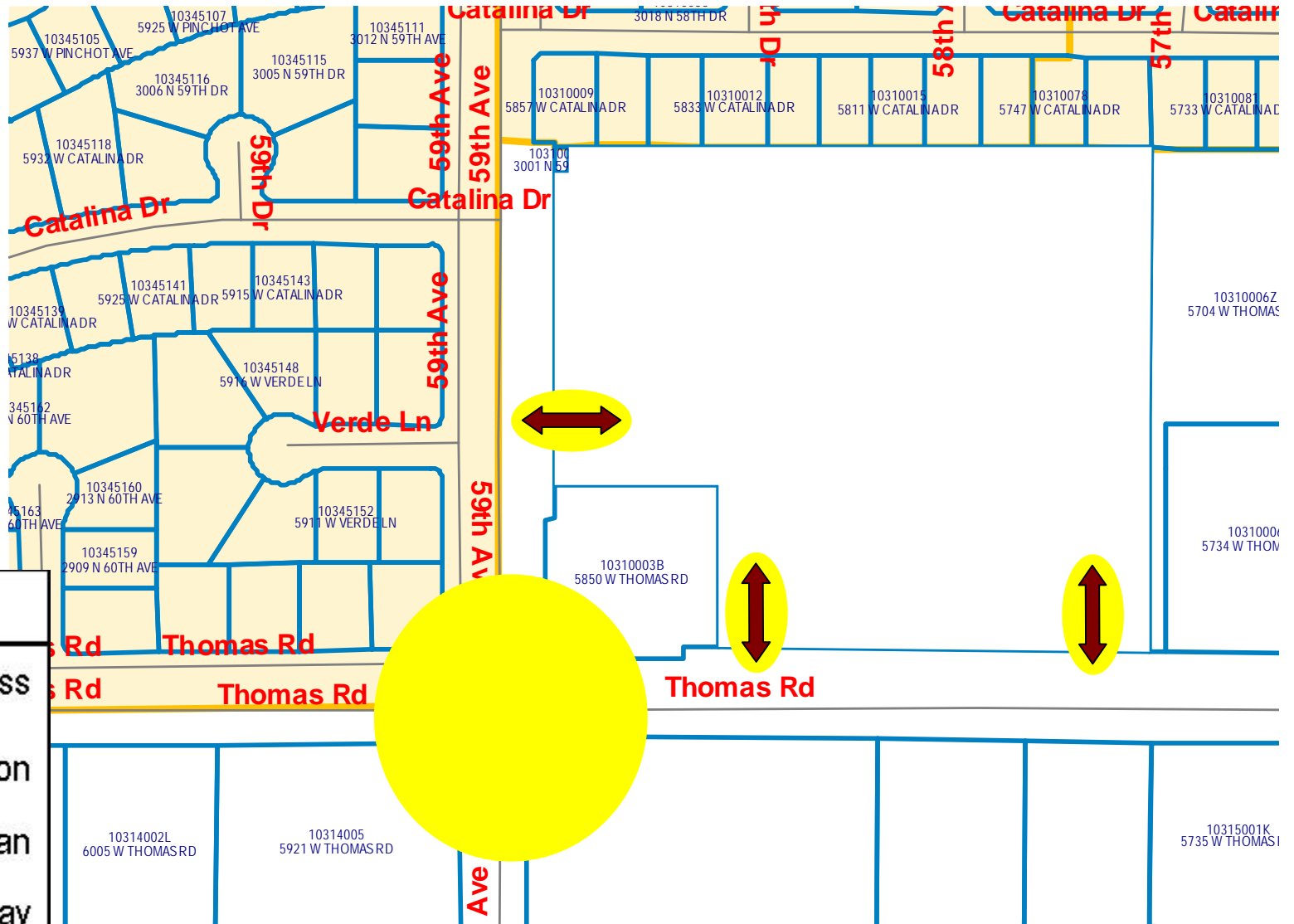
APPENDIX E: Site Features

Phoenix Ranch Market #1 - Central and Southern Aves



-  Ingress/Egress
-  Major Intersection
-  Median
-  Freeway

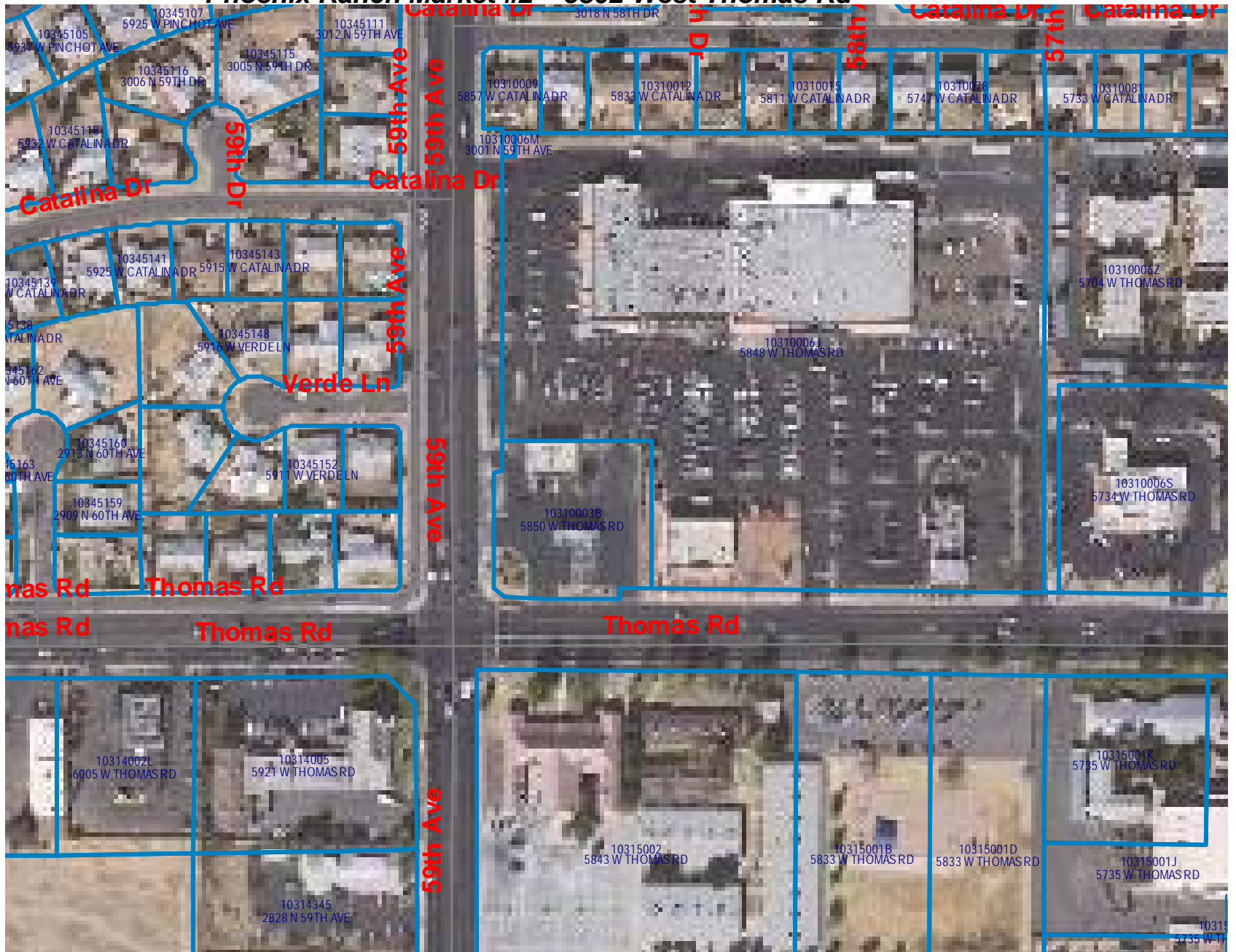
APPENDIX E: Site Features
Phoenix Ranch Market #2 – 5802 West Thomas Rd



Source: Maricopa County Assessor Interactive Map, accessed online at <http://www.maricopa.gov/Assessor/GIS/map.html> on October 25, 2006, and personal site observations in September/October 2006.

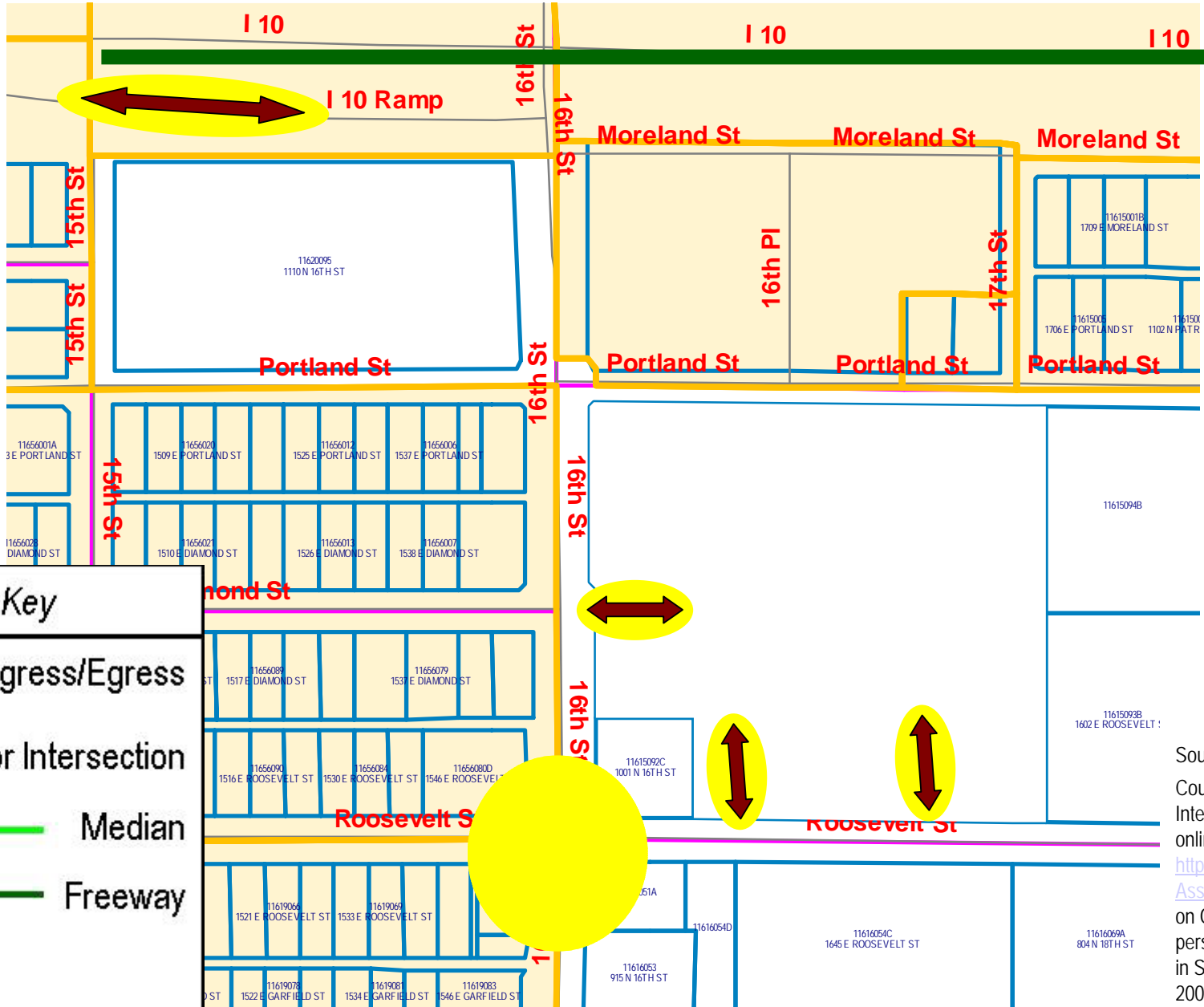
APPENDIX E: Site Features

Phoenix Ranch Market #2 – 5802 West Thomas Rd



APPENDIX E: Site Features

Phoenix Ranch Market #3 – 1602 Roosevelt St.



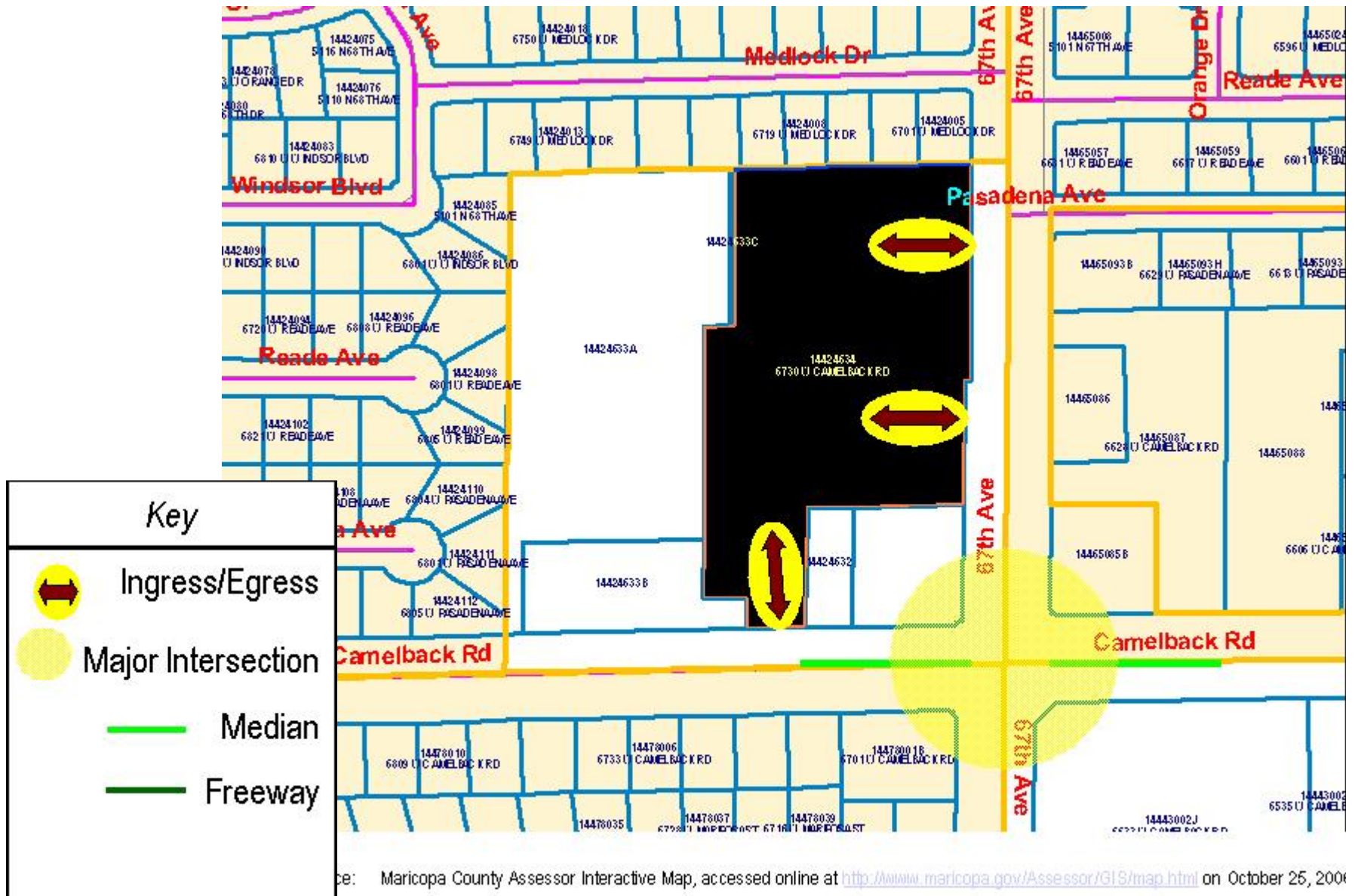
Key

- Ingress/Egress
- Major Intersection
- Median
- Freeway

Source: Maricopa County Assessor Interactive Map, accessed online at <http://www.maricopa.gov/Assessor/GIS/map.html> on October 25, 2006, and personal site observations in September/October 2006.

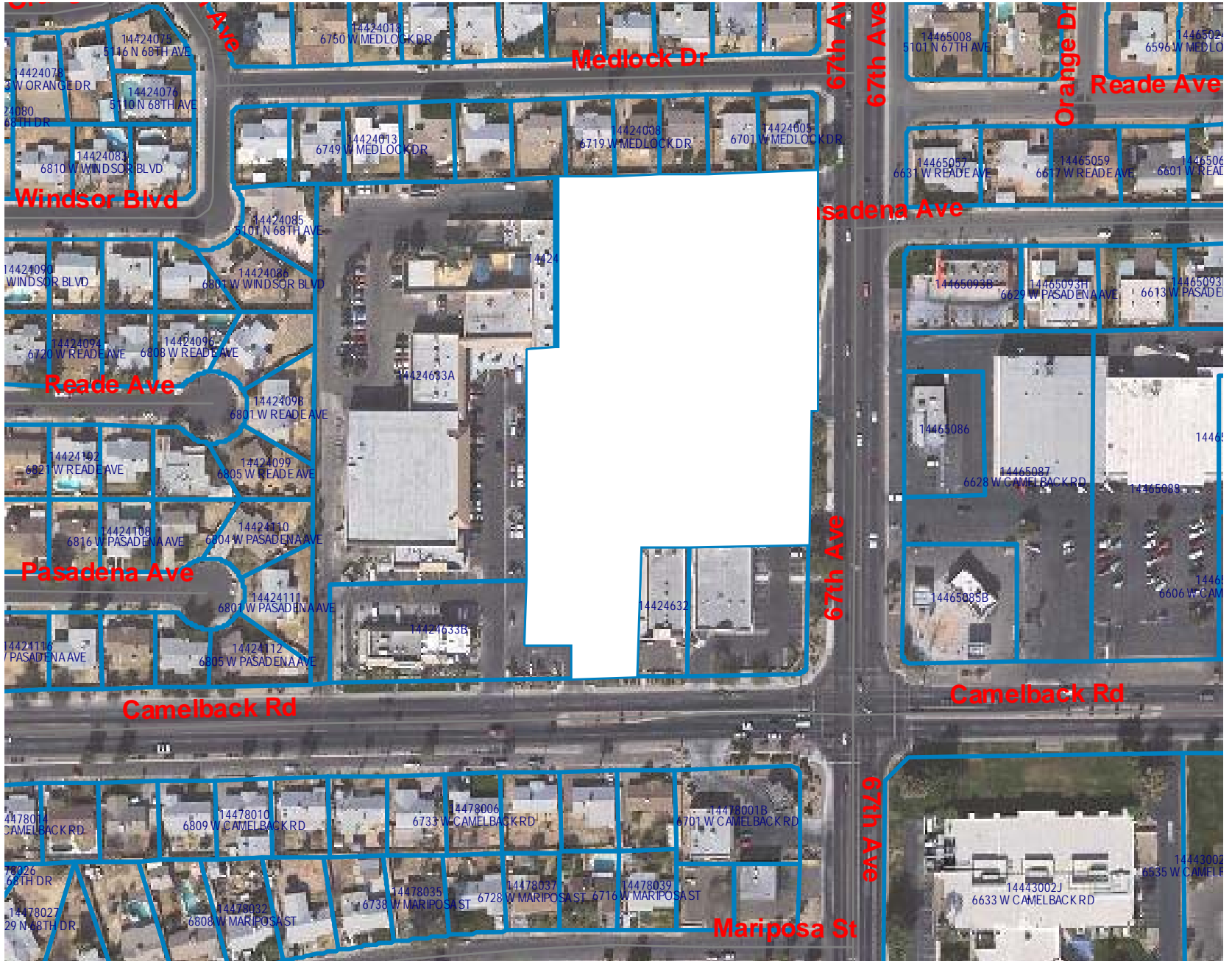
APPENDIX E: Site Features

Phoenix Ranch Market #4– 6730 West Camelback Road

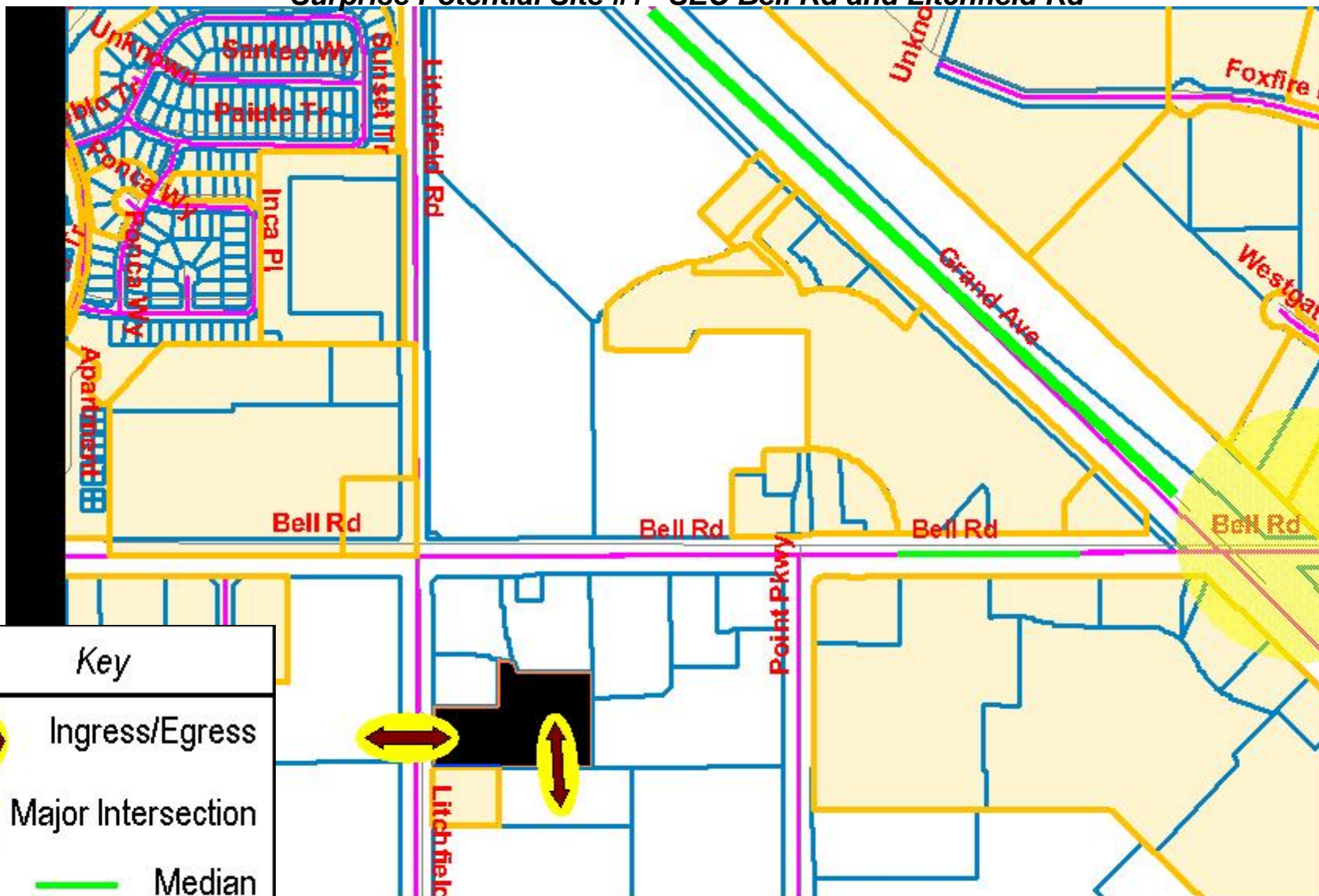


Source: Maricopa County Assessor Interactive Map, accessed online at <http://www.maricopa.gov/Assessor/GIS/map.html> on October 25, 2006, and personal site observations in September/October 2006.

APPENDIX E: Site Features
Phoenix Ranch Market #4- 6730 West Camelback Road



APPENDIX E: Site Features
Surprise Potential Site #1– SEC Bell Rd and Litchfield Rd



Key

-  Ingress/Egress
-  Major Intersection
-  Median
-  Freeway

Source: Maricopa County Assessor Interactive Map, accessed online at <http://www.maricopa.gov/Assessor/GIS/map.html> on October 25, 2006, and personal site observations in September/October 2006.



APPENDIX E: Site Features
Surprise Potential Site #2 - SW of Bell Rd and Grand Ave

