

City of Scottsdale: *Retail Market Analysis & Feasibility Study*



November 2008
Economic Vitality Department



Scottsdale Retail Market Analysis and Feasibility Study

November 2008

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Last updated: *December 12, 2008*

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I. EXECUTIVE SUMMARY

The City of Scottsdale used to be a bedroom community for Phoenix; but in the past 20 years, it has been a net importer of labor. Scottsdale to be an advantageous place for retail centers to establish themselves.

Retailers are attracted to Scottsdale for many reasons, including:

- ◇ Scottsdale's trade area contains a large and growing population of primarily upper-middle-class families. The median household income in Scottsdale is estimated to be \$74,504 for 2008. About 49.7 percent of Scottsdale households are estimated to have an income over \$75,000.
- ◇ Significant numbers of tourists, winter residents, and non-resident employees supplement the resident population base.
- ◇ Scottsdale has consistently shown strong job growth, low unemployment rates, and substantial new construction relative to other cities.
- ◇ Scottsdale's average retail vacancy rate in 2007 stood at 4.7 percent.
- ◇ The average rental rate for Scottsdale retail space in 2007 was \$22.48 per sf.
- ◇ Scottsdale retail sales tax collections per capita (as measured by sales tax receipts) were \$452 in 2007, second only to Tempe in the Metro area.

II. DEVELOPMENT OVERVIEW

Metro Phoenix

The hub of the Southwest, metro Phoenix is one of the nation's largest and fastest growing Metro areas.

While construction employment has slowed, the diverse employment base including high-tech manufacturing and research, biotechnology, corporate headquarters, tourism, and business services continues to form the foundation of the Phoenix economy.

Some characteristics of the metro Phoenix area include:

- ◇ The Phoenix metro area is one of the fastest growing markets in the United States. From 1990 to 2007, the Metro population grew over 100 percent. The current Phoenix area population is 3,907,492.
- ◇ The average unemployment rate in metro Phoenix was 3.8% in 2007. As of October 2008, the metro area's unemployment rate was 5.5%.
- ◇ Tourism is an important part of the Phoenix metro area economy. The metro area hosted 15.4 million domestic overnight visitors in 2007.
- ◇ In 2007, the Greater Phoenix Economic Council assisted 25 targeted companies relocate or expand their operations in the Phoenix area, bringing 5,496 new jobs to the area (Source: GPEC).

- ◇ Total retail sales in metro Phoenix in 2007 totaled \$57.5 billion, an 2.0% increase over 2006. The metro Phoenix area accounts for 69.3% of Arizona's total retail sales (Source: Eller College of Management).
- ◇ The retail industry has begun to struggle in parts of the metro area, reflecting national economic troubles. However, retail development continues in Scottsdale, reflecting the City's regional strength in retail.

Scottsdale

Scottsdale has one of the strongest local economies in the Phoenix metro area, with low taxes and excellent services for both residents and businesses, making it a desirable place for retail.

Scottsdale is defined by its diverse economy, unique landscape, location, focus on tourism, and desirability as a place to live and work. Additional characteristics include:

- ◇ Scottsdale's population in 2007 was 240,126.
- ◇ The median household income of Scottsdale residents in 2008 is estimated to be \$74,504.

Scottsdale (continued)

- ◇ The total assessed value of Scottsdale property is second only to Phoenix in the State. Scottsdale has the highest valuation *per capita* in the Metro area, at \$21,693 in 2007.
- ◇ Retail sales have grown dramatically over the past ten years; however, Scottsdale sales tax collections dropped by 4.9% in 2007 from 2006 due to the slowing economy.
- ◇ Scottsdale hosted over 8.4 million visitors in 2007, with an economic impact of \$3.7 billion.
- ◇ Scottsdale is a net importer of employees and is home to a number of diverse economic activities, including corporate headquarters, research and development activities, high-tech services, and medical services.
- ◇ Scottsdale's unemployment rate in 2007 was 2.4 percent. As of October 2008, the rate stood at 4.0%

Development Overview

Table 1 (p. 8) shows the population growth for eight area communities over the past three decades.

Table 2 (p. 9) presents the median household income for the same 8 Metro area communities.



**Table 1
Population and Growth Rates**

	Year	Scottsdale	Phoenix	Mesa	Glendale	Chandler	Tempe	Gilbert	Peoria	Maricopa County
POPULATION GROWTH	1975	77,107	668,046	100,086	66,585	20,025	94,300	3,100	8,651	1,217,500
	1980	88,364	789,704	152,453	96,988	29,673	106,743	5,717	12,171	1,509,052
	1985	108,447	873,400	239,587	122,392	63,817	132,942	16,180	30,324	1,814,700
	1990	130,069	983,403	288,091	148,134	90,533	141,865	29,188	50,675	1,952,447
	1995	168,176	1,149,417	338,117	182,615	132,360	152,821	59,338	74,565	2,551,765
	2000	202,705	1,321,045	396,375	218,812	176,581	158,625	109,697	108,364	2,862,909
	2005	226,390	1,452,825	447,570	236,030	231,785	160,735	178,070	137,285	3,648,545
	2007	240,126	1,538,568	456,344	246,076	241,205	167,871	203,656	151,541	3,907,492
	% of Maricopa County (2007)	6.15%	39.37%	11.68%	6.30%	6.17%	4.30%	5.21%	3.88%	100.0%
1975 - 2007 GROWTH RATES	Absolute Growth	163,019	870,522	356,258	179,491	221,180	73,571	200,556	142,890	2,689,992
	% Growth	211.4%	130.3%	356.0%	269.6%	1104.5%	78.0%	6469.5%	1651.7%	220.9%
	Annual Growth	3.6%	2.6%	4.9%	4.2%	8.1%	1.8%	14.0%	9.4%	3.7%
1990 - 2007 GROWTH RATES	Absolute Growth	110,057	555,165	168,253	97,942	150,672	26,006	174,468	100,866	1,955,045
	% Growth	84.6%	56.5%	58.4%	66.1%	166.4%	18.3%	597.7%	199.0%	100.1%
	Annual Growth	3.7%	2.7%	2.7%	3.0%	5.9%	1.0%	12.1%	6.7%	4.2%

Source: Arizona Workforce Informer, Population Estimates and/or Projections

Table 2					
Median Household Income					
City	2005 Median Household Income	2000 Median Household Income	1995 Median Household Income	1990 Median Household Income	Growth Rate 2005 vs 1990
Scottsdale	\$65,361	\$57,484	\$48,319	\$39,037	67%
Phoenix	\$44,222	\$41,207	\$32,950	\$29,291	51%
Mesa	\$46,438	\$42,817	\$33,676	\$30,273	53%
Glendale	\$54,424	\$45,015	\$35,483	\$31,665	72%
Chandler	\$63,143	\$58,416	\$46,096	\$38,124	66%
Tempe	\$48,767	\$42,361	\$36,049	\$31,885	53%
Gilbert	\$73,960	\$68,032	\$51,660	\$41,081	80%
Peoria	\$58,742	\$52,199	\$40,820	\$34,205	72%
<i>Metro Area</i>	<i>\$46,111</i>	<i>\$45,358</i>	<i>\$35,623</i>	<i>\$30,797</i>	<i>50%</i>
Scottsdale median income is higher than Metro Area by:	42%	27%	36%	27%	

Source: Sites USA, 2000 US Census, 1995 Special US Census, 1990 US Census



III. SCOTTSDALE MARKET ANALYSIS

Demographic Overview

Scottsdale's demographic makeup, economic strength, variety of industries, and low unemployment rate make it a popular place to do business.

Table 3 outlines some of Scottsdale's demographic characteristics.

Table 3 2008 Demographics		
	Scottsdale	Metro Phoenix
HOUSEHOLDS		
Total Number	97,112	1,493,814
Average Size	2.35	2.83
AGE BREAKDOWN		
Median Age	40.2	33.3
RACE		
White	91.0%	80.2%
Black or African American	1.8%	4.1%
American Indian & Alaska Native	0.7%	1.9%
Asian	2.9%	2.9%
Hawaiian & Pacific Islander	0.1%	0.2%
Other Race	1.9%	8.4%
Two or More Races	1.7%	2.2%
ETHNICITY		
Not Hispanic or Latino Population	84.4%	68.8%
Hispanic or Latino Population	15.6%	31.2%
EDUCATION (Population over 25)		
No High School Diploma	6.3%	15.3%
High School Graduate	18.6%	26.5%
Some College	21.4%	22.6%
Associate/Bachelor Degree	36.9%	25.8%
Graduate Study or Degree	16.8%	9.9%
HOUSING CHARACTERISTICS		
Total Number of Housing Units	115,036	1,716,557
Type of Dwelling Unit		
Owner Occupied	67.2%	68.8%
Renter Occupied	32.8%	31.2%
Vacant	15.6%	13.0%
Median Sales Price*		
Single Family-New	\$1,150,000	\$283,365**
Single Family-Resale	\$579,000	\$257,000**
INCOME		
Median Household	\$74,504	\$57,228
Households \$75,000+	49.7%	28.9%

Source: Sites USA

*From Arizona Real Estate Center Annual Affordability Study; 2007 data

** Maricopa County only

Employment Overview

Scottsdale has a significant number of jobs concentrated within a relatively small area (184 square miles).

Scottsdale is a net importer of labor. In fact, Scottsdale imports more workers *per capita* than any Valley city except for Tempe. Thousands of people commute to Scottsdale for work each day.

Table 4 lists the 30 largest employers in Scottsdale.

Table 5 (p. 12) presents the five major businesses that the Economic Vitality Department assisted in expanding and/or relocating in Scottsdale in Fiscal Year 2007/08, bringing over 1,374 new jobs to the City .

Rank	Company Name	Employees
1	Scottsdale Healthcare*	5,213
2	Mayo Clinic - Scottsdale**	5,003
3	General Dynamics	2,990
4	City of Scottsdale	2,562
5	Scottsdale Unified School District*	2,514
6	CVS - CareMark	2,346
7	Go Daddy Group	1,915
8	The Vanguard Group	1,700
9	Troon Golf LLC	1,539
10	Scottsdale Insurance Company	1,400
11	Fairmont Resort	1,200
12	DHL	1,000
13	Coventry Health Care	700
14	Dial Corporation	700
15	USPS - Scottsdale	646
16	Desert Mountain Properties	610
17	Nordstrom	608
18	The Boulders Resort	600
19	E-Telecare Global Solutions	600
20	Pulte Homes	545
21	Taser	518
22	McKesson	500
23	Hyatt Regency at Gainey Ranch	500
24	Wal-Mart	475
25	JDA Software Group	460
26	Scottsdale Medical Imaging	450
27	First National Bank of Arizona*	355
28	Sage Software	350
29	Scottsdale Conference Resort*	329
30	United Blood Services	326

Source: City of Scottsdale, Economic Vitality Department

** = includes employees at Phoenix hospital site

Table 5
Scottsdale Assisted Corporate Locations*
Fiscal Year 2007/2008

Company Name	# of Employees	Type of Business
Locallife	1,000	US HQ/ Technology
Hypercom	200	Corp HQ/ Technology
Ticketmaster	150	Technology
Semafore Pharmaceuticals	20	Biotechnology
Litree	4	Biotechnology
Total	1,374	-

Source: City of Scottsdale, Economic Vitality Department

*This list represents successful new targeted businesses which announced new locations in Scottsdale during the fiscal year (July 1 - June 30), which were assisted by the City of Scottsdale. It does not represent all new employers in Scottsdale.



Tourism Overview

Tourism is an important part of the Scottsdale retail market. In 2007, Scottsdale hosted approximately 8.4 million visitors. Scottsdale visitors tend to be affluent and spend a significant amount of time and money on shopping and dining.

Did you know?

Scottsdale hosted approximately 8.4 million visitors in 2007 with an economic impact of \$3.7 billion (direct and indirect).

Table 6 outlines the impacts of tourism in Scottsdale, compared to Metro Phoenix, in 2007.

Table 6 Impact of Tourism 2007		
	Scottsdale/ Paradise Valley Market Area	Phoenix Central Region
HOTEL DATA		
Number of Hotel Rooms Available	15,345	53,366
Annual Average Room Rates	\$170.59	\$120.54
Average Occupancy	66.6%	66.9%
TOURISTS		
Total Number of Visitors	8.4 million ¹	15.4 million ²
Average Length of Stay ³	5.4 nights	4.0 nights
Visitor Median Household Income ³	\$107,700	\$86,200
ECONOMIC IMPACT OF TOURISM		
Visitor Spending by Category ³	<i>(Daily rates)</i>	<i>(Annual rates)</i>
Lodging	37.0%	15.6%
Food & Beverage	25.0%	21.7%
Shopping	14.0%	14.5%
Local Transportation	9.0%	18.5%
Entertainment/Attractions	15.0%	16.0%
Food Stores	N/A	2.9%
Air Transportation	N/A	14.1%
Average Daily Expenditures Per Person³	\$256.14	N/A
Total Direct Visitor Economic Impact	\$1.5 billion¹	\$10.8 billion²

Source: City of Scottsdale, Economic Vitality Department; Behavior Research Center; Arizona Office of Tourism; D.K. Shifflet and Associates

1 = Total includes "Day Visitors" & overnight visitors

2 = Total includes overnight visitors only

3 = Data applies to overnight visitors only

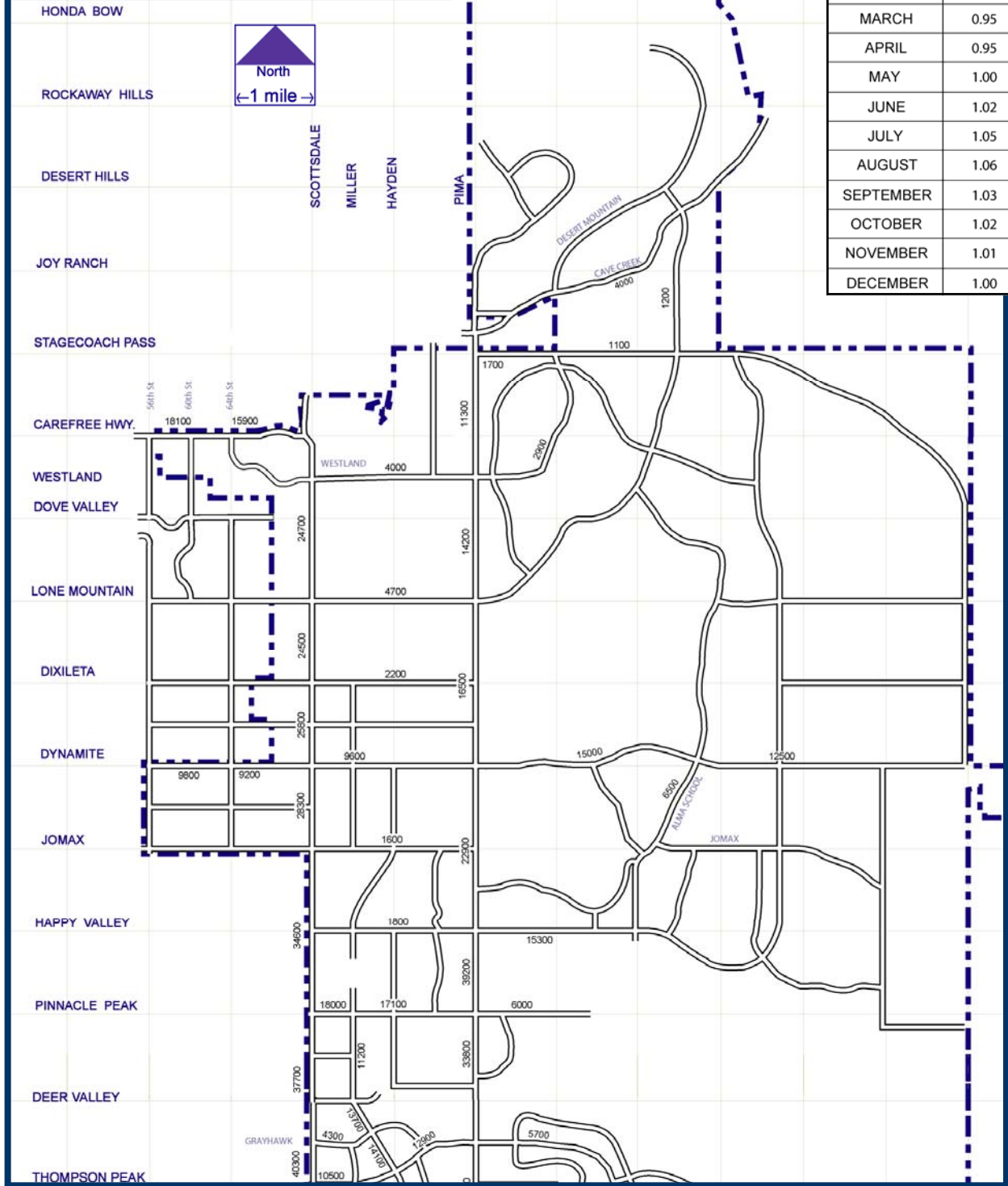
Transportation and Traffic Overview

The high volume of commuters is a positive effect of the City's focus on bringing businesses to Scottsdale and on creating jobs.

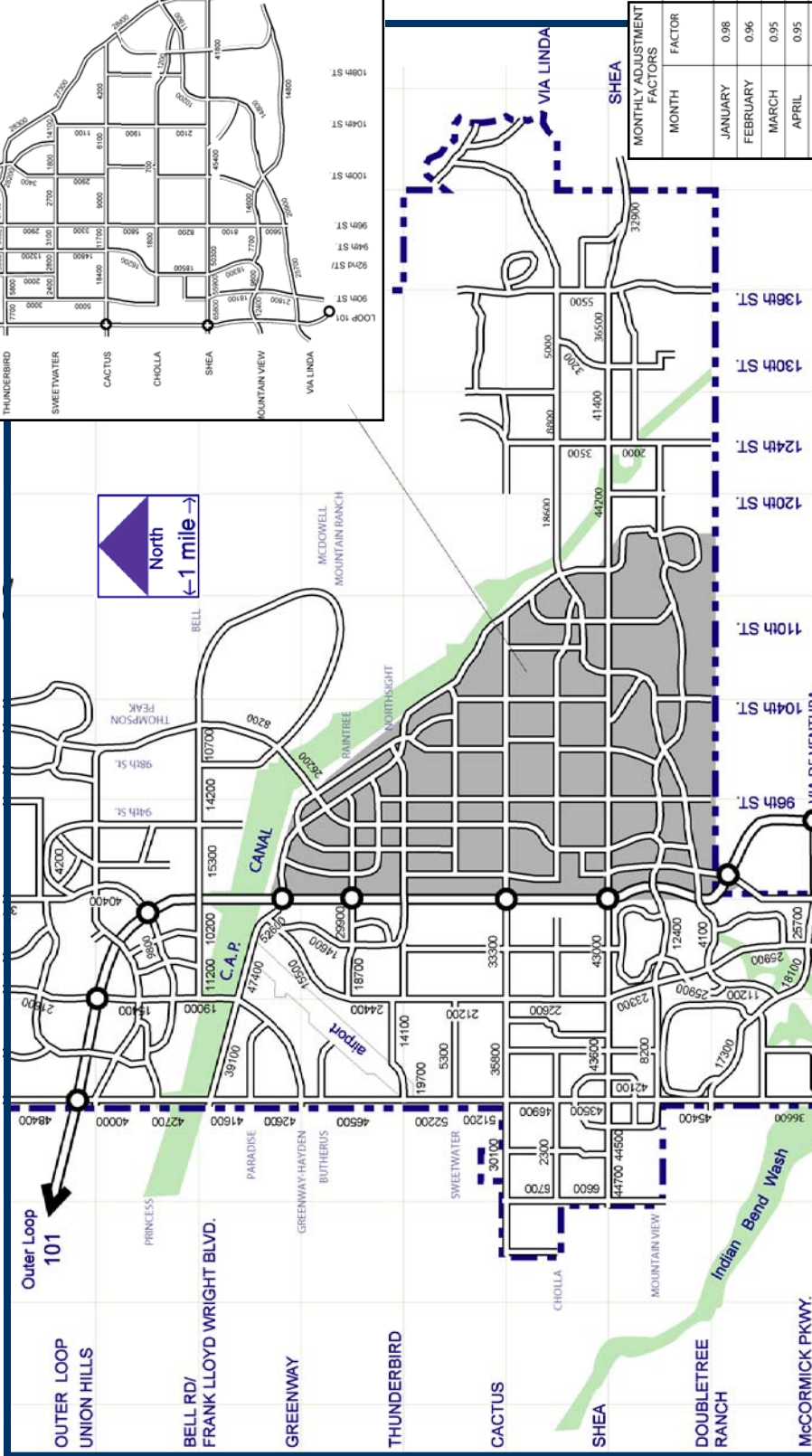
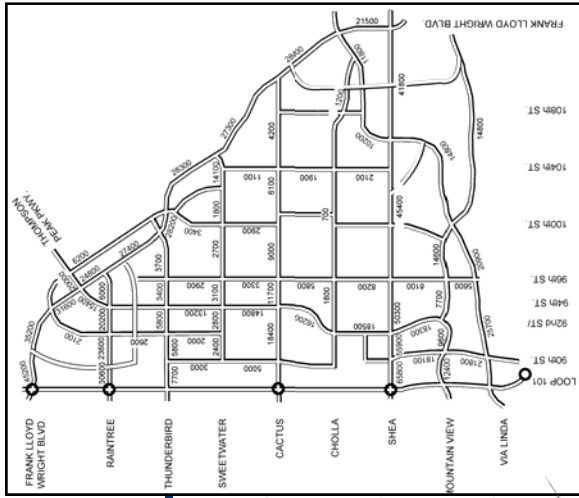
Maps 1.1-1.3 lists the average traffic volume for major streets in Scottsdale in 2006, the most recent data available at publication time (please visit <http://www.scottsdaleaz.gov/Traffic/TrafficVolumes.asp> for a copy of this and other traffic maps).



Map 1.1 Traffic Volume 2006 Northern Scottsdale

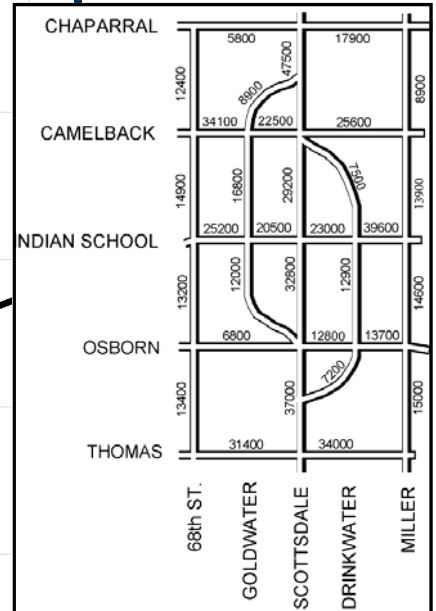
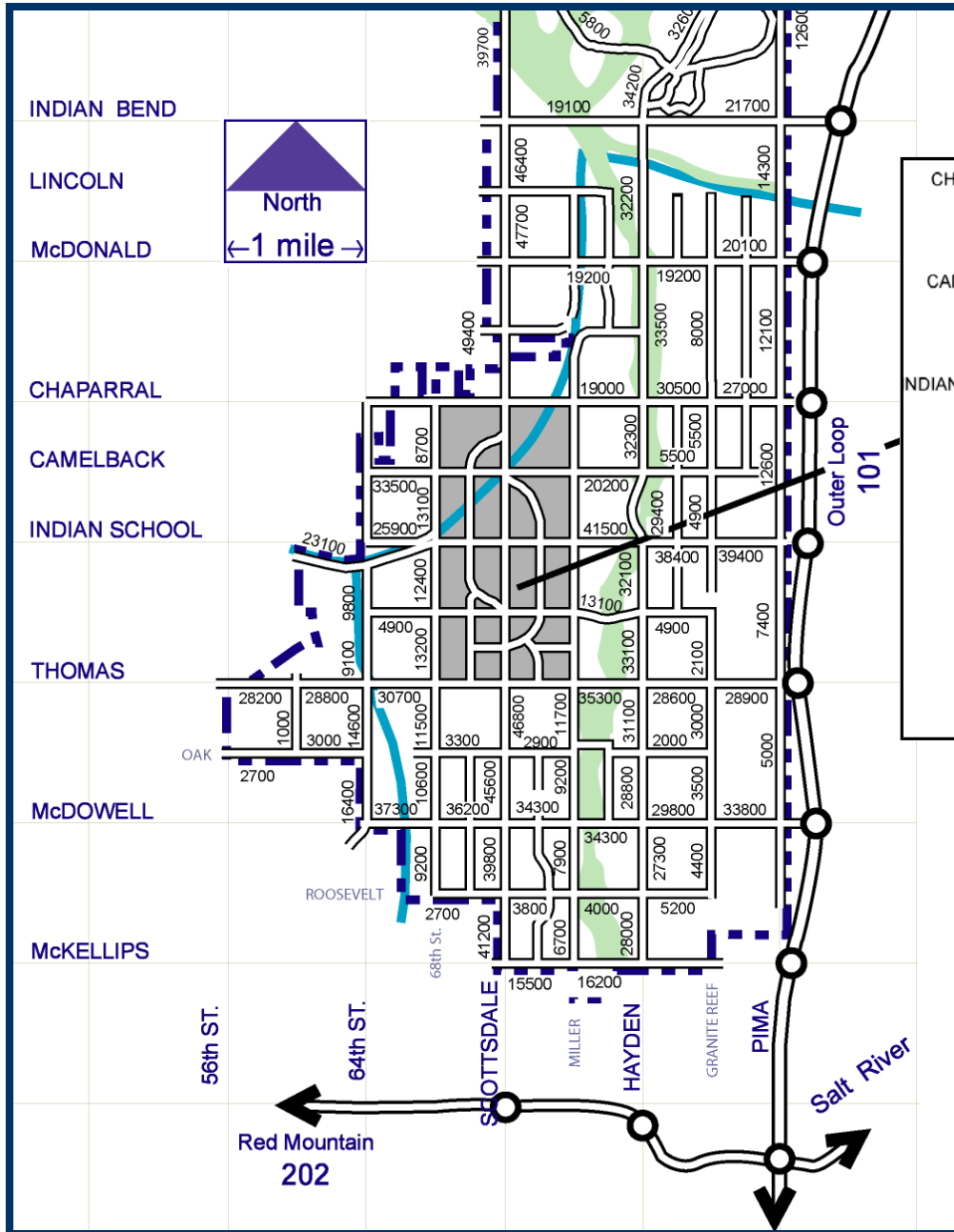


Map 1.2 Traffic Volume 2006 Central Scottsdale



MONTHLY ADJUSTMENT FACTORS	
MONTH	FACTOR
JANUARY	0.98
FEBRUARY	0.96
MARCH	0.95
APRIL	0.95
MAY	1.00
JUNE	1.02
JULY	1.05
AUGUST	1.06
SEPTEMBER	1.03
OCTOBER	1.02
NOVEMBER	1.01
DECEMBER	1.00

Map 1.3 Traffic Volume 2006 Southern Scottsdale



MONTHLY ADJUSTMENT FACTORS	
MONTH	FACTOR
JANUARY	0.98
FEBRUARY	0.96
MARCH	0.95
APRIL	0.95
MAY	1.00
JUNE	1.02
JULY	1.05
AUGUST	1.06
SEPTEMBER	1.03
OCTOBER	1.02
NOVEMBER	1.01
DECEMBER	1.00

IV. ECONOMIC TRENDS

Economic trends—including employment, labor force characteristics, unemployment rates, building permit valuations, assessed valuations and, sales tax revenues—provide an understanding of the economy of a community. This understanding is essential to the success of retail in a community.

Scottsdale Employment Overview

Relative to other cities, the employment situation for Scottsdale looks very positive. Scottsdale's diverse economic employment base allows for the local economy to better weather economic downturns.

Table 7 outlines estimate Scottsdale employment by industry in 2000 and a projection for employment in 2010.

Did you know?

Between 1998 and 2007, Scottsdale's average unemployment rate ranged from a high of 4.1 percent in 2002, to a low of 1.9 percent in 1998 and 2000.

Industry	2000		2010	
	Employment	Percent	Employment	Percent
Agriculture	1,918	1.50%	2,225	1.40%
Business Services	26,848	20.90%	36,081	23.10%
Construction	7,077	5.50%	7,938	5.10%
Finance, Insurance, Real Estate	16,440	12.80%	18,141	11.60%
Health Industry	12,785	9.90%	14,934	9.60%
High Tech Manufacturing	8,138	6.30%	8,762	5.60%
Hospitality	14,652	11.40%	17,900	11.40%
Low Tech Manufacturing	2,985	2.30%	3,639	2.30%
Mining	122	0.10%	123	0.08%
Personal Services	8,446	6.60%	10,600	6.80%
Retail Trade	18,725	14.50%	23,507	15.00%
Transport	3,842	3.00%	4,038	2.60%
Wholesale Trade	6,674	5.20%	8,378	5.40%
TOTAL	128,652	100.00%	156,267	100.00%

Source: Gruen Gruen & Associates, "Analysis & Forecast of the Economic Base of Scottsdale," June 1999

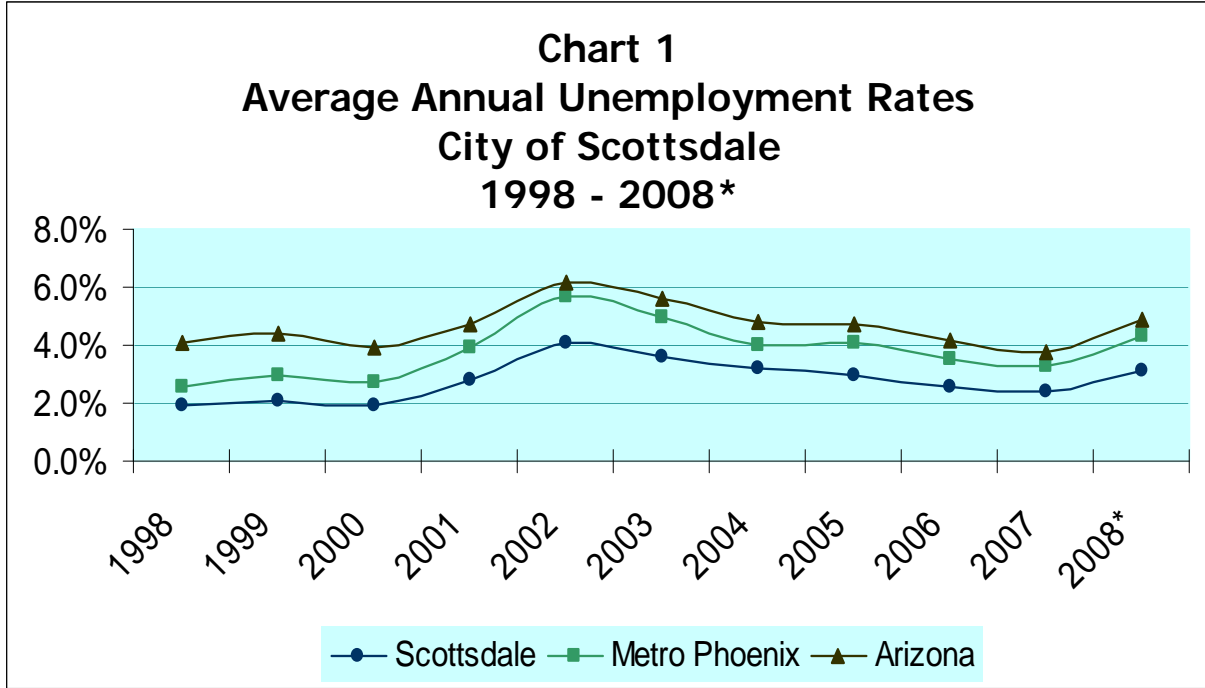
Scottsdale Employment Overview (continued)

Scottsdale's unemployment rate parallels metro Phoenix' and Arizona's rates, but has consistently been approximately 30 percent lower than the unemployment rate for the Phoenix metro area, and over 40 percent lower than the State's unemployment rate. *Table 8* and *Chart 1* reflect this trend.

Between 1998 and 2007, Scottsdale's average unemployment rate ranged from a high of 4.1 percent in 2002, to a low of 1.9 percent in 1998 and 2000. Through October 2008, the annual average unemployment rate for Scottsdale was 3.1%, compared to 4.3% for Metro Phoenix and 4.9% for Arizona.

Year	Scottsdale	Metro Phoenix	Arizona
1998	1.9%	2.6%	4.1%
1999	2.1%	3.0%	4.4%
2000	1.9%	2.7%	3.9%
2001	2.8%	3.9%	4.7%
2002	4.1%	5.7%	6.2%
2003	3.6%	5.0%	5.6%
2004	3.2%	4.0%	4.8%
2005	3.0%	4.1%	4.7%
2006	2.6%	3.5%	4.2%
2007	2.4%	3.3%	3.8%
2008*	3.1%	4.3%	4.9%

Source: Arizona Workforce Informer
* = Annual average through October



* = Annual average through October 2008

Labor Force & Population Growth vs. Job Growth

One method by which the economic vitality of a city is measured is by comparing rates of job growth with labor force growth and overall population growth, as is done in *Table 9*. Between 1990 and 2005, Scottsdale experienced a 63 percent increase in jobs (jobs physically located within the City); while the Metro area experienced an overall job increase of 66 percent. During the same time period, Scottsdale's labor force (persons between 18 and 65 years of age, who live in the City and are employed or actively seeking employment) grew by 82 percent while the Metro area's population grew 70 percent.

In 2005, there were more jobs located in Scottsdale than there are workers (1.09 jobs per Scottsdale resident in the labor force). In contrast, the Phoenix metro area had a jobs to labor force ratio of 0.93 percent. Scottsdale is one of the largest net importers of labor in the Phoenix metro area, trailing only Tempe in the ratio of jobs to labor force.

	Year	Scottsdale	Maricopa County
JOB GROWTH	1990	88,967	1,027,007
	1995	118,551	1,276,057
	2000	126,918	1,454,181
	2005	145,034	1,702,100
	<i>% Change 1990 - 2005</i>	63%	66%
LABOR FORCE GROWTH	1990	72,793	1,074,542
	1995	90,579	1,308,729
	2000	103,407	1,489,292
	2005	132,788	1,827,169
	<i>% Change 1990 - 2005</i>	82%	70%
POPULATION GROWTH	1990	130,069	2,122,101
	1995	168,176	2,551,765
	2000	202,705	3,072,149
	2005	226,390	3,681,300
	<i>% Change 1990 - 2005</i>	74%	73%
Ratio of Jobs to Labor Force		1.09 to 1	0.93 to 1

Source: Arizona Workforce Informer; City of Scottsdale Economic Vitality Department

Building Permit Valuations

The total value of building permits granted in Scottsdale in 2007 was \$1.17 billion, making up nearly 15 percent of the Metro area's building permit valuation, with only 6.2 percent of the population.

Scottsdale is approaching build-out, and the broader economy is slowing, so a slowdown in building permits is expected in the coming years.

Table 10 compares the value of building permits in Scottsdale to those in Maricopa County for the past 10 years.

Did you know?

The total value of building permits in Scottsdale in 2007 was \$1.17 billion.

Calendar Year	Scottsdale	Maricopa County	Scottsdale's % of County
1998	\$1,431,771,972	\$8,477,796,000	16.9%
1999	\$1,130,304,322	\$8,324,511,000	13.6%
2000	\$939,402,365	\$8,665,613,000	10.8%
2001	\$820,362,000	\$9,332,597,000	8.8%
2002	\$610,594,653	\$6,751,142,000	9.0%
2003	\$637,735,176	\$7,039,184,000	9.1%
2004	\$771,213,608	\$10,241,935,000*	7.5%*
2005	\$1,051,231,416	\$10,905,181,000	9.6%
2006	\$1,258,515,177	\$8,427,155,000	14.9%
2007	\$1,166,708,287	\$7,928,095,000	14.7%

Source: City of Scottsdale, Planning & Development; Maricopa County Department of Finance; AZ Real Estate Center

*Source for county data changed to ASU's Arizona Real Estate Center in 2004

Assessed Valuations

The secondary assessed valuation of property in Scottsdale has risen from \$2.5 billion in Fiscal Year 1999/00 to \$8.3 billion in Fiscal Year 2008/09. Scottsdale is second only to the City of Phoenix in assessed valuation in the State of Arizona.

Increases in assessed valuation since FY1999/00 reflect a healthy, stable valuation environment, coupled with new construction activity. Scottsdale should continue to see valuation increases.

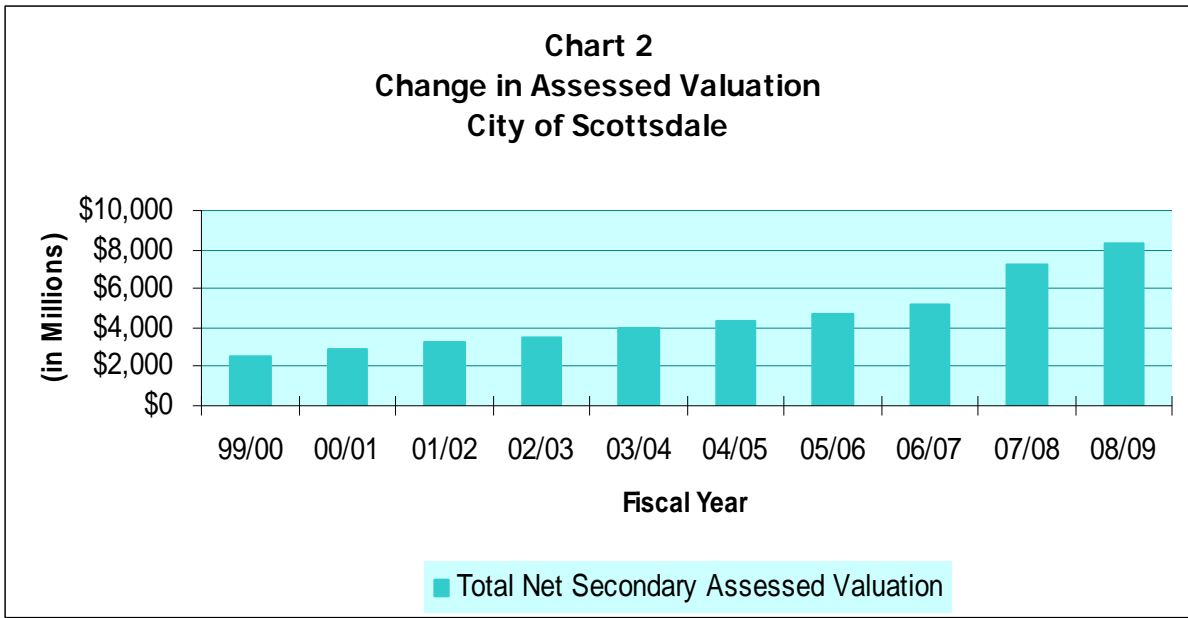
Table 11 and Chart 2 reflect the changes in assessed valuation over the past 10 years.

Table 11
Change in Secondary Assessed Valuation
City of Scottsdale

Fiscal Year	<i>NET</i> Secondary Assessed Valuation	Percent Change
99/00	\$2,484,385,416	4.0%
00/01	\$2,915,380,797	17.3%
01/02	\$3,277,950,767	12.4%
02/03	\$3,526,604,612	7.6%
03/04	\$3,975,522,083	12.7%
04/05	\$4,343,454,311	9.3%
05/06	\$4,731,052,568	8.9%
06/07	\$5,209,444,390	10.1%
07/08	\$7,243,823,225	39.1%
08/09	\$8,272,416,830	14.2%
% Change FY99/00 - FY08/09		233.0%

Source: Arizona Department of Revenue

Notes: Arizona secondary assessed valuations reflect the "full cash" value of property; there are no restrictions on the growth rate of the values. As a comparison, primary assessed valuations are restricted in their growth rate. Secondary assessed valuations are used in this study, as they more accurately reflect actual market conditions. Assessed values



Sales Tax Overview

Sales Tax Collections

Sales tax collections are very important to Scottsdale because the City receives a far greater percentage of revenue from sales taxes than from other revenue sources (refer to *Table 12* below).

Fiscal Year	Total Collections (in thousands)	% Change *
98/99	\$98,282	15.3%
99/00	\$109,010	10.9%
00/01	\$113,440	4.1%
01/02	\$111,409	-1.8%
02/03	\$110,649	-0.7%
03/04	\$120,213	8.6%
04/05	\$152,223	7.4%
05/06	\$170,410	11.9%
06/07	\$178,995	5.0%
07/08	\$170,245	-4.9%

Source: City of Scottsdale, Tax Audit Department

Sales Tax Collection Comparisons

Table 13 (p. 22) and *Chart 3* (p. 22) present sales tax collections since FY97/98 for each of the major Metro area cities. Tax rates have changed for each city in the last decade.

- ◇ Tempe's sales tax has been 1.8% since January 2001.
- ◇ Mesa's sales tax rate was 1.0% until August 1998, when it increased to 1.5%.
- ◇ Chandler's tax rate has been 1.5% since May 1994.
- ◇ Glendale's sales tax rate increased from 1.8% to 2.2% effective November 1, 2007.
- ◇ Gilbert's sales tax rate has been 1.5% since sales tax revenue began to be recorded in FY99/00.
- ◇ Peoria's sales tax rate was 1.5% since sales tax revenue began to be recorded in FY99/00; and, as of January 2006, it climbed to 1.8%.

Scottsdale's sales tax collections for FY2006/2007 totaled \$178.2 million, second only to Phoenix.

- ◇ The City of Scottsdale's sales tax rate was raised from 1.4% to 1.65% in July 2004.
- ◇ Phoenix's sales tax rate rose from 1.3% to 1.4% in November 1998; as of June 2000, it climbed to 1.8%. In 2007, voters approved an increase to 2.2%.

Table 13
Total Sales Tax Collections (in millions)

Fiscal Year	Scottsdale	Phoenix	Mesa	Glendale	Chandler	Tempe	Gilbert	Peoria
97/98	\$85.90	\$300.86	\$65.39	\$36.44	\$36.19	\$56.70	\$12.36	\$21.19
98/99	\$98.28	\$335.72	\$98.11	\$40.01	\$42.28	\$57.50	\$13.92	\$25.00
99/00	\$109.01	\$375.19	\$105.35	\$43.59	\$45.29	\$60.50	\$15.34	\$29.17
00/01	\$113.44	\$480.51	\$102.72	\$44.39	\$52.57	\$98.90	\$26.00	\$33.62
01/02	\$111.41	\$477.04	\$101.66	\$52.58	\$54.76	\$111.54	\$29.51	\$33.71
02/03	\$110.65	\$478.60	\$98.43	\$63.83	\$60.33	\$112.72	\$29.65	\$35.93
03/04	\$120.21	\$504.33	\$105.10	\$74.76	\$66.40	\$120.08	\$34.97	\$40.58
04/05	\$152.22	\$571.03	\$112.26	\$77.17	\$75.62	\$131.26	\$43.16	\$45.54
05/06	\$170.41	\$674.98	\$128.37	\$90.97	\$89.39	\$145.11	\$49.20	\$61.16
06/07	\$179.00	\$708.53	\$155.82	\$97.83	\$95.41	\$157.49	\$57.70	\$68.87

Source: City of Scottsdale, Economic Vitality Department

Chart 3
Total Sales Tax Collections (millions \$)

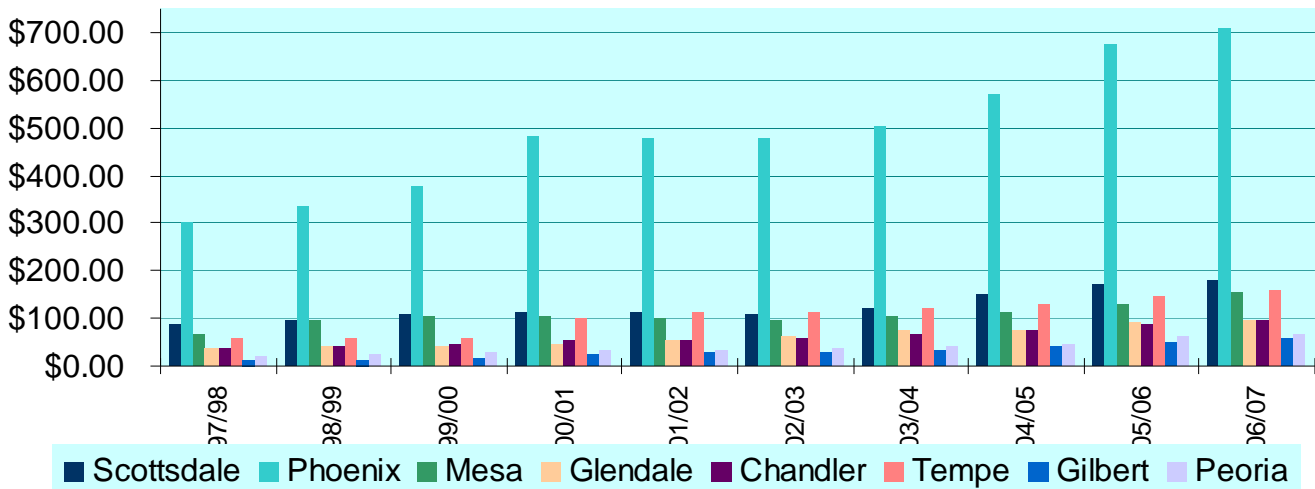


Table 14
Sales Tax Collections Per Capita
(General Fund collections adjusted to 1%)

Fiscal Year	Scottsdale	Phoenix	Mesa	Glendale	Chandler	Tempe	Gilbert	Peoria
97/98	\$330	\$175	\$170	\$139	\$141	\$206	n/a	n/a
98/99	\$339	\$140	\$121	\$144	\$148	\$298	n/a	n/a
99/00	\$380	\$100	\$121	\$156	\$167	\$220	\$96	\$190
00/01	\$400	\$184	\$172	\$101	\$173	\$346	\$134	\$220
01/02	\$380	\$184	\$165	\$144	\$188	\$389	\$151	\$249
02/03	\$370	\$195	\$154	\$156	\$199	\$392	\$129	\$174
03/04	\$392	\$176	\$162	\$178	\$185	\$415	\$141	\$179
04/05	\$407	\$218	\$175	\$187	\$218	\$454	\$162	\$240
05/06	\$432	\$248	\$191	\$207	\$227	\$486	\$177	\$238
06/07	\$452	\$256	\$195	\$221	\$264	\$521	\$189	\$252

Source: City of Scottsdale, Economic Vitality Department



Tourism Overview

The tourism industry is a very important part of retail economic activity in the City of Scottsdale, generating over \$3.7 billion in total economic activity—much of it through retail purchases—within the community in 2007. *Table 15* shows changes in tourism growth indicators over 10 years.



Year	Hotel Room Inventory	Average Room Rate	Average Occupancy	Scottsdale Bed Tax Collections*
1998	11,061	\$138.40	67.9%	\$6,878,352
1999	12,755	\$136.56	63.5%	\$6,626,425
2000	13,150	\$140.53	64.3%	\$7,619,693
2001	13,248	\$143.34	59.7%	\$7,276,496
2002	15,092	\$133.63	60.3%	\$6,846,846
2003	15,484	\$130.84	62.2%	\$6,713,203
2004	14,849	\$134.20	66.6%	\$7,439,590
2005	14,617	\$145.31	70.4%	\$8,276,226
2006	15,264	\$164.19	69.9%	\$9,375,017
2007	15,345	\$170.59	66.6%	\$9,741,770

Source: Smith Travel Research; City of Scottsdale, Economic Vitality Department

* = Bed tax collection figures represent Scottsdale hotels *only*

V. METRO AREA RETAIL TRENDS

Metro Phoenix Retail Inventory

Vacancy in the metro Phoenix retail market increased from 5.6 percent in 2006 to 6.8 percent in 2007 for several reasons. Construction of neighborhood centers and power centers continued throughout metro Phoenix, following the demand created by residential growth. The recent completion of the Loop 101 freeway has increased the development of retail centers in North Scottsdale and Phoenix along the freeway corridor. Additionally, the completion of the Loop 202 freeway in the southeast valley has engendered significant development in Gilbert and Chandler.

Scottsdale market area retail space inventory stood at 15.4 million square feet in 2007, making up 12.2 percent of the Metro area's retail inventory. Construction of retail space continues to slow in the market as the broader economy has affected the retail market. Scottsdale is expected to maintain a high demand for retail centers in 2009 relative to the overall market.

Table 15 (p. 25) lists characteristics of retail inventories—including vacancy rates, square footage, and asking rent—for metro Phoenix area communities.

Metro Phoenix Retail Rental Rates

Triple-net (NNN) rental rates in Scottsdale in 2007 were at a weighted average of \$22.48 per square foot, with “Regional” retail spaces showing the highest rental rates at \$30.50 per square foot. The average rental rates for all categories of retail space were generally higher in Scottsdale than in other Metro areas, reflecting the strength of Scottsdale's retail market (refer to *Table 16*, p. 29).

Did you know?

Average rental rates are generally higher in Scottsdale than in other Metro area communities, reflecting Scottsdale's strength in the retail market.

**Table 16
2007 Retail Inventory**

Retail Market Snapshot Phoenix Year End 2007

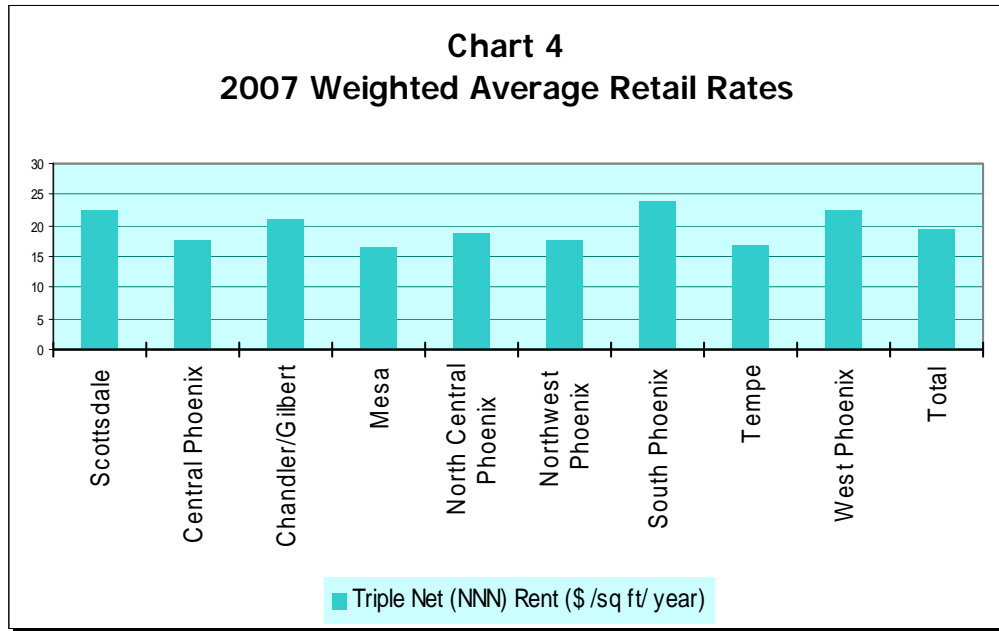
By Submarket (All Types)	Total SF(1)	Vacant SF	Vacant %	Net Absorption		Under Construction(2)	Weighted Average Rate(3)
				YTD 2006	YTD 2007		
Central Phoenix							
Neighborhood	4,294,557	472,915	11.0%	25,164	(155,291)	-	\$16.83
Power	3,762,664	86,601	2.3%	(48,003)	(5,377)	-	\$15.67
Regional	596,593	59,302	9.9%	(10,000)	(49,302)	-	-
Specialty/Theme	216,805	10,460	4.8%	(3,500)	(6,955)	-	\$28.13
Strip	1,333,148	83,436	6.3%	6,344	(25,452)	-	\$21.59
Subtotal	10,203,767	712,714	7.0%	(29,995)	(242,377)	-	\$17.67
Chandler/Gilbert							
Neighborhood	9,444,264	835,268	8.8%	264,539	(84,639)	759,850	\$19.71
Power	6,936,239	342,076	4.9%	172,316	52,142	1,523,800	\$25.61
Regional	2,522,770	59,100	2.3%	(26,380)	1,167,280	540,000	-
Specialty/Theme	389,337	-	-	-	-	418,000	-
Strip	1,755,960	195,700	11.1%	273,639	(76,246)	87,537	\$19.22
Subtotal	21,048,570	1,432,144	6.8%	684,114	1,058,537	3,329,187	\$21.18
Mesa							
Neighborhood	9,259,887	918,526	9.9%	(34,818)	61,053	105,811	\$14.58
Power	3,451,853	216,241	6.3%	(27,764)	473,367	214,400	\$20.31
Regional	2,315,370	19,306	0.8%	(5,905)	8,599	-	-
Strip	2,174,889	261,477	12.0%	24,745	80,890	22,000	\$18.65
Subtotal	17,201,999	1,415,550	8.2%	(43,742)	623,909	385,466	\$16.33
North Central							
Neighborhood	6,131,342	652,995	10.7%	279,328	(176,680)	256,000	\$17.02
Power	2,270,323	40,246	1.8%	7,829	31,587	162,825	\$26.17
Regional	2,322,802	43,493	1.9%	(182,883)	139,390	-	-
Strip	1,207,563	84,764	7.0%	88,329	(3,414)	-	\$19.46
Subtotal	11,932,030	821,498	6.9%	192,603	(9,117)	418,825	\$18.58
Northwest							
Neighborhood	11,683,929	1,010,524	8.6%	146,946	(76,954)	354,593	\$16.49
Power	6,987,763	476,637	6.8%	155,150	832,913	764,992	\$21.12
Regional	3,612,866	29,392	0.8%	(73,966)	44,574	-	-
Specialty/Theme	280,000	-	-	280,000	-	320,000	-
Strip	1,977,357	200,186	10.1%	64,897	20,249	96,668	\$18.24
Subtotal	24,541,915	1,716,739	7.0%	573,027	820,782	1,536,253	\$17.81
Scottsdale							
Neighborhood	6,457,942	336,986	5.2%	157,127	21,746	130,000	\$23.09
Power	5,045,502	234,630	4.7%	(63,915)	(63,627)	-	\$19.01
Regional	1,928,000	4,328	0.2%	(32,496)	28,168	-	\$30.50
Specialty/Theme	806,818	2,436	0.3%	(1,189)	6,073	-	-
Strip	1,156,359	138,660	12.0%	31,215	(8,776)	-	\$27.86
Subtotal	15,394,621	717,040	4.7%	90,742	(16,416)	130,000	\$22.48
South Phoenix							
Neighborhood	1,335,254	72,475	5.4%	109,264	12,950	116,730	\$24.54
Power	365,000	-	-	2,600	-	298,737	-
Strip	133,945	4,800	3.6%	8,500	3,855	-	\$19.00
Subtotal	1,834,199	77,275	4.2%	120,364	16,805	415,467	\$24.05
Tempe							
Neighborhood	4,019,495	214,991	5.3%	(15,014)	11,569	-	\$16.05
Power	1,592,711	115,464	7.2%	(10,718)	79,351	-	\$17.39
Regional	2,767,169	-	-	-	1,300,000	-	-
Specialty/Theme	225,096	-	-	-	-	-	-
Strip	1,060,557	90,522	8.5%	(3,217)	(15,960)	-	\$18.17
Subtotal	9,665,028	420,977	4.4%	(28,949)	1,374,960	-	\$16.86
West Phoenix							
Neighborhood	6,262,086	580,765	9.3%	175,353	239,121	56,222	\$16.90
Power	6,489,500	515,097	7.9%	400,635	811,636	1,031,326	\$29.97
Regional	899,190	23,342	2.6%	(24,169)	7,627	425,500	-
Strip	635,966	84,925	13.4%	76,637	28,346	64,396	\$21.08
Subtotal	14,286,742	1,204,129	8.4%	628,456	1,086,730	1,577,444	\$22.48
By Type (All Submarkets)							
Neighborhood	58,888,756	5,095,445	8.7%	1,107,889	(147,125)	1,779,206	\$17.50
Power	36,901,555	2,026,992	5.5%	588,130	2,211,992	3,996,080	\$23.71
Regional	16,964,760	238,263	1.4%	(355,799)	2,646,336	965,500	\$30.50
Specialty/Theme	1,918,056	12,896	0.7%	275,311	(882)	738,000	\$28.13
Strip	11,435,744	1,144,470	10.0%	571,089	3,492	270,601	\$19.94
Total	126,108,871	8,518,066	6.8%	2,186,620	4,713,813	7,792,642	\$19.37

(1) Inventory includes speculative multi-tenant buildings greater than 20,000 SF (excludes medical, owner occupied and other specialized buildings).

(2) Space under construction includes speculative for lease projects.

(3) Asking rates are per square foot per year triple net.

Source: Grubb & Ellis Retail Market Trends Phoenix year End 2007



Source: Grubb & Ellis Retail Market Trends Phoenix Year End 2007

Table 17
Retail Vacancy Rates - Metropolitan Phoenix

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Scottsdale	7.7%	4.5%	3.8%	5.4%	6.8%	5.0%	4.3%	6.7%	4.7%
Central Phoenix	8.3%	5.1%	5.7%	7.8%	4.6%	3.1%	4.8%	3.3%	7.0%
Chandler/Gilbert	5.9%	4.4%	4.8%	6.1%	4.6%	4.1%	5.5%	5.1%	6.8%
Mesa	8.0%	4.7%	6.1%	7.4%	6.0%	6.2%	6.3%	7.7%	8.2%
North Central Phoenix	5.0%	4.6%	3.5%	3.7%	6.7%	7.2%	5.6%	5.9%	6.9%
Northwest Phoenix	6.4%	6.2%	5.4%	9.3%	5.3%	5.3%	5.3%	5.6%	7.0%
South Phoenix	2.7%	1.5%	14.8%	16.7%	2.1%	7.2%	7.6%	3.7%	4.2%
Tempe	9.2%	7.8%	4.6%	7.9%	5.8%	4.7%	3.9%	4.2%	4.4%
West Phoenix	7.6%	6.7%	5.4%	10.1%	8.9%	4.8%	4.3%	4.9%	8.4%
Total	7.2%	5.4%	5.1%	7.3%	5.9%	5.1%	5.2%	5.6%	6.8%

Source: Grubb & Ellis Retail Market Trends Phoenix

Scottsdale Retail Centers

Traditionally, shopping centers have been broken down into four main types: neighborhood, community, regional, and superregional centers. However, as the retail industry has evolved over time, so have the categories to which these centers are ascribed. In fact, the International Council of Shopping Centers (ICSC) now identifies eight distinct shopping center types and also recognizes that there are hybrids and variations even among this expanded list.

The eight main shopping center types are:

- ◇ Superregional
- ◇ Regional
- ◇ Neighborhood
- ◇ Community
- ◇ Power
- ◇ Theme/festival
- ◇ Outlet
- ◇ Lifestyle

The Scottsdale retail trade area possesses six of the eight core shopping center types as well as one sub type: the Convenience Center. Maps of the various retail centers located within the Scottsdale market area can be found on pages 30-32, and the data about each center can be found in *Table 18* (p. 33). The basic descriptions for the centers are as follows:

Superregional:

Similar to a regional center but with more variety. Typically larger than 800,000 sf and anchored by three or more large department stores. Its primary trade area is 5-25 miles.

Neighborhood:

Focused on convenience and typically between 30,000 and 150,000 sf. Generally anchored by a supermarket and has a trade area of three miles.

Community Center:

Focused on both general merchandise and convenience. Larger than a neighborhood center at 100,000 to 300,000 sf, it is anchored by two or more stores that could range from home improvement to discount apparel. The trade area is typically 3-6 miles

Lifestyle Center:

Consists of upscale national chain specialty stores and is not anchored in the traditional way. Generally focused on dining and entertainment and has a trade area of 8-12 miles

Power Center:

Consists of three or more large “category-dominant” anchors with a few other small tenants. Stores could range from home improvement to discount department to warehouse club. Between 250,000 and 800,000 sf and has a trade area of 5-10 miles.

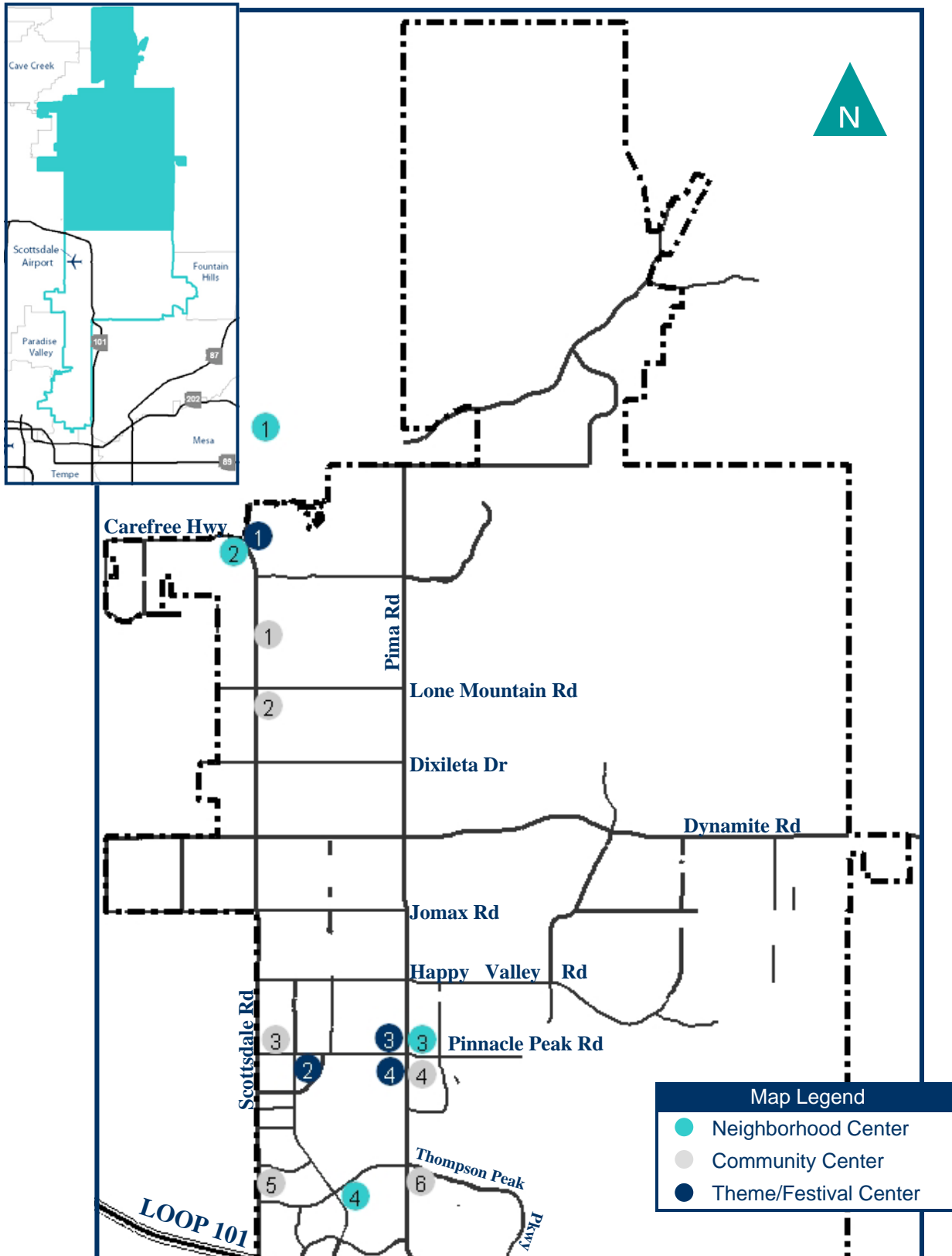
Theme/Festival:

Focused on leisure, retail, and service and is generally more tourist oriented. Size can range from 80,000 to 250,000 sf and generally consists of restaurants and entertainment venues.

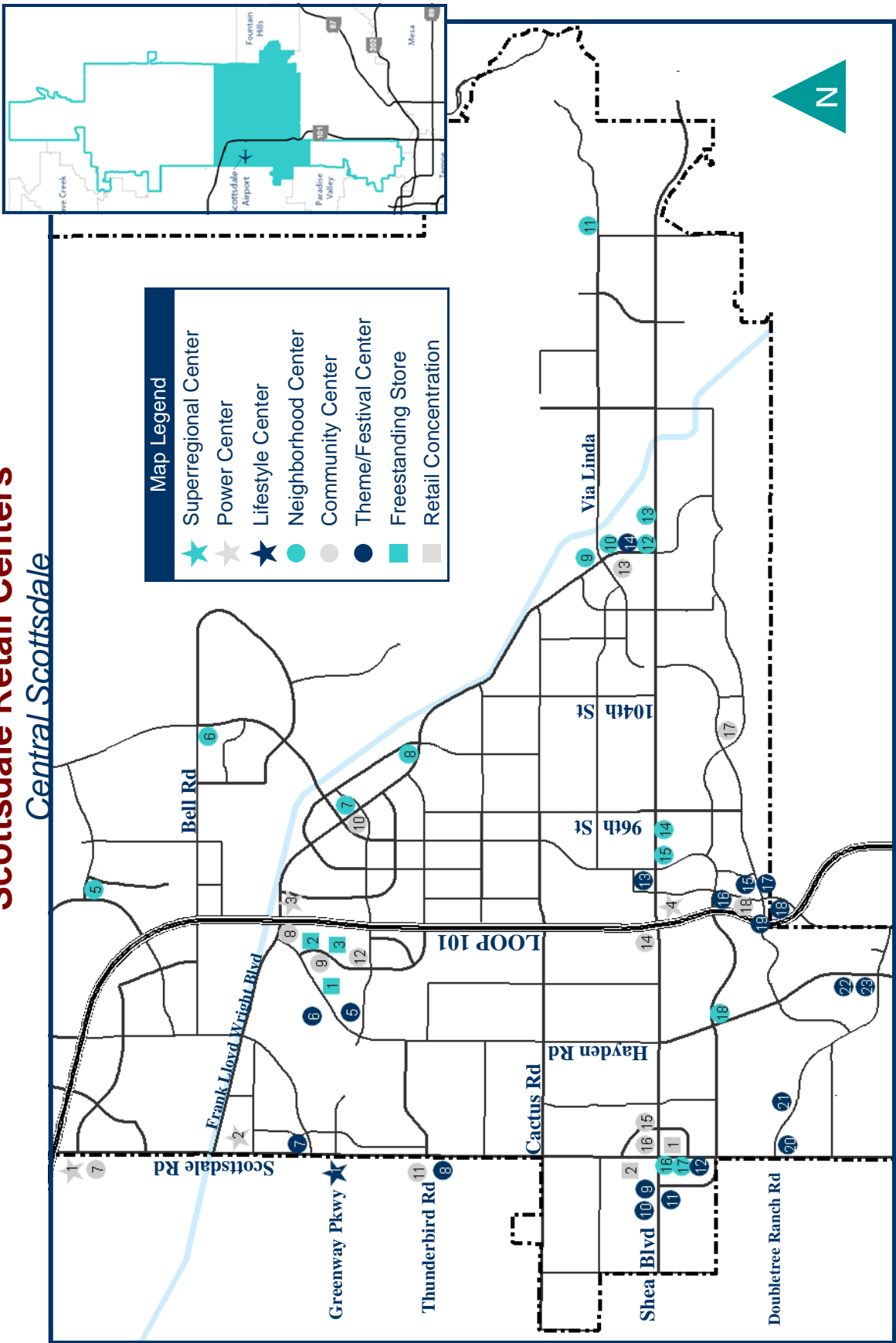
Convenience Center:

Provides a narrow mix of goods and personal services to a limited trade area. Typical anchor would consist of a mini-mart.

Map 2.1 Scottsdale Market Area Retail Centers *Northern Scottsdale*



Map 2.2 Scottsdale Retail Centers



Map 2.3 Scottsdale Retail Centers

Southern Scottsdale

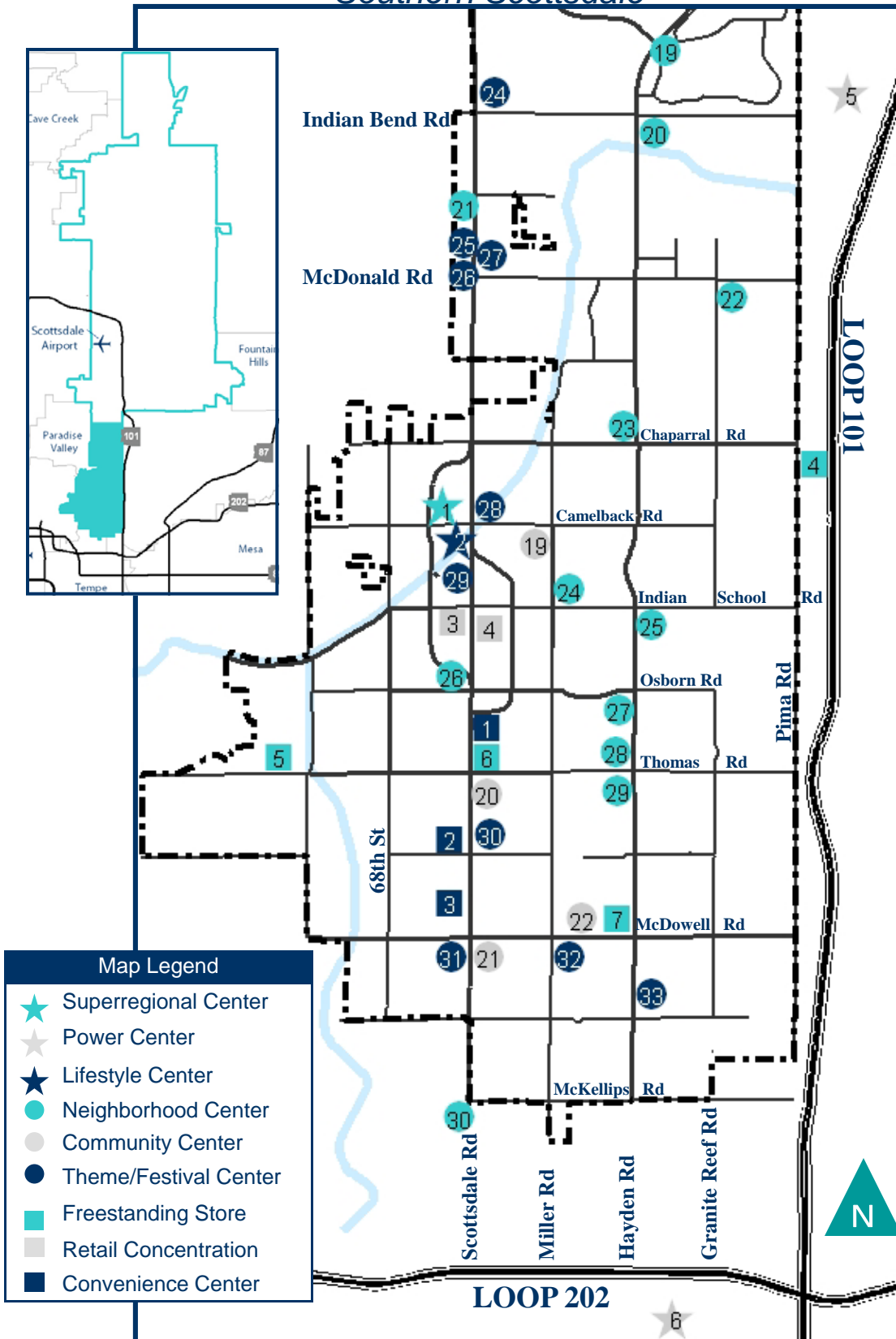


Table 18

Super Regional Centers (30,000+ sq. ft.)

Map Key	Map #	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	Anchors
★1	2.3	Scottsdale Fashion Square	Scottsdale & Camelback / Scottsdale	85251	1961 1991 1998 2007	2,049,169	Dillards, Macy's, Nordstrom, Neiman Marcus

Power Centers (30,000+ sq. ft.)

Map Key	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	Anchors
★1	Scottsdale 101	NWC Scottsdale & Mayo / Phoenix	85254	2003	600,000	Expo Design Center, Borders, Sportsmart, Babies 'R' Us, Bed Bath & Beyond, Harkins Cine-Capri
★2	Scottsdale Promenade	SEC Scottsdale & Frank Lloyd Wright / Scottsdale	85260	2004	720,000	Lowe's, The Great Indoors, Old Navy, PetSmart, Cost Plus World Market, Nordstrom Rack
★3	Scottsdale Towne Center	SEC Loop 101 & Frank Lloyd Wright / Scottsdale	85260	1994	307,835	Target, Albertson's-Osco, TJ Maxx, Ross
★4	Scottsdale Fiesta	SWC 90th & Shea / Scottsdale	85258	1991	514,500	Fry's, Home Depot, Barnes & Noble, CompUSA, Office Max, PetSmart, Best Buy, Marshall's, Big Lots
★5	Scottsdale Pavillions	Pima & Indian Bend / Salt River Pima Maricopa Indian Community	85256	1989	1,090,327	Home Depot, Target, Ross, UA Cinemas, Sports Authority, Toys 'R' Us
★6	Tempe Marketplace	NEC McClintock & Rio Salado Pkwy / Tempe	85281	2007	1,300,000	Barnes & Noble, Best Buy, BevMol, Harkins Theaters, JC Penney, Office Max, PetSmart, Sam's Club, Target

Lifestyle Centers (30,000+ sq. ft.)

Map Key	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	Anchors
★1	Kierland Commons	SWC Scottsdale & Greenway / Phoenix	85254	2000	400,000	Barnes & Noble, Crate & Barrel, Restoration Hardware, PF Chang's, Cheesecake Factory, Tommy Bahama
★2	Scottsdale Waterfront	SWC Camelback & Scottsdale / Scottsdale	85251	2005	225,000	Borders, P.F. Changs, Urban Outfitters

Table 18 (continued)						
Freestanding Stores (30,000+ sq. ft.)						
Map Key #	Store Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	
1	2.2 Costco	SWC Hayden & 83rd Pl / Scottsdale	85260	1987	112,000	
2	2.2 Wal-Mart Supercenter/ Sam's Club	Northsight S. of Hayden / Scottsdale	85260	2000	1,251,222	
3	2.2 Kohls	Raintree E. of Northsight / Scottsdale	85260	2002	86,777	
4	2.3 Wal-Mart Center	SEC Pima & Chaparral / Salt River Pima Maricopa Indian Community	85256	1994	125,000	
5	2.3 Fry's	NWC 61st Pl & Thomas / Scottsdale	85251	1977	104,335	
6	2.3 Checker Auto Parts	NEC Scottsdale & Thomas / Scottsdale	85251	1960	44,012	
7	2.3 Lowes Plaza	NWC Hayden & McDowell / Scottsdale	85257	2006	147,061	
Retail Concentrations (30,000+ sq. ft.)						
Map Key	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	
1	2.2 Windmill Plaza	SEC Scottsdale & Shea / Scottsdale	85260	1980s	180,000	
2	2.2 Sundown Plaza	NWC Scottsdale & Shea / Scottsdale	85260	1980	100,000	
3	2.3 Fifth Ave District	N of Indian School, W of Scottsdale, SE of Arizona Canal / Scottsdale	85251	1950/60s	393,000	
4	2.3 Main St / Old Town District	S of Indian School between 68th & Civic Center / Scottsdale	85251	1950/60s	477,000	
Table 18 (continued)						
Convenience Center (30,000+ sq. ft.)						
Map Key	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	
1	2.3 Plaza 777	SEC Scottsdale & Earl / Scottsdale	85251	1970	40,547	
2	2.3 Scottsdale Oak Plaza	NWC Scottsdale & Oak / Scottsdale	85257	1980	35,889	
3	2.3 Scottsdale Plaza	Scottsdale S. of Oak / Scottsdale	85257	1962	43,958	

**Table 18 (continued)
Neighborhood Centers (30,000+ sq. ft.)**

Map Key	Map #	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	Anchors
1	2.1	Carefree Marketplace	SEC Carefree Dr & Tom Darlington / Carefree	85377	1988	84,248	Basha's, Ace Hardware
2	2.1	Terravita Marketplace	SWC Scottsdale & Carefree Hwy / Scottsdale	85262	1996	105,808	Albertson's, Walgreens
3	2.1	La Mirada Center	NEC Pinnacle Peak & Pima / Scottsdale	85255	1996	113,480	Maistro's Steak House, Walgreens
4	2.1	Hayden Peak Crossing	SEC Thompson Peak & Hayden / Scottsdale	85255	2006	150,698	Fry's Signature
5	2.2	DC Ranch Crossing	SEC Pima & Union Hills / Scottsdale	85255	2008	84,841	AJ's Fine Foods
6	2.2	McDowell Mountain Marketplace	SWC Bell & Thompson Peak / Scottsdale	85260	2003	112,615	Basha's
7	2.2	McDowell Mountain Village	SEC Frank Lloyd Wright & Thompson Peak / Scottsdale	85259	2002	95,115	Walgreens, AJ's Grocer
8	2.2	Centennial Marketplace	NWC 100th & Frank Lloyd Wright / Scottsdale	85260	2004	66,037	24 Hour Fitness, Zipps Sports Grill
9	2.2	Sierra Crossings	NEC Frank Lloyd Wright & Via Linda / Scottsdale	85259	1990s	34,000	Walgreens, Tutor Time
10	2.2	Albertson's/Osco Village	SEC Frank Lloyd Wright & Via Linda / Scottsdale	85259	1993	N/A	Albertson's/Osco
11	2.2	Saddle Mountain Plaza	NEC 136th St & Via Linda / Scottsdale	85259	2000	42,230	
12	2.2	Adobe Ranch Plaza	NEC Frank Lloyd Wright & Shea / Scottsdale	85259	1998	76,000	Goodyear Advanced
13	2.2	Mountainside Plaza	NEC 116th & Shea / Scottsdale	85259	2003	58,519	Mountainside Fitness, M&I Bank
14	2.2	The Shops at 94 Hundred	S of Shea between 92nd & 96th St / Scottsdale	85260	2008	37,607	Mixed use with office, no anchor
15	2.2	Mercado del Rancho	SEC 92nd St & Shea / Scottsdale	85260	1985	104,286	Chompie's Bagels, Sprouts
16	2.2	Scottsdale Commons	SWC Scottsdale & Shea / Scottsdale	85254	1980 2007	60,741	BevMo!, Fresh & Easy
17	2.2	Checker Village	NWC Scottsdale & Gold Dust Ave / Scottsdale	85253	1978	88,900	Checker Auto, Ace Hardware
18	2.2	Mountain View Plaza	SEC Hayden & Mountain View / Scottsdale	85258	1984	67,904	no anchor
19	2.3	Paseo Village	Hayden & McCormick / Scottsdale	85258	1975	94,115	LA Fitness, Walgreens
20	2.3	Gateview Park	SEC Hayden & Indian Bend / Scottsdale	85250	1994	105,000	Albertson's, Osco
21	2.3	Lincoln Plaza	SWC Scottsdale & Lincoln / Scottsdale	85253	1974	65,906	AJ's Fine Foods
22	2.3	Park Scottsdale Shopping Center	SEC McDonald & Granite Reef / Scottsdale	85258	1964	100,698	Basha's, ACE Hardware, Walgreens
23	2.3	Chaparral Plaza	NWC Hayden & Chaparral / Scottsdale	85250	1980	100,000	Safeway
24	2.3	Miller Plaza	NEC Miller & Indian School / Scottsdale	85251	1975	120,000	Fry's
25	2.3	Bashas Center	SEC Hayden & Indian School / Scottsdale	85251	1960 2004	64,110	Basha's, Walgreens
26	2.3	Walgreens-Staples Center	Scottsdale & Goldwater / Scottsdale	85251	1994	45,000	Walgreens, Staples
27	2.3	Office Max Plaza	SWC Hayden & Osborn / Scottsdale	85251	1981	76,435	Office Max, Big 5
28	2.3	Hayden Thomas Center	NWC Hayden & Thomas / Scottsdale	85251	1971	59,524	Powerhouse Gym
29	2.3	Indian River Plaza	SWC Hayden & Thomas / Scottsdale	85251	1979	87,084	CVS, 99 Cent Only
30	2.3	Pollak Food City Plaza	SWC Scottsdale & McKellips / Tempe	85281	1977	77,810	Food City, Big Lots

Table 18 (continued)
Community Centers (30,000+ sq. ft.)

Map Key #	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage	Anchors
1	2.1 The Summit at Scottsdale	NEC Scottsdale & Asher Hills / Scottsdale	85262	2002	325,000	Safeway, Target, Office Max, CVS
2	2.1 Scottsdale North	SEC Scottsdale & Lone Mountain / Scottsdale	85262	2007	100,000	AJ's Fine Foods
3	2.1 The Pinnacle of Scottsdale	NEC Scottsdale & Pinnacle Peak / Scottsdale	85255	1991	118,510	Safeway, Ace Hardware
4	2.1 Desert Village Shopping Center	SEC Pinnacle Peak & Pima / Scottsdale	85255	1996	117,385	AJ's Fine Foods, CVS
5	2.1 Grayhawk Plaza	SEC Grayhawk & Scottsdale / Scottsdale	85255	2001	154,000	Basha's, Walgreens
6	2.1 Market Street at DC Ranch	SEC Pima & Thompson Peak / Scottsdale	85255	2003	275,523	Safeway
7	2.2 Shops at Chauncy Ranch	SWC Scottsdale & Mayo / Phoenix	85254	2007	170,000	Whole Foods, PetSmart
8	2.2 Sonora Village	SWC Frank Lloyd Wright & Hayden / Scottsdale	85260	1996	278,753	Best Buy, Staples
9	2.2 Northsight Village	NWC Northsight & Butherus / Scottsdale	85260	1998	216,000	Home Depot, Ultimate Electronics
10	2.2 Scottsdale Horizon Shopping Center	SWC Frank Lloyd Wright & Thompson Peak / Scottsdale	85260	1997	156,636	Safeway, CVS
11	2.2 East Thunderbird Square	NWC Thunderbird & Scottsdale / Phoenix	85254	1987	170,738	Smart & Final, Ashley Furniture
12	2.2 Northsight Crossing	NEC Northsight & Raintree / Scottsdale	85260	2003	101,500	Gold's Gym, Big 5 Sports
13	2.2 Ancala Village	SWC Frank Lloyd Wright & Via Linda / Scottsdale	85259	1992	102,759	Safeway, Ace Hardware, Dollar Tree
14	2.2 Pima Crossing	NWC Loop 101 & Shea / Scottsdale	85260	1993	269,046	Paddock Pools, Bally Fitness, Pier 1 Imports, PGA Tour Superstore
15	2.2 Shea Scottsdale East	NWC 74th St & Shea / Scottsdale	85260	1995	130,000	Harkin's Theaters, Pure Fitness
16	2.2 Shea Scottsdale Center	NEC Scottsdale & Shea / Scottsdale	85260	1980	166,000	Safeway, CVS
17	2.2 Mercado at Scottsdale Ranch	SEC Mountain View & Via Linda / Scottsdale	85258	1987	120,500	AJ's Fine Foods, Walgreens
18	2.2 Fry's Marketplace Center	NWC 90th & Via Linda / Scottsdale	85258	1985 2007	110,990	Fry's Marketplace
19	2.3 Camelback Miller Plaza	SWC Miller & Camelback / Scottsdale	85251	1979	178,271	TJ Maxx, Sunflower Market, PetSmart
20	2.3 Scottsdale Crossings	SEC Thomas & Scottsdale / Scottsdale	85257	1991	119,467	Albertson's, Ace Hardware
21	2.3 Los Arcos Crossing	SWC 74th St & McDowell / Scottsdale	85257	1975	124,349	Auto Zone
22	2.3 Fountain Plaza	McDowell & 77th St / Scottsdale	85257	1980	105,991	Fry's, Dollar Tree

Table 18 (continued)
Theme/Festival Center (30,000+ sq. ft.)

Map Key	Map #	Center Name	Location/ Jurisdiction	Zip Code	Year Built	Square Footage
1	2.1	EI Pedregal & Tohono Center	SEC Scottsdale & Carefree Hwy / Scottsdale	85262	1988	63,200
2	2.1	The Shops at Pinnacle Peak	SEC Pinnacle Peak & Miller / Scottsdale	85255	2000	41,852
3	2.1	The Citadel	NWC Pima & Pinnacle Peak / Scottsdale	85255	1991	40,000
4	2.1	Pinnacle Peak Village / Plaza de Alamos	SWC Pima & Pinnacle Peak / Scottsdale	85255	1974	60,000
5	2.2	Scottsdale Design Center	SEC Hayden & 83rd Pl / Scottsdale	85260	1986	59,943
6	2.2	Hayden Design at 83rd	NWC Hayden & 83rd Pl / Scottsdale	85260	2006	60,000
7	2.2	Zocallo Plaza	NEC Scottsdale & Greenway-Hayden Loop / Scottsdale	85250	1998 2001	35,539
8	2.2	The Plaza	SWC Scottsdale & Thunderbird / Phoenix	85254	1985	73,197
9	2.2	Scottsdale Promenade	NEC 70th St & Shea / Scottsdale	85258	1988	136,000
10	2.2	Agua Caliente	NWC 70th St & Shea / Scottsdale	85258	1987	48,099
11	2.2	Shea 70	SWC 70th St & Shea / Scottsdale	85258	1988 2005	34,468
12	2.2	Acacia Creek Village	SWC Scottsdale & Gold Dust / Scottsdale	85253	1996	39,600
13	2.2	The Courtyard Shops	NWC 92nd St & Shea / Scottsdale	85260	1987	43,722
14	2.2	Palo Verde Square	SEC 114th & Desert Cove / Scottsdale	85260	1999	40,000
15	2.2	Ranch Center	SEC 90th St & San Victor / Scottsdale	85258	1985	54,942
16	2.2	Ranch Auto Center	NWC 90th St & San Victor / Scottsdale	85258	1985	63,000
17	2.2	Via Linda Place	SEC 90th St & Via Linda / Scottsdale	85258	1986	63,570
18	2.2	The Village at Via Linda	SWC 90th St & Via Linda / Scottsdale	85258	1985	39,314
19	2.2	The Milieu	Via Linda W. of 90th St. / Scottsdale	85258	1985	114,476
20	2.2	The Shops at Gainey Village	SEC Scottsdale & Doubletree / Scottsdale	85253	2001	138,400
21	2.2	Gainey Ranch Town Center	Doubletree Ranch E. of Scottsdale / Scottsdale	85253	1997	29,000
22	2.2	Mercado del Lago	NWC Hayden & Royal Palm / Scottsdale	85258	1982	61,025
23	2.2	Village at Hayden	NWC Hayden & Via de Ventura / Scottsdale	85258	1986	152,497
24	2.3	Scottsdale Seville	NEC Scottsdale & Indian Bend / Scottsdale	85253	1990	90,074
25	2.3	Lincoln Village Shops	Scottsdale S. of Lincoln / Scottsdale	85253	1979	54,767
26	2.3	Borgata of Scottsdale	NWC Scottsdale & Rose / Scottsdale	85253	1981	88,000
27	2.3	Hilton Village	NEC Scottsdale & McDonald / Scottsdale	85250	1982	93,038
28	2.3	Renaissance Center/Scts Oasis	NEC Camelback & Scottsdale/ Scottsdale	85251	2005	38,550
29	2.3	Stetson Plaza/South Bridge	Stetson W. of Scottsdale Rd. / Scottsdale	85251	2007	31,000
30	2.3	Wilshire Plaza	SEC Scottsdale & Wilshire / Scottsdale	85257	1979	40,028
31	2.3	Papago Plaza	SWC McDowell & Scottsdale / Scottsdale	85257	1960	124,744
32	2.3	Plaza del Rio	SEC Miller & McDowell / Scottsdale	85257	1985	37,200
33	2.3	Scottsdale East Plaza	SEC Hayden & Roosevelt / Scottsdale	85257	1971	30,400

VI. RETAIL SITE INFORMATION

Locations for retail shops are available, as well as opportunities for the development of new retail centers and/or the renovation of existing facilities. These sites are located throughout the City, both in established neighborhoods and in developing areas. Additional information about specific locations within Scottsdale—with or without existing retail structures—is available from the City of Scottsdale Economic Vitality Department.

If you would like information about potential sites, or other retail-related information, please feel free to contact the Economic Vitality Department:

*4021 N. 75th St., Suite 102
Scottsdale, AZ 85251
Phone: (480) 312-7989
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www.scottsdaleaz.gov/economics/default

