

An aerial photograph of a residential neighborhood in San Luis, AZ, showing a grid of streets and houses. A large orange cross is overlaid on the right side of the image, extending from the top to the bottom and across the middle.

Why Cesar Chavez Blvd Is Positioned for Retail and Hospitality Investment

Market & Site Fit Analysis

Cesar Chavez Blvd, San Luis, AZ

2026



Summary & Recommendations

Market & Site Fit Analysis

Summary & Recommendations

San Luis is experiencing coordinated investment in retail, medical, industrial, and housing development, positioning Cesar Chavez Blvd as a complementary commercial corridor. The San Luis Port of Entry expansion, from 8 to 16 lanes, is likely to increase cross-border throughput, reinforcing demand for services, food, and convenience retail. Despite current economic growth, San Luis experiences an estimated \$55 million annually in retail leakage, largely in daily-needs categories that can be served locally.

Sales Tax Impact & Feasibility

The conceptualized retail development along Cesar Chavez Blvd is projected to generate meaningful, sustainable increases in municipal sales tax, retaining retail leakage without oversaturating the local market. An expected 3,000 new housing units could add approximately \$3.2 million annually in municipal sales tax under stabilized conditions. Increased border crossings are expected to further enhance taxable spending, particularly for food, services, and convenience-oriented uses.

Market Analysis

Market-supported use opportunities for the conceptual Cesar Chavez retail corridor, aligned with documented retail leakage, commuter patterns, and cross-border activity, include:

- **Restaurants & Coffee** – High-frequency categories with strong leakage and walkability benefits.

- **Hotels (Extended Stay) & Event Space** – Serving medical, industrial, agricultural, and cross-border demand.
- **Pharmacy** – Daily-need anchor supporting local residents and visitors.
- **Hardware & Auto-Oriented Retail** – Among the highest leakage categories; suited for corridor visibility.
- **Local & Hobby Retail** – Community-serving uses that reinforce place identity.
- **Shipping Services** – Supporting cross-border commerce and local demand.

Implementation Recommendation

- Focus development on human-scaled, pedestrian-oriented retail formats with short walking distances, shared parking, and strong frontage.
- Prioritize local-serving and commuter-oriented tenants first, followed by regional and cross-border-serving uses as demand matures.
- Position Cesar Chavez Blvd as San Luis' primary walkable commercial corridor, capturing lost spending while strengthening long-term sales tax resilience.

Site Fit Analysis



Zoning Review

Site Fit Analysis

According to the official zoning map of San Luis, properties along Cesar Chavez Boulevard are currently designated under a combination of C-1 (Neighborhood Commercial) and C-2 (Community Commercial) zoning districts.

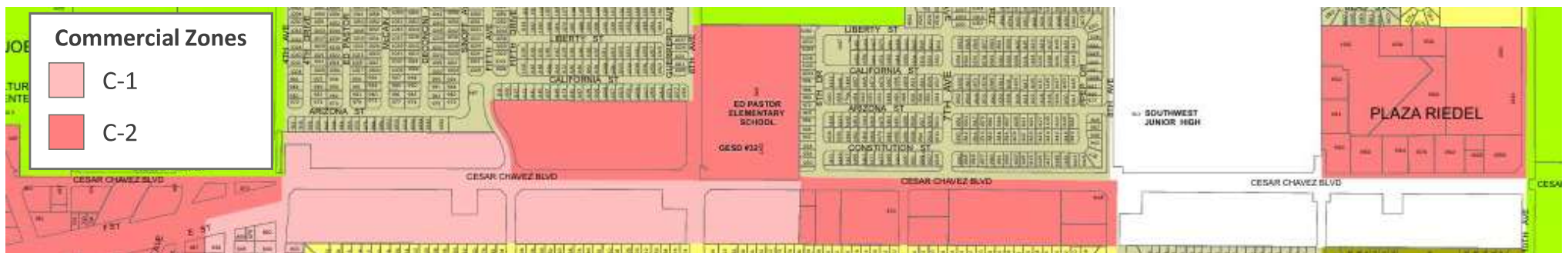
C-1 – Neighborhood Commercial: *The purpose of this Zoning District is to provide a location for well-designed small-scale retail shops and services in convenient locations to meet the daily needs of families in the immediate residential neighborhood. It is intended that this district accommodate a restricted range of uses that must be compatible with and integrated into the adjoining residential neighborhood. Residential uses shall be incidental to the primary commercial development.*

C-2 – Community Commercial: *The purpose of this Zoning District is to provide a location for general business and commercial uses. The intent of this district is to allow for larger*

and more intense commercial uses to satisfy the broader retail and business needs of the community at large while providing for a broad range of commercial activities.

The corridor's current split designation applies both neighborhood-serving and community-scale commercial standards to what functions as a primary arterial roadway. The conceptual development vision for Cesar Chavez Boulevard anticipates a cohesive commercial spine capable of supporting larger retail users, auto-oriented services, hospitality, and other higher-intensity uses serving the broader community. While portions of the corridor already permit such activity under C-2 zoning, properties designated C-1 would not fully accommodate this level of development. Rezoning select C-1 parcels to C-2 would establish regulatory consistency, more closely align zoning with the corridor's function, and support coordinated, long-term economic development.

Source: Zoning Ordinance, San Luis





STREETSCAPE IMPROVEMENTS

Recent improvements to Main Street have strengthened the visual character and functionality of the downtown district. Realigned parking, median landscaping, and improved crosswalks better separate pedestrian and vehicular movement, while sidewalk enhancements support a more active pedestrian environment.

Roundabouts and other traffic-calming features have improved circulation and wayfinding for visitors. Additional connectivity improvements are anticipated through the Cesar Chavez Boulevard upgrades currently underway.

CESAR CHAVEZ BOULEVARD COMMERCIAL DEVELOPMENT OPPORTUNITIES

ST LUIS, AZ



CESAR CHAVEZ BOULEVARD EXPANSION AND IMPROVEMENTS

The project includes roadway widening, dedicated turn lanes, roundabouts, and improved traffic-control measures. Median landscaping and sidewalk improvements will enhance both vehicular circulation and the pedestrian environment along the boulevard.

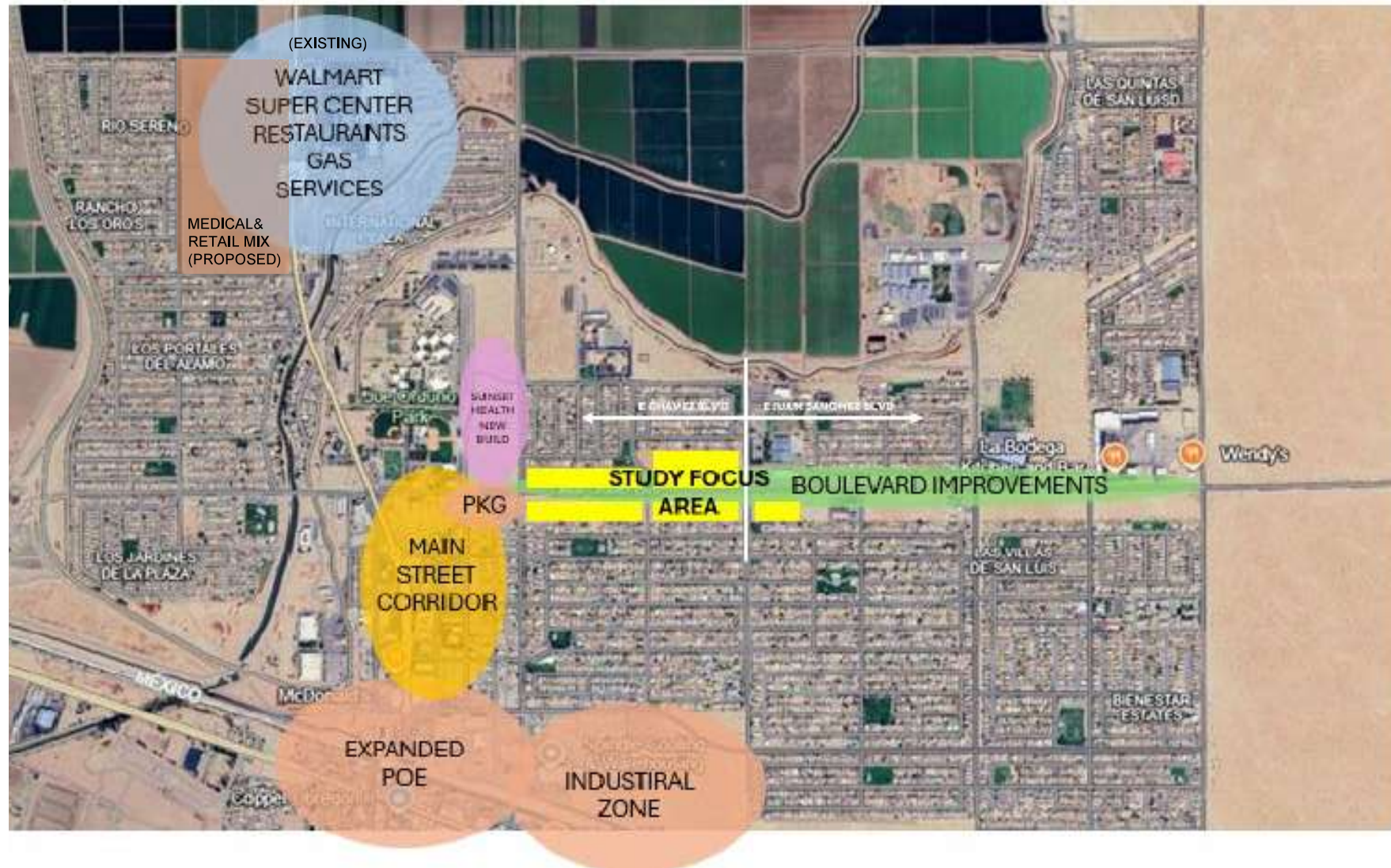
The corridor is also positioned to support additional commercial activity. The proposed medical center, continued residential development, and the planned commuter parking facility are expected to increase daily traffic volumes and strengthen the corridor's role as a local activity spine.

PRECEDENT IMPROVEMENTS

Opportunity Map

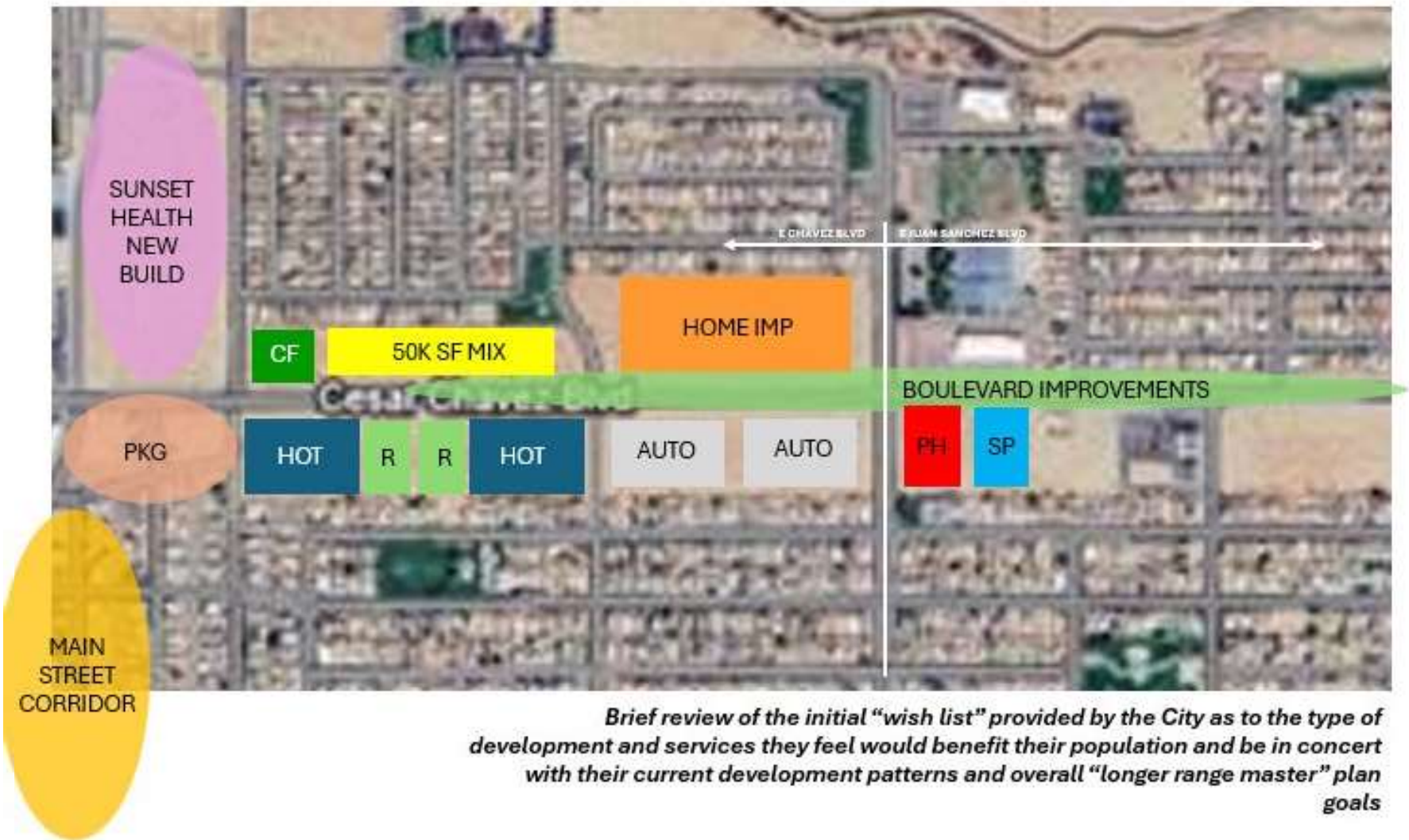
Site Fit Analysis

Market-Supported Uses Aligned With Local Demand and Leakage Patterns



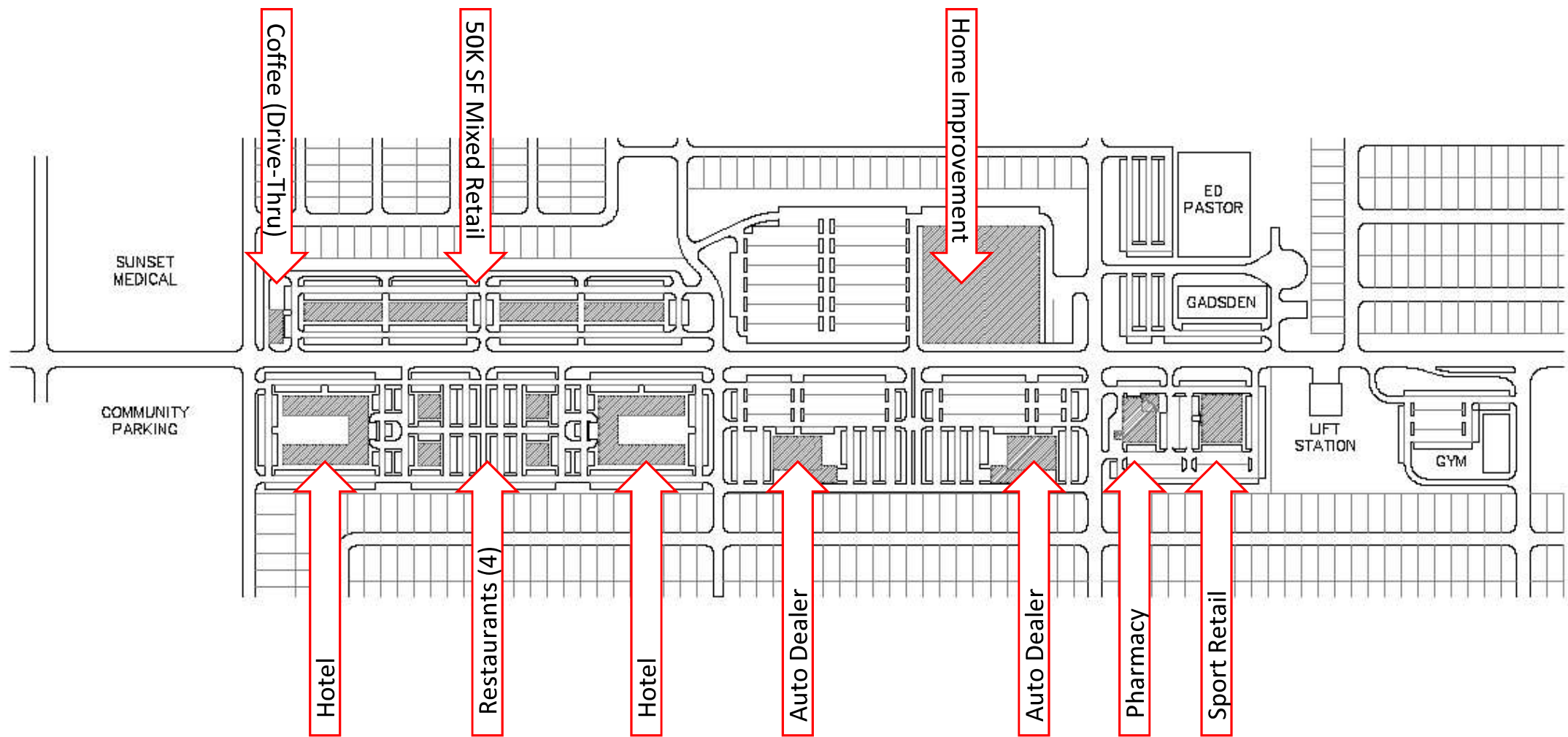
Opportunity Map

Site Fit Analysis



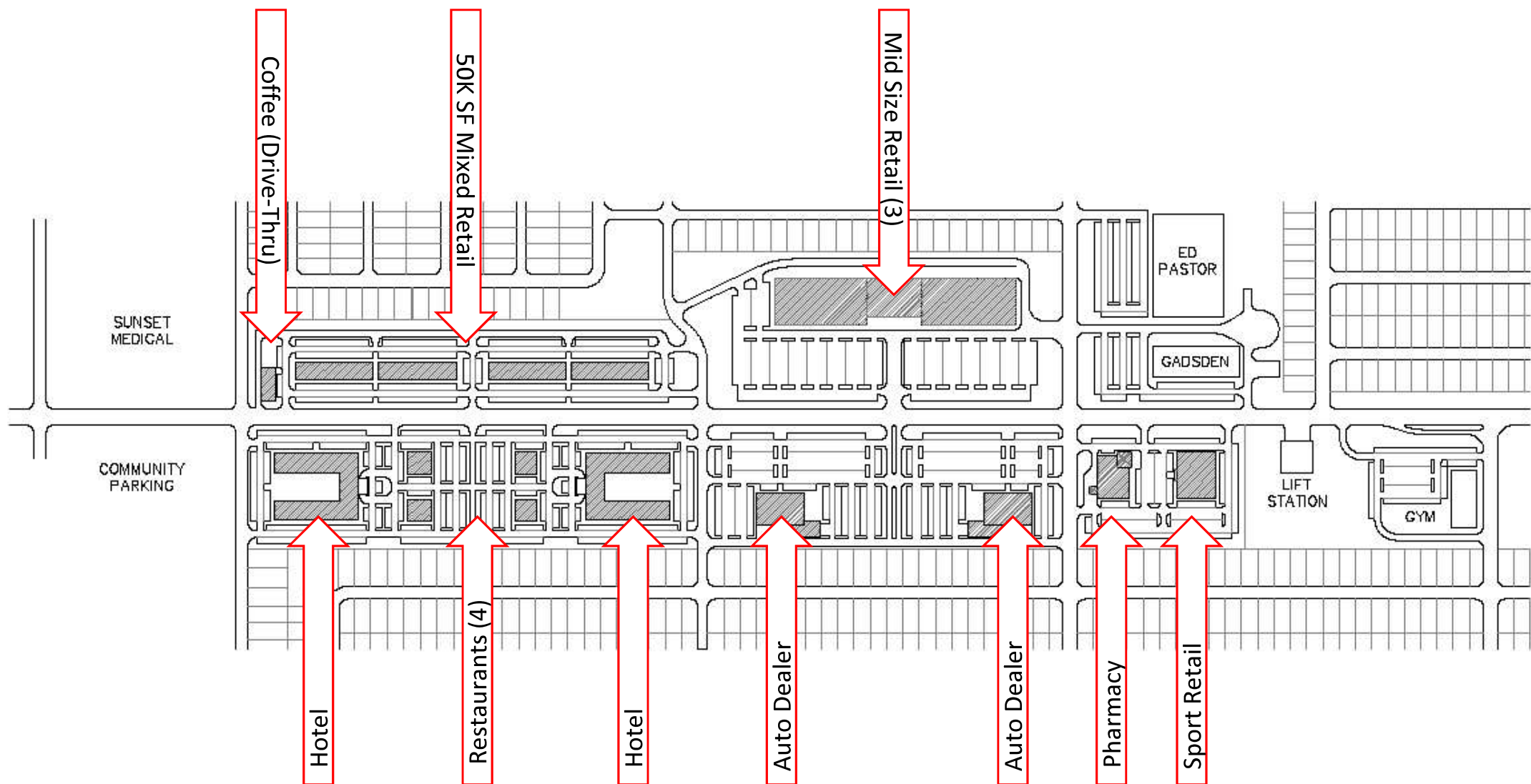
Site Fit Study (Home Improvement Option)

Site Fit Analysis



Site Fit Study (Mid-Sized Retail Mix Option)

Site Fit Analysis



Associated Demand Metrics

COFFEE SHOP

- 15-90K min population
- 25K trips per day
- 1,500-2,000sf footprint
- 10-40 parking spaces
- 15-30 employee

HOTEL

- 50-100K min population
- 20K trips per day
- 100-150 rooms
(300-450sf ea)
- 1-1.5 parking space per room
- 15-25 employees

RESTAURANT

- 15K-plus min population
(within 3-5 mile radius)
- 20-50K trips per day
- 4,500-5,500sf footprint
- 50-80 parking spaces
- 15-20 employees

AUTO DEALER

- 25-50K min population
- 20-40K trips per day
- 30,000 to 50,000sf footprint
- 4-5 parking spaces per 1Ksf of building footprint
- 65-70 employees

HOME IMPROVEMENT STORE

- 6-12K min population
- 30-40 trips per 1Ksf of store footprint
- 100,000sf footprint
(plus 25,000sf outdoor garden center)
- 400-600 parking spaces
- 150-200 employees

PHARMACY

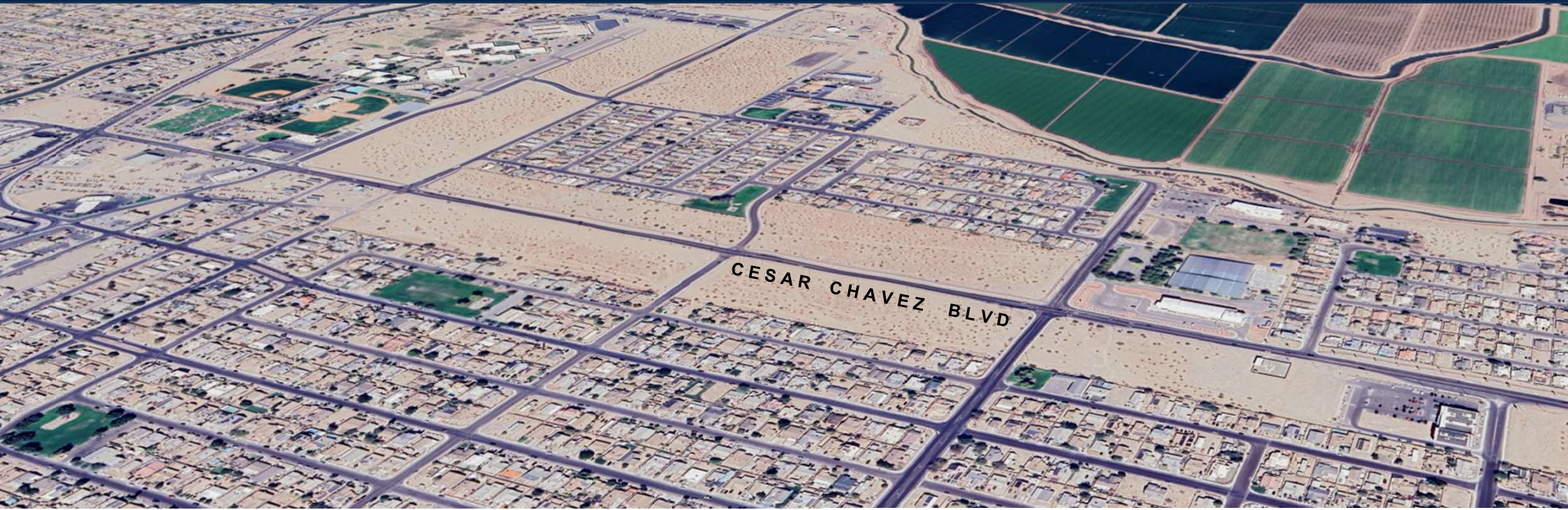
- 3-5K-plus min population
- 15-30K trips per day
- 4,500-5,500sf footprint
- 50-75 parking spaces
- 15-20 employees
(plus pharmacists)

MID-SIZED SPORT RETAIL

- 40K-plus min population
- 15K trips per day
- 8,000sf footprint
- 30-60 parking spaces
- 15-20 employees

Current Condition

Site Fit Analysis



BIRDSEYE VIEW
of existing conditions
as seen from
southeast corner
of the subject study area



Potential Future State Perspective Rendering

Site Fit Analysis

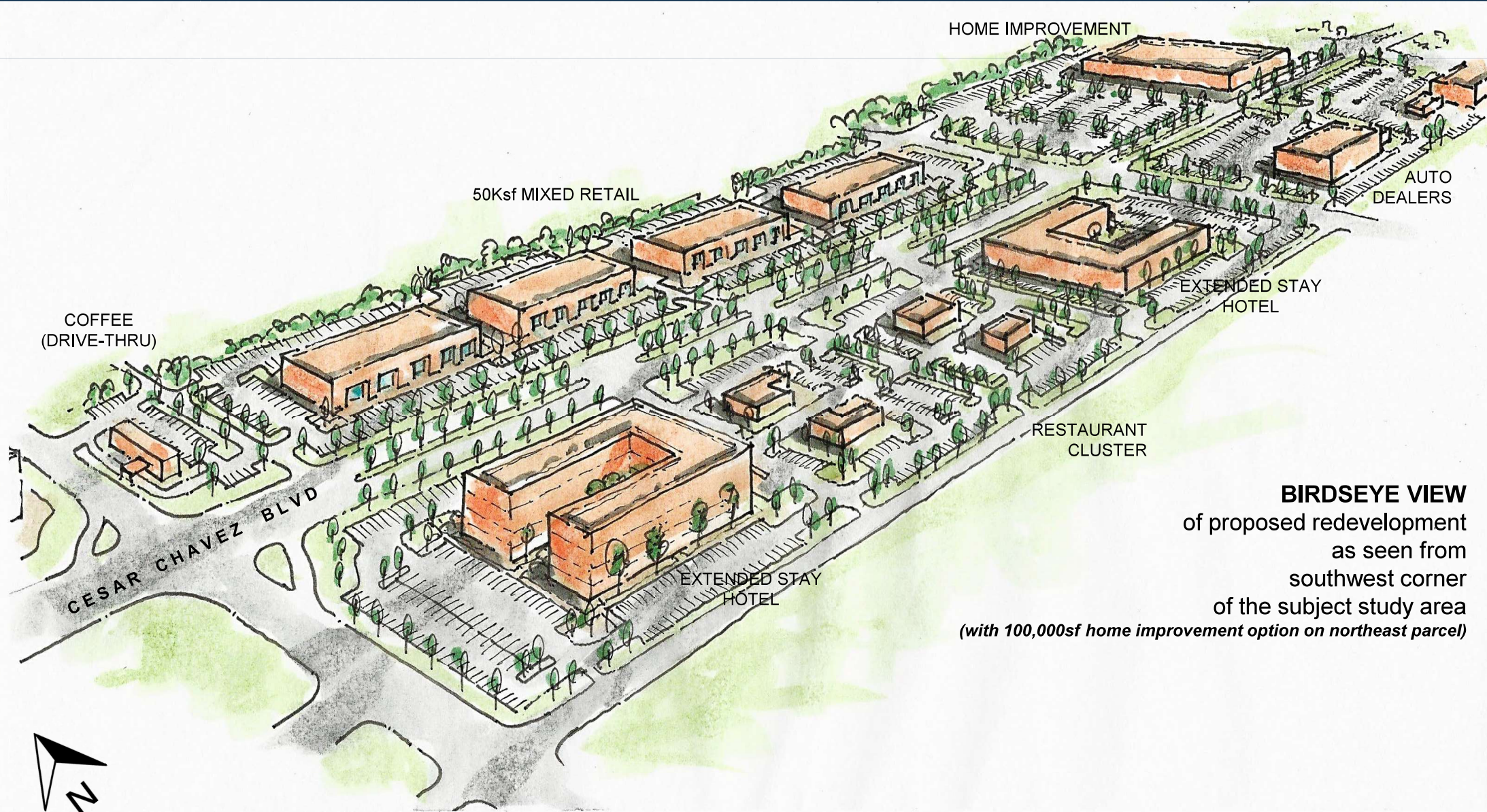


BIRDSEYE VIEW

proposed redevelopment
as seen from
southeast corner
of the subject study area



Potential Future State Perspective Rendering (Home Improvement Option)



BIRDSEYE VIEW
of proposed redevelopment
as seen from
southwest corner
of the subject study area

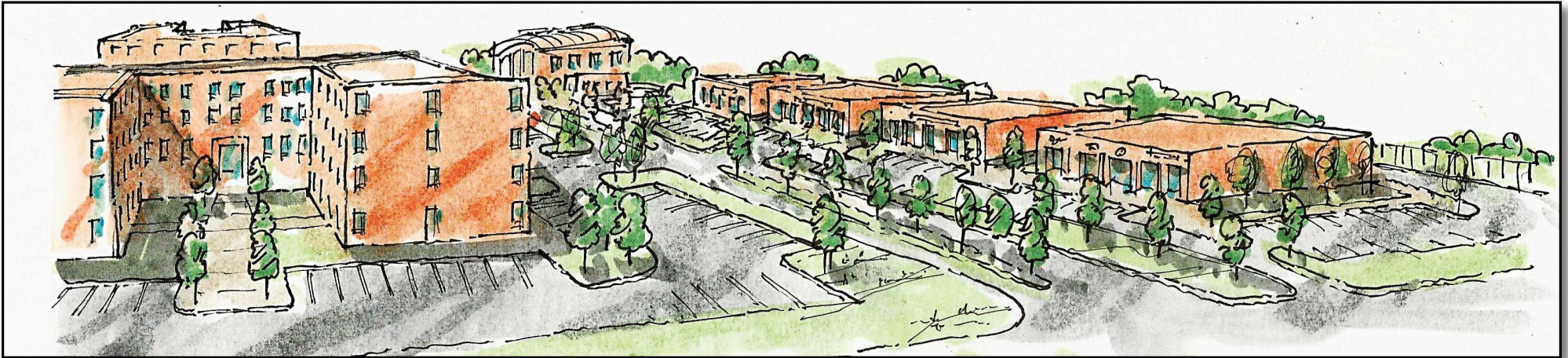
(with 100,000sf home improvement option on northeast parcel)

Potential Future State Perspective Rendering (Mid-Sized Retail Mix Option)

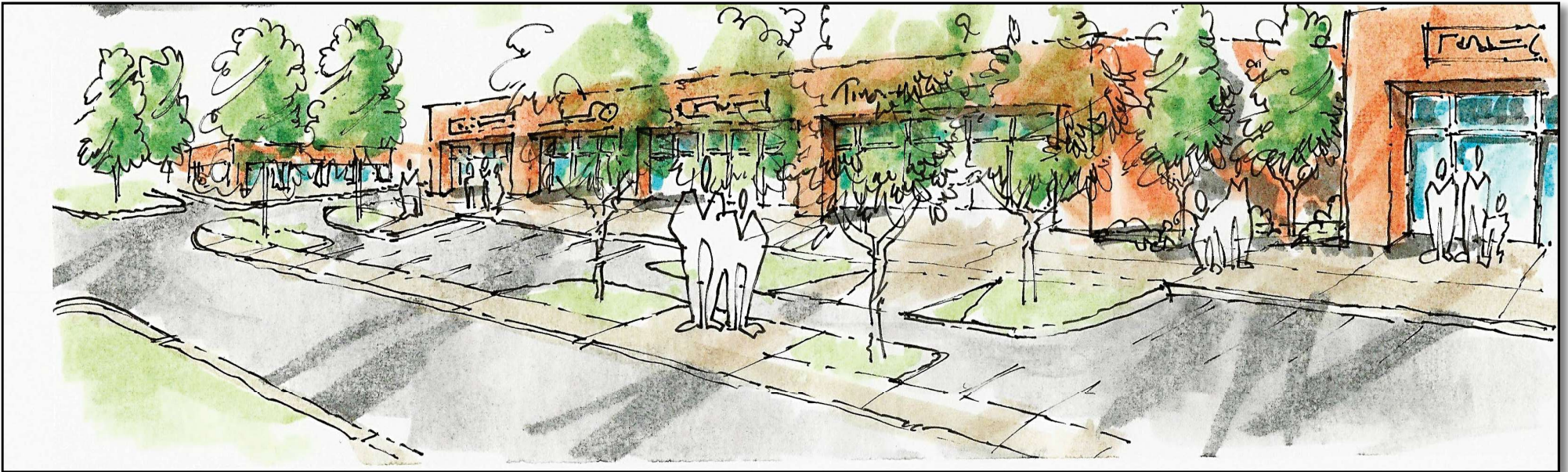


Potential Future State Perspective Rendering

Site Fit Analysis



50ksf Mixed Retail As Seen From The Southeast Corner



50ksf Mixed Retail (Bldg. 1) As Seen From Cesar Chavez Blvd Crossing