



Proposal to Develop:

**A RETAIL ECONOMIC DEVELOPMENT
STRATEGY**

**For:
Hayward, CA**

**From:
Amy Wetzel**

December 4, 2008

Expiration Date: December 17, 2008

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I. SUMMARY

CommunityID® is a proven retail development strategy that can be immediately implemented by Hayward.

Buxton integrated proprietary technical capabilities with more than 500 cumulative years experience in retail management and local economic development to create CommunityID®. This unique strategy has brought both innovation and a disciplined approach to municipal retail development efforts.

During the 60 business days it takes to complete CommunityID®, civic leaders are actively involved in the process and make important decisions that guide the direction and results. The four main phases of the process are:

Researching and Verifying Hayward's Retail Trade Area

This phase starts with the in-depth collection of the same location variables that Buxton uses to qualify locations for retail clients. Because of Buxton's unique capabilities, we can translate this retail-specific information into market intelligence that community leaders need to attract and grow their retail sectors.

Evaluating Hayward's Retail Potential

The evaluation phase will clarify what makes Hayward distinctive and valuable from a retailer's viewpoint. Through daily involvement in retail location analysis, Buxton has acquired the unmatched ability to evaluate a community's retail potential.

Matching Retailers and Restaurants to Hayward's Market Potential

The consumer profile of Hayward's trade area will be matched against the customer profiles of over 5,000 retailers and restaurants in Buxton's proprietary database. The final match list is developed with the input of community leaders so that it reflects the needs and desires of the residents.

Delivering Hayward's Marketing Packages

Individual marketing (pursuit) packages for each retailer match are delivered in both hard copy and in SCOUT®. Our exclusive online marketing system, SCOUT® helps you to showcase your city in the best light. It gives you the ability to create presentations and quality documents and to share information in the match reports.

With CommunityID®, Hayward can unleash its full retail potential, seize new retail opportunities and expand existing businesses.

II. INTRODUCTION TO BUXTON

Since our founding in 1994, Buxton has been a leading force in retail location and development. We are recognized for creating solutions that provide results.

Buxton began as a service to help retailers make informed site selection decisions by understanding their customers and precisely determining their markets. Buxton leaders soon realized that the company's expertise in retail location and market analysis could also be leveraged to benefit communities desiring retail expansion. Please note that in this proposal the term "retail" is inclusive of all retail concepts.

CommunityID®

Designed specifically for use in community economic development programs, Buxton's CommunityID® process has assisted more than 400 public sector clients nationwide, resulting in the development of more than 20 million square feet of retail space. We integrate our impressive technical capabilities with more than 500 cumulative years of retail management and local economic development experience to help municipalities achieve their retail goals.

More than simply providing data, CommunityID® supplies custom marketing materials and strategies targeting the unique location requirements of retailers, developers and commercial real estate brokers. CommunityID® clients achieve outstanding success using our tools for retail identification, selection and recruitment. And our clients benefit from our unique understanding of retail site selection from the retailer's point of view. The combination of technical expertise and professional guidance gives municipalities the capacity to immediately implement an effective retail development program.

Benefits of CommunityID®

With CommunityID® you have immediate access to:

- **Retail Industry Expertise.** Gain a competitive position by working with professionals who have years of retail management experience plus current insights into your community and site selection processes and trends.
- **Community Development Best Practices.** Expand and sharpen your retail development focus by incorporating best practices discovered by Buxton through daily work with municipalities across the nation.
- **Proprietary Systems.** Gather useful information by having Buxton's technology specialists analyze your trade area accessing data stored on Buxton's in-house databases.

- **Personalized Content.** Advance your retail recruitment program by receiving personal guidance from our staff and ongoing insight into key industry topics via our monthly e-newsletter, webcasts and other interactive tools.
- **Long-Term Partnership.** As a Buxton client and partner you have unlimited access to our staff to help optimize your marketing efforts at the International Council of Shopping Centers (ICSC) annual meeting in Las Vegas, NV.
- **Marketing Data and Tools.** Enhance your marketing messages and presentations by using SCOUT®, Buxton's online trade area database and marketing tool, available to you for one year after project delivery.
- **Add-On Research.** Keep your CommunityID® updated and focused by getting special rates on additional research, including retail marketing packages and refreshes of basic information.

III. NEEDS/CHALLENGES

Hayward wants to understand and then capitalize on the retail development opportunities.

As communities increasingly compete for retail dollars, attracting the attention of retailers has become more challenging than ever. Marketing your community plays a dominant role in today's competitive economy. The challenge for the community is to attract retailers and developers by providing trade area information that is complete, accurate and up-to-date.

Using our proprietary methodologies, Buxton will collect and analyze your community's trade area information and give it to you in a format that is easy-to-use and appealing to real estate executives and developers. The best information, however, is useless without a plan for using it. Much more than data collection, CommunityID[®] is an execution strategy that can help you build or revitalize your existing marketing and economic development program.

With CommunityID[®], you will be prepared to:

- Achieve your retail potential by establishing a long-term partnership with Buxton
- Integrate retail development into your economic development program
- Increase your success by preparing Hayward to meet the needs of retailers
- Effectively position your community by leveraging your locations' strengths and minimizing weaknesses
- Convey Hayward's advantages over competitors' advantages
- Establish credibility with retail decision makers
- Maximize time and resources by not pursuing unqualified prospects
- Win the confidence and trust of prospects by understanding their priorities
- Use competitive analysis to close the sale

IV. GOALS AND DESIRED RESULTS

The primary goal of Community ID[®] is to prepare Hayward to successfully expand its retail sector.

Community ID[®] serves as the framework for developing a sustainable marketing program that not only achieves short-term goals but also endures to ensure the economic viability of the retail sector over the long-term. Such a marketing program will bring the following desired results:

- Residents' desires to shop and dine at home will be fulfilled
- Retail leakage will be minimized
- Tax revenues (property and sale/use taxes) will increase
- Employment opportunities will grow
- Hayward's ability to capture other economic opportunities will be enhanced

V. PROCEDURES/SCOPE OF WORK

Once you have engaged Buxton to work with you in developing *Community ID*, a project team will be assigned to guide you through the entire process —from initial data collection to final presentation of the results. This team consists of:

- Client services manager, who will serve as your primary source of communication during the project
- Geographic Information System specialist, who will analyze your trade areas and create customized maps and reports
- Professionals with backgrounds as retail executives and economic development practitioners, who will address your unique challenges and help maximize Hayward's retail opportunities

Staff Visits

During visits to the community, Buxton's staff is able to make clear and candid assessments of the community's strengths, weaknesses and potential. Our daily involvement with over 1,700 retail and restaurant clients in finding optimal locations keeps us current on retail location trends. This provides a rational and analytical basis for helping Hayward decide how to best focus resources on the most promising retail opportunities.

Data Collection

Buxton uses over 250 consumer and business databases that are updated throughout the year, and in some cases, every month. Although it is possible to obtain these databases for less expense on a community or regional basis, Buxton buys and is licensed to use the complete U.S. datasets. With this information Buxton will compare Hayward's potential location to the universe of all retail locations operating in the U.S.

The following are some of the more well-known sources used in our studies, but there are dozens more that we employ to provide additional insight:

- Mediamark
- Acxiom
- InfoUSA
- Claritas
- National Research Bureau
- Navteq Geographic Data
- Dunn & Bradstreet Business Data

Identify Market Influencers

All communities have special and often unique features that impact the local retail market and have to be taken into consideration to fully understand the market potential of the community. Such influencers include larger ethnic populations, significant new or expanded developments, military bases, universities and colleges, destination tourist attractions, prisons, medical facilities or major employers.

After identifying these market influencers in your community, Buxton will quantify and qualify their influence on the retail market and help to match retailers that can capitalize on these customer bases.

You will benefit from the project team's expertise and insight in these four areas:

1. Researching and verifying Hayward's retail trade area
2. Evaluating Hayward's retail potential
3. Matching retailers and restaurants to Hayward's market potential
4. Delivering Hayward's marketing packages

These four major components comprise the Community ID® process. Each component is explained in detail as follows:

1. Researching and Verifying Hayward's Retail Trade Area

The location decision process for all retailers begins with the collection, analysis and evaluation of numerous location variables such as demand density, customer buying habits, economic trends, competition, traffic volumes, and available sites, to name a few.

The Community ID® process for Hayward will also start with the in-depth collection of data using the same location variables that we use for our retail clients to qualify sites for the location of their retail stores and restaurants. One goal is to define current retail situations in Hayward, in the trade area and in any neighboring communities that impact on Hayward's retail environment. The other goal is to understand the community's expectations and desires. This analysis includes personal visits to the community, collection of data components necessary to conduct the analysis and identification of market influencers.

Drive-Time Trade Area Definition

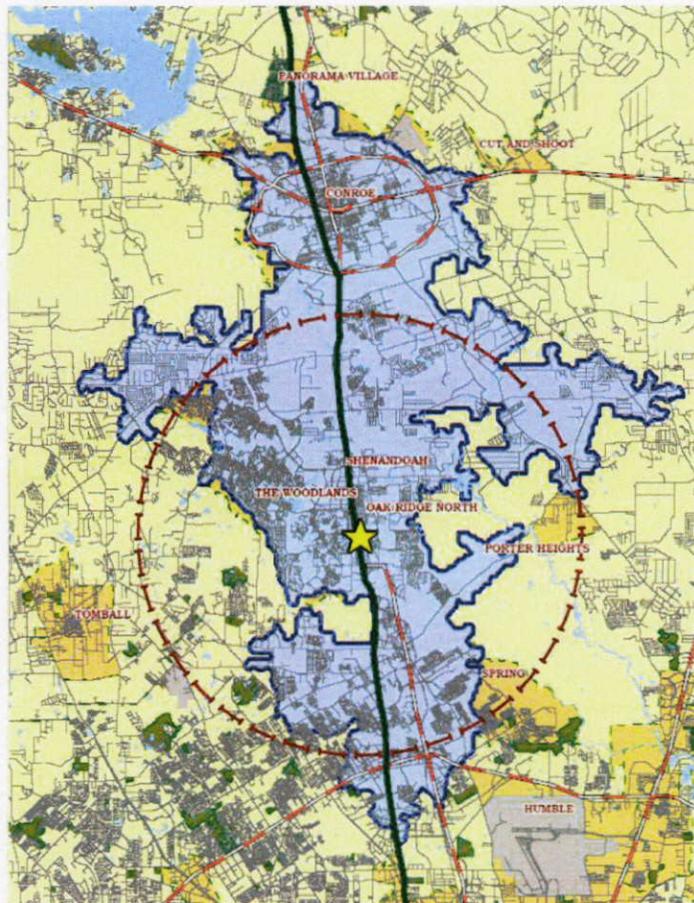
Customers today shop by convenience, measuring distance based on time, not mileage. CommunityID® will employ a custom drive-time analysis to determine Hayward's trade area. An example of a drive-time trade area is shown in Figure 1.

This custom analysis is developed using an in-house database supported by our knowledge of individual retail client's actual trade areas.

The resulting drive-time trade area map will be a polygon that more accurately depicts consumer shopping patterns than trade rings.

To assure the accuracy of the drive-time trade area, the draft maps are reviewed with community leaders and verified before proceeding with the next step.

Figure 1. Example - Drive-Time Trade Area



2. Evaluating Hayward's Retail Potential

The purpose of the evaluation phase is to understand what makes Hayward distinctive and valuable from a retailer's viewpoint and scrutiny.

Our evaluations capitalize on Buxton's knowledge about the retail marketplace and the location requirements and expectations of retailers. Combining this knowledge with our economic development competencies allow us to evaluate and recommend proven community practices. Our evaluations do not rely on dated government research or national/state statistics, all of which fail to reflect local realities. Rather, we implement our real-world experience gained from working with municipalities that have opened more than 20 million square feet of new or expanded retail space. We know how to help Hayward sharpen your retail marketing strategy, aggressively market the city and improve your competitive performance.

Retail Leakage/Supply Analysis

The Retail Leakage/Supply Analysis provides an estimate of retail dollars flowing in or out of the trade area.

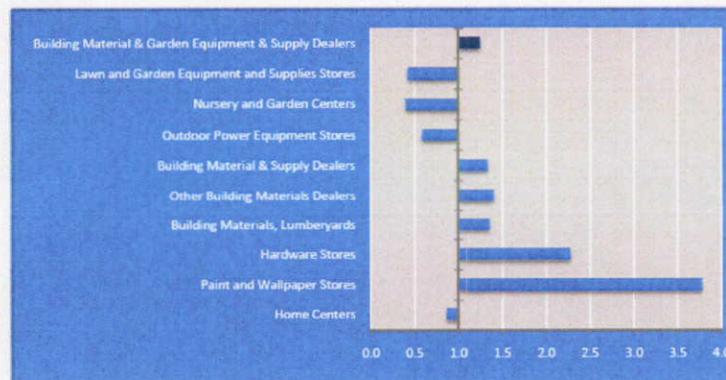
The two main components of this analysis are: 1) current actual sales (supply) by retail store type and products, in dollar amounts, and 2) estimated sales potential (demand) for retail store type and products, in dollar amounts.

We first calculate a sales gap index that illustrates your ability to capture your residents' expenditures. An example of this index is shown in Figure 2.

The sales gap index provides a relative comparison of leakage/surplus and an estimate of the dollars that are being spent outside the trade area (leakage) and the amount of dollars coming in from outside the trade area (surplus).

This report can be run via SCOUT at any location within the map view.

Figure 2.Example - Sale Gap Index

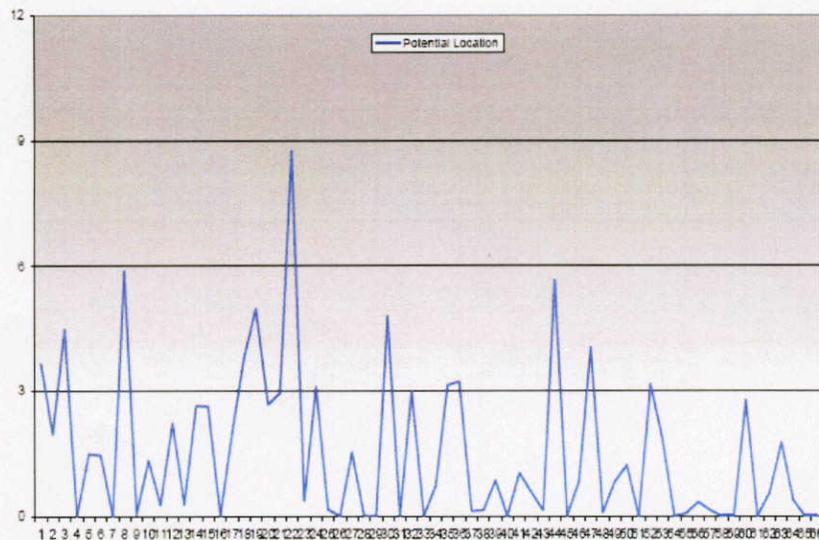


Customer Profiling

The CommunityID[®] process will identify and analyze all the households in Hayward's drive-time trade area. Based on more than 4,500 categories of lifestyles, purchase behaviors and media reading and viewing habits (psychographics), the households in your trade area are assessed to gain an understanding of the types of retailers that would be attracted to your community. Our in-house databases include both traditional demographic data and the most current psychographic lifestyle information for over 120 million households in the United States (as well as up to seven individuals living in each of these households).

Each household in a trade area falls into one of 66 market segments reflecting the buying habits of customers in the household. The blue line in Figure 3 graphically profiles the households in a city's trade area.

Figure 3: Example - Psychographic Profile



Retail Site Assessment

Buxton will analyze three (3) distinct retail areas: Downtown/Foothill area, Southland Mall/Hesperian corridor, and Mission/Tennyson . Based on our collective experience in retail locations, the following factors are considered:

- Psychographic analysis of households in trade area
- Demand for retail goods and services
- Site setting, situation and configuration
- Growth plans and relevant development
- Retail goals of the community
- Psychographic analysis of workers in the trade area
- Destination retailer analysis

Hayward will select the retail site to be used for retail matching.

Buxton will develop a demand density profile of Hayward's trade area. Demand density measures the bottom-line value of the customers in the trade area—who they are, how many there are and what they buy. One of the significant advantages of Buxton is our ability to take the demand density data and to creatively translate it into a proactive market strategy tailored to take advantage of Hayward's strengths and to achieve its retail goals.

Additionally in the downtown, Buxton will also look at this area as impacted by the collegiate students and perform a destination retail analysis specific to the downtown needs.

3. Matching Retailers and Restaurants to Hayward's Market Potential

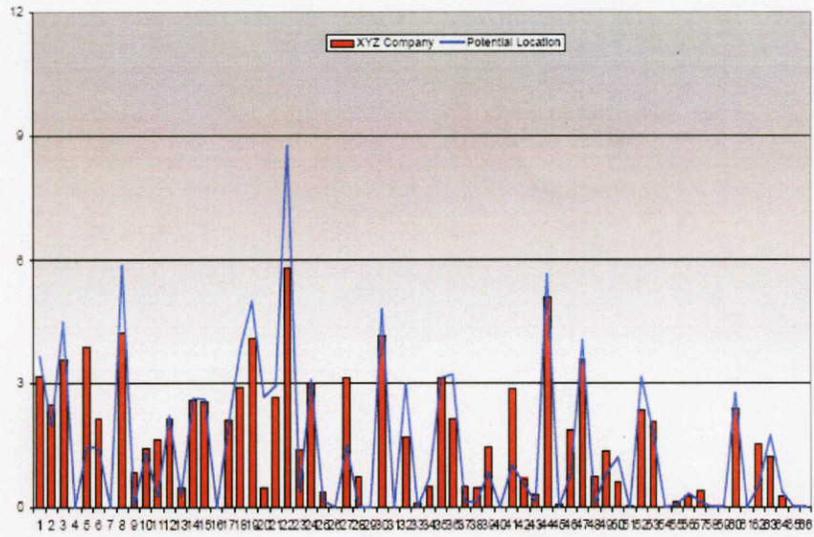
Once the site for retail matching has been selected and the consumer profiles in Hayward's trade area have been determined, the Community ID[®] process will match these profiles against the customer profiles of 5,000 + retailers in our proprietary database.

In Figure 4, the blue line indicates the customer profile of households in a community's trade area. The red line represents a specific retailer's customer profile. A similarity between the two profiles as shown in Figure 4 analyzed using Buxton's proprietary retail matching algorithm concludes that this site is an opportunity for a specific retailer to open a successful store.

This matching results in a list of possible retailers. To develop the preliminary retail match list, Buxton analyzes a number of factors about each possible retailer to qualify it. This analysis is designed to eliminate those retailers that for any reason would not be a candidate for Hayward. Considered in this analysis are such factors as, verification of a retailer currently operating or expanding into your market, location of operations in similar cities, and competition and cannibalization from nearby locations.

Once this analysis is complete, the preliminary list of retailers will be discussed and reviewed with Hayward. Based on the selections by the sponsor, a final list of up to sixty (60) retailers, between all sites, will be created for the development of marketing (pursuit) packages.

Figure 4: Example - Trade Area Consumers Matched with Retailer Customer Profile



4. Delivering Hayward's Marketing Packages

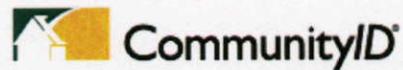
Buxton will assemble individualized marketing (pursuit) packages for each targeted retailer. At Hayward's request, Buxton will customize each marketing package for presentation to individual retailers, developers, real estate brokers or potential franchisees. Because it is tailored to the specific needs of the target audience, each marketing package is ready to use a s collateral marketing materials providing compelling and precise information that demonstrates Hayward's qualifications as a location.

Each marketing package contains:

1. Map of the retail site and trade area
2. Map of retailer's potential customers
3. Retailer match report that compares the site's trade area characteristics with the retailer's locations in similar trade areas
4. Demographic and psychographic profiles of the households in the trade area
5. Contact information for the person at the retailer who has location decision responsibilities

CommunityID[®] targets not only specific companies but also the individual in the company who has the responsibility for location decisions. To provide the best possible reception when Hayward contacts the targeted retailer, Buxton notifies each company that Hayward has been qualified by Buxton as a potential viable location for a store, restaurant or development and should expect to be contacted by a representative of the city.

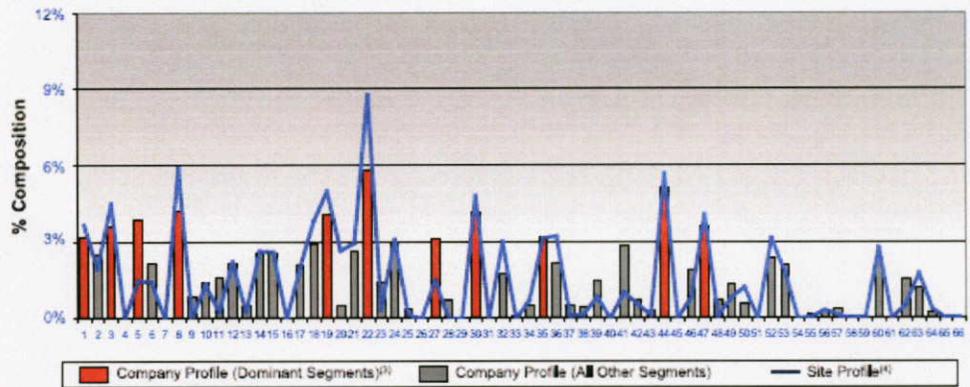
Figure 5: Example - Retail Match Report (Retail Match Report summarizes a city's location advantages for a specific retailer).



Retailer Match Report

Company: XYZ Company	Site: State Highway 384 & Grice Road
Report Date: 4/15/2005	Your Community, USA

Segmentation Profile⁽¹⁾ (15 Minute Drive Time)⁽²⁾



Trade Area Comparison (15 Minute Drive Time)

	XYZ Company Average Trade Area ⁽³⁾	Your Community, USA Site Trade Area	
		2003 Estimated	2008 Projected
Total Population	43,925	44,596	47,311
Total Households	17,278	17,817	18,903
Retailer Dominant Segment Households	9,772	12,870	13,612
Daytime (Workday) Population ⁽⁴⁾	19,170	27,160	29,827

⁽¹⁾ Segmentation Profile
⁽²⁾ Drive Time
⁽³⁾ Dominant Segments
⁽⁴⁾ Site Profile
⁽⁵⁾ Average Trade Area
⁽⁶⁾ Daytime Population

Every U.S. household is classified into one of 66 distinct segments described by that household's lifestyle and spending habits. Drive time is used to define the trade area.
 Any segment that makes up at least three percent of a retailer's targeted profile (RED BARS).
 Those segments within the site's drive time trade area (BLUE LINE).
 XYZ Company trade areas used in this comparison are similar in population and market type to Your Community, USA.
 The number of persons employed in the drive time trade area.

Data Sources: Census Bureau, U.S. Census Bureau, © 2005, National Geographic, © 2005, Metacore Research, © 2005, Geographic Data Technology, © 2005

DELIVERABLES

CommunityID[®] deliverables will be presented to Hayward in two bound hard copies and in SCOUT[®], an electronic format (described below).

SCOUT[®] is an online marketing system that will allow you to effectively use CommunityID[®] by enabling you to showcase your best retail site to achieve maximum results. You can access CommunityID[®] reports via SCOUT[®] to reproduce maps, site-specific data and generate your own custom marketing presentations.

With SCOUT[®] you are directly tied to Hayward password protected data, maintained and updated in Buxton's databanks. Using your computer you can tailor reports and presentations and immediately respond to questions or information requests from retailers or developers. SCOUT[®] allows you to:

- Graphically display and count the households that appeal to specific target retailers
- Create a Leakage/Surplus Analysis report for any location in your community
- Manage all your retail-specific data, from maps to photos to zoning information, in a central location
- Merge your community's existing marketing materials with Community ID[®]
- Select the information that best makes your case
- Store and retrieve information on retail buildings and sites
- Organize all relevant retail information in a central data center
- Present all materials electronically to recruit retailers and developers

Beginning in the second year, additional retail marketing packages will be available through SCOUT at the rate of five (5) retailers each month until all matches identified in the initial project are delivered. Beginning in the third year, a complete refresh will be provided using updated data.

Deliverables include the following:

- Drive Time Trade Area Map
- Retail Site Assessment – includes Retail Leakage/Supply Analysis and Customer Profile
- Retail Match List
- Final Report and Marketing (Pursuit) Packages
- An electronic presentation highlighting the Community ID[®] process and findings will be a part of the deliverables. It is designed for local presentations to chambers of commerce, civic clubs and other groups interested in the retail development of Hayward.

VI. PROJECT TEAM

Team members for your project will include Buxton personnel with strong retail and economic development backgrounds as well those from operations: the Territory Business Manager, appropriate Senior Vice President and Client Services representative.



Amy Wetzel

Senior Vice President,
CommunityID® Division,
Western Region

Amy brings more than 15 years of marketing, retail and business development experience to her position. Prior to joining Buxton, Amy held positions with the Colleyville (Texas) Chamber of Commerce, Baylor Health Care System and Andersen. Amy has worked with numerous communities to establish or enhance their retail recruitment strategies and has been a featured presenter at many organizations, including the Texas Municipal League, the Urban Land Institute, the National League of Cities, and the League of California Cities. She is a member of the Texas Municipal League, the California Association of Local Economic Developers, the California Redevelopment Association and the Association of Washington Cities. Amy has won a number of awards including being named a Great Women of Texas, Woman of Influence by the Fort Worth Business Press. She is also a past board member of Junior Achievement. Amy holds a bachelor's degree in communications from Baylor University.



Philip Davis

Manager/Senior GIS Analyst
Community/ID® Division

As senior analyst for the Community/ID® division, Philip oversees every aspect of Community/ID® projects in Buxton's GIS department. His duties include supervising daily operations, working with clients, managing projects and serving as a liaison between analysts and the sales team. Philip has managed the GIS function for more than 350 Community/ID® projects for such clients as San Jose, CA; Atlanta, GA.; and Birmingham, AL. Working on projects for two divisions in the company has given Philip a complete understanding of both the retail industry and municipal needs, adding to his expertise in community retail recruitment. Philip graduated from the University of North Texas with a degree in Geography.



Bill R. Shelton, CEcD

Partner
Community/ID® Division

Bill is a founding partner of Community/ID®, Buxton's retail development program for communities. For more than 20 years, Bill worked for the Fort Worth Chamber of Commerce, serving 16 years as its president. He is a Certified Economic Developer and is past chair of the American Economic Development Council. A founding member of the Texas Economic Development Council, he has served as the organization's president. Bill was honored with a lifetime membership to the International Economic Development Council. Bill's professional service also includes serving as dean of the Basic Economic Development Course at Texas A&M University. Bill holds a bachelor's degree in marketing from the University of Texas at Austin, and he completed post-graduate studies at Texas A&M University.



Harvey H. Yamagata

President
Community/D[®] Division

Clients benefit from the expertise Harvey has gained during 35 years in retail, including leadership roles in brick and mortar, catalog and website retailing. His 20-year career at Tandy Corporation covered the time when the company grew from \$350 million to \$3.5 billion in sales and took him from retailing in Europe to opening distributors in Asia. He headed the marketing efforts of the RadioShack Business Products division at a time when they held the major share in the burgeoning personal computer market. Harvey received a bachelor's degree from the University of Wisconsin and a master of business administration degree from Texas Christian University.

VII. PROJECT REQUIREMENTS

To effectively initiate this project, we request that you provide the following:

1. Project Liaison

- Hayward will designate a project manager who will serve as Buxton's primary contact during the project.

2. Community Information and Reports

- City logo (vector file – request your ad agency and/or printer)
- Addresses and descriptive information for up to three sites that will be evaluated
- Current traffic count data
- List of planned retail, commercial or mixed use (either proposed or in development) in the community
- List of major, national or regional retailers that have closed, left or moved from the community
- General community marketing materials, data and economic reports

Project Launch

A conference call with representatives of Hayward and the Buxton Project Team will officially launch the project. The project launch will occur when:

1. An agreement is executed
2. The initial payment is received, and
3. The Community Information and Reports are received

VIII. TIMELINE

The following timeline is sequential and cumulative. It starts on the day of the project launch conference call.

Business Days	Client Responsibilities	Buxton Responsibilities
Start	Provide to Buxton all necessary community information.	
Day 1	Participate in the launch call.	Participate in the launch call.
Day 6		Trade Area Map ships.
Day 13	Approve Trade Area Map.	
Day 18		Retail Site Assessment ships.
Day 25	Approve Retail Site Assessment and submit selection of site for retail matching.	
Day 40		Retail Match List ships.
Day 50	Submit selections of all retail matches to be included in the Final Report and Retail Marketing Packages.	
Day 60		Final Report and Retail Marketing Packages ship.

By adhering to this timeline, the Community ID[®] deliverables (Retail Match Reports – both the hard-copy and SCOUT[®], the electronic version) will be sent on or before 60-days after the launch date.

Any missed target dates can delay the final delivery date. If there are extenuating circumstances that prevent target dates from being met, a new timeline will be developed.

Delays of more than 45 days in timeline schedule by the community will result in an administrative fee of five percent (5%) of the contract price to be charged.

In order to have ample time to meet all project requests and for the staff to prepare for participation in ICSC related events, Buxton recommends project commencement no later than December 15, 2008.

IX. FEE FOR SERVICES

The Cost of Community ID[®] is \$80,000; payable as follows:

1. \$25,000 due upon delivery of the trade area map
2. \$25,000 due upon delivery of retail site assessment
3. \$30,000 due upon delivery of retail marketing packages

Hard copies of all Community ID[®] deliverables including marketing packages will be provided.

SCOUT[®] will be delivered for one-year with this agreement and includes the following:

1. Waived - Monthly maintenance fee of \$1,000 per month
2. Waived - Set Up fee of \$3,000
3. Two Marketing (Pursuit) Packages at no cost

After the first year, SCOUT is optional. If Hayward chooses to continue with SCOUT there will be a \$1,000 per month SCOUT[®] maintenance fee. The first year begins upon completion of the project. Hayward may cancel SCOUT[®] at any time with thirty (30) days written notice.

Additional Research Services (post analysis)

Marketing (Pursuit) Packages (Match reports for additional specific retailers)
- Includes two bound hard copies and an electronic version \$2,000

X. SIGNATURE PAGE

This agreement is between Hayward and Buxton (the "Parties") for the performance of services described in this proposal. The Parties agree that an independent contractor/employer relationship is created as a result of this agreement. Buxton will not be considered an agent or employee of Hayward for any purpose.

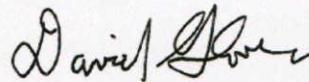
This agreement may be terminated by Hayward at any time upon written notice of thirty (30) days. If this agreement is terminated, Buxton will be paid for services performed up to the date the written notice is received.

This agreement shall be administered and interpreted under the laws of the State of Texas. In order to avoid paying State of Texas Sales and Use Tax, Hayward may be required to provide Buxton with a certificate indicating it is a non-profit corporation and not subject to Texas Sales and Use Tax.

Agreed and accepted this _____ day of _____, 2008.

Mr. Greg Jones
City Manager
City of Hayward
777 B Street
Hayward, CA 94541

David Glover
Chief Financial Officer
Buxton
2651 S. Polaris Drive
Fort Worth, TX 76137



(Signature)

(Signature)

XI. ENDORSEMENTS/REFERENCES

Buxton prides itself on exceptional client service that results in ongoing client satisfaction. Following are just a few of many endorsements from CommunityID® clients.

Kingsport, TN – Jeff Fleming, Assistant City Manager

Kingsport, Tennessee is a city of 44,000 in a county of 150,000 in an MSA of 303,000. Kingsport is part of the Johnson City-Kingsport-Bristol CSA (combined statistical area), with a population of approximately 500,000. Both Johnson City and Bristol are substantial retail centers as well. Tennessee distributes sales tax revenues based on point-of-sale, so retailing activity is highly competitive among municipalities and counties. There is no provision for a municipality or county to benefit from sales occurring in neighboring cities/counties, so it is definitely a high stakes proposition.

Were you satisfied with the finished product?

Yes, we were very satisfied. We were initially disappointed that Buxton did not identify some of the retailers we really wanted. They were very good to explain why we weren't a fit for certain retailers (like Costco, for example). If the numbers won't work, Buxton won't "cook them" just to make it look good. This speaks to their credibility in my opinion. It was an important "reality check" for our elected and appointed leaders to learn that retail isn't just a lobbying effort. It's a market-based research effort plus a lobbying effort.

Was it worth the money?

We have landed 2 shopping centers with the assistance of the Buxton data and we are in the process of redeveloping another. One generates \$55 million in annual sales, the other generates \$96 million. The third involves a complete overhaul of our mall (www.kingsporttowncenter.com), where private investors are taking it from an appraised tax value of \$33 million to \$92 million. While all of it cannot be specifically attributed to Buxton, it was certainly an integral part of the success. So, yes it was worth the money.

We have landed Target, Kohl's, Old Navy, Dress Barn, Lifeway, Shoe Carnival, Maurices, Michaels, Books-A-Million, ULTA, Dick's Sporting Goods, Best Buy, Tomy Thai, Batteries Plus, Ritz Camera, McAlister's, Hobby Lobby, Pier 1, Ross, TJMaxx, PetSmart, Chili's, Cootie Brown's, Salsarita's, Starbucks and Panera Bread.

Did it require a lot of city staff time? If so, about how many hours?

I wouldn't say it required a lot of time, but Buxton's timeline is controlled by the quickness of response from city officials. We opted to handle it at a staff level, i.e. there was not a retail committee or an elected body involved. I would say we invested maybe a week's worth of 1 staff person's time (mine). Probably the most difficult process was deciding the beginning point for the analysis. We were hypersensitive about favoritism among competing sites.

After the analysis was complete, was it easy to set up appointments with the identified retailers/restaurateurs?

I have found that it's never easy to set up appointments with retailers/restaurateurs. In my experience, it is more important to support the developer(s) who are working in your community. For example, General Growth (the leasing agent for our mall and one of the largest retail management companies in the world) can get an appointment when a municipality cannot. The Buxton letter and data "greased the skids" for these meetings. GGP and I tag teamed the tenants. The tenant received individual letters from both GGP and I. When they arrived, they said they had never heard of Kingsport, Tennessee and now they hear about it every time they turn around. That is the power of the Buxton data. "Top of mind" name recognition that opens doors for your developers to be successful. GGP is just one example.

Were you satisfied with the team members that were assigned to your community?

Yes, they were great. They were very patient and helpful. As I said, they really helped us with a reality check without making us feel dumb!

Have you used SCOUT and is it easy to produce documents?

Yes and yes. I have also used it for non-retail projects. For example, we are siting an aquatic facility and I used some of the demo graphics in that site selection process.

Were there any other hidden fees?

Not that I recall. We were pretty skeptical, so we scrutinized greatly. We were not disappointed.

If you were to do it all over again, would you still contract with Buxton?

Absolutely. I have been very pleased.

South Bend, IN – Bill Schalliol, Economic Development Planner

Did you go through an RFQ process?

No. I met Buxton reps at the ICSC Spring Convention and my Mayor met Buxton reps at a regional ICSC event and we both were impressed with the services they offered and entered into a contract with Buxton through a professional services arrangement.

Did you have any viable candidates other than Buxton?

No. What we were shopping for at the time we crossed paths with Buxton was education about the retail recruitment and location process. Buxton, through their processes, helped us better understand who we were and what we could achieve.

Did you face any opposition to hiring Buxton? If so, any advice on how to win them over? Several are very skeptical. They think we can do it in-house with the existing resources and that the demographic/psychographic information is readily available on the internet.

Our local newspaper quoted some of our business leaders as saying, "We get three of us in a room, get some beer and pizza, and we could put together the same report that this Texas group is doing. How are a bunch of cowboys going to know what we need up here in South Bend??"

I can tell you from our specific experience, you can't do in-house what Buxton can do. The internet only will get you so far. And the key piece of information that the Buxton people give you that other services can't is the psychographic modeling component.

Did Buxton deliver on the deliverables promised under your contract?

Yes. We got everything promised and more. The data was fantastic and has been used again and again. We asked for an electronic copy of all the data and have put together data CD's for all of our real estate professionals and others that can use the data.

Were there any "hidden" fees or surprises outside the contract with Buxton?

We actually got more than we paid for. When we first started the process, we thought we were buying a product (and we did), but we also bought a relationship and so as we had questions we bounce questions off our reps. They have been great to work with.

When you received your target information did the Buxton team give you any training or pointers on how to approach the target?

That is the million dollar question. The answer is no and it is really no fault of Buxton's. As I have learned from the user community, everyone goes through the process for different reasons and uses the data for different purposes. We didn't really think through how we would use the data, so we struggled with things once we got our deliverables. But because Buxton has learned from communities like ours, they have created a very helpful user network to put communities in touch with other communities. If you sign with Buxton, people all over the country are using this data and can help guide you.

Did you hire a fulltime recruiter or did you handle the target contact with in-house staff?

In addition to doing retail development, I do property acquisition, demolition coordination, and many other things. Once we realized we had all of this great information and had no tools to use it, we got all of our real estate reps and developers together, gave them the data, had a Buxton rep in to explain the data, and they have been using the data to bring retail to South Bend. When you don't have time to do it yourself, find people that do the job and use them, use them, use them.

If you hired someone, what qualifications did you look for?

A real estate background with some knowledge of marketing or a marketer with knowledge of retail would have been helpful. I think every person you talk to about Buxton would have a different answer based upon the needs.

If you did it in-house, what qualifications/training did the person have?

In my case, we got very involved with ICSC (International Council of Shopping Centers) and tried to learn as much as possible about retail and how it works.

Did any of the targets suggest new construction as an option?

Several of the retailers have built new construction or have become tenants in new construction projects.

How many interested targets did you have and of those how many ended up moving to your location? How many of those are still there?

Our process for our retail list was a bit different. Our market is a pretty commercial heavy market and so we were looking for retailers that were here or looking to expand. We were also trying to find tenants for older commercial corridors or for other areas. We have had one true success off of our selected retailer list, but we have several that were on our original match list that we used the Buxton data to attract or support their decisions. The psychographic data was a good tool in those decisions.

Of interested targets, what was the timeline for opening a location in your area?

Texas Roadhouse, is open and is operating well above expectations. And with operating taxes, sales taxes and employee taxes that the restaurant pays, our study has paid for itself with just this one hit.

If you had it to do all over again, would you do anything different? If so, please explain.

Yes. We would have created a retail strategy and thought through the process a bit better. The advantage that new users to the Buxton process have is the experiences and successes/failures of those that have come before them. Get involved through the Buxton process and it will work well for your community.

Rochelle, IL – Peggy Friday, Commercial/Retail Development Coordinator

The value of the CommunityID Study is being realized each time we ascertain a new development project in Rochelle. The psychographic and demographic facts have been well received by developers, brokers, retailers and entrepreneurs whose due diligence has brought them to our community. The addition of the SCOUT tool is consistent with the City's new technology brand and updated mission and vision statements. Your generosity will be felt each time the SCOUT is used to promote Rochelle and Buxton.

We are pleased with the quality of your product and the superior level of customer service we have experienced. The professionalism of your staff is a direct reflection on the management team at Buxton. You continue to exceed our expectations.

Clemson, SC – Andy Blondeau, Program Manager

We're running out of places to put our new businesses... The Buxton marketing piece got us in the door. The site selector they sent to meet with us referenced the folder and said he was there as a result.

Pinetop-Lakeside, AZ – Connie Boggs, Main-Street Executive Director

Tell us your level of satisfaction or dissatisfaction with Buxton's report. Did Buxton deliver what they promised, on time and for the price you set with them?
Our satisfaction with the Buxton CommunityID report has been tremendous for Pinetop-Lakeside. We met with several of the retailers identified by the report at ICSC in Las Vegas. I was able to present them with their own individual study. Buxton delivered what they promised, on time and at the price we agreed on. They didn't just do a report for us they became involved in the community and they call us to find out what else they can help us with often. They just don't drop you after their work is complete.

Would you use them again? If so, why?
We will use Buxton again when it's time to update our report because of the initial work they did for us. We love working with their staff of professionals.

Tell us your opinion on the success you have had, or not, in getting any recommended companies to locate to your area.
After our meetings at ICSC I have followed up on the companies we met with. I am working on 2 big-boxes as we speak. Buxton has certainly opened the doors for us. Retailers recognize the Buxton name and realize our community is serious about retail if we took the time and money to have Buxton work for us.

What role do you believe the Buxton data may have played in supporting your recruitment efforts?
There is no better place than Buxton to get the best data out there. We depend on our second homeowners and data on this is not available or we could never have anyone else tell us where to find it except Buxton. When you present the Buxton report with the data available in your community to a retailer they listen.

If you've been successful, or if your answer is no so far, do you know if other retailers are seriously considering your trade area because of this process?
Buxton isn't the only answer to recruiting retail to your community. It is a tool. Your economic development team needs to be pro-active with the goals you have.

In addition, to the Buxton report we just completed an economic development DVD along with community tip sheets that are also being sent to the retailers Buxton identified. It's an ongoing process. If I ever have any additional questions about a certain retailer not identified by Buxton I can call my representative and you can rest assured I will have a call from him before I hang up the telephone. The process is lengthy...meetings, telephone calls, emails. Some of the things they require are aerials (expensive unless you have a friend who has an airplane), site plans etc. I have no doubt that they will locate but it's not a 30 day turn around if that's what you are expecting.

How aggressive have your local recruitment efforts been since receiving Buxton's report? What role did it play in the outcome?
You don't let the Buxton report sit on a shelf and gather dust if you are serious about retail recruitment and our community is. Our Town Council is very pro-active and they increased my operating budget this year to give me the needed tools to do a better job. I am a one woman operation. I love what I do for our community.

Duncanville, TX – Earle Jones, Director of Economic Development

We have had a wonderful relationship with Buxton. Not only did they provide us with a Phase 1 & Phase 2 report in 2004, they have continued to work with us on various projects of importance to our overall City economy. We are a city of almost 38,000 residents and are small, 11.2 square miles, contiguous to and surrounded on three sides by Dallas. We are what is known as a first tier suburb, in that we are closest of the southern suburban communities that ring Dallas.

Our major development took place in the 60's, 70's and early 80's. Our growth stagnated, and we have revitalized the City in the last 5 years, with some innovative new developments. Our most recent project success involves a 150,000 square foot Costco Club Warehouse, and a mixed-use multifamily and retail project with over 100,000 square feet of retail and 216 units of high quality, gated multifamily rental units along a creek which is to be a dedicated City Park with water flow, fountains, landscaping and lighting. We believe that Buxton played a significant part in our success in getting these projects. Thus far we have a number of restaurant prospects, several banks and a fitness club who have been interested in this location.

I would most certainly recommend Buxton and their services, for the reasons outlined above.

Denton, TX – Linda Ratliff, Director of Community Development

Get your money's worth?

Yes. In addition to the CommunityID product, we asked them to review an incentive request we received from a developer for a 50 acre power center. We had never given retail an incentive at that time. Buxton's help with that project saved us \$750,000 in incentives and the project was built and produced almost \$2M in City property and sales tax in 2006.

Get any of the people on the list of 20 prospects to locate in Denton?

We either got the retailer or one similar. For example, instead of a Circuit City, we got a Best Buy; instead of a Linens N Things, we got a Bed Bath & Beyond. The only one we have not yet gotten is a furniture store. We have a few furniture stores in town. We were hoping for a Haverty's or something similar.

What was the most important thing(s) you got from the study?

We learned a lot about retail recruitment. The information was helpful in putting together our marketing pieces to distribute at ICSC (International Conference of Shopping Centers). We also learned the types of retail Denton could expect to recruit.

Would you use their services again?

We have. We called on Buxton to update their data for four sites that we highlighted in our retail piece. They turned it around very quickly so that we could get our brochure printed in time for the annual ICSC trade show. They also let us display our brochures at their booth at ICSC.

Cupertino, CA – Kelly Kline, Redevelopment/Economic Development Manager

Is there an estimated or “ballpark” retail/commercial square footage number that can be attributed (totally or in part) to Buxton’s services?

Are there any specific retailers that have located in Cupertino or another jurisdiction you served that can be attributed (totally or in part) to Buxton’s services?

It’s very hard to make those connections. Let me give you some feedback and examples that explain why.

- *There are rarely immediate results in retail. Most respectable retailers are planning stores for 2-3 years down the road in their development cycle. By the time you know for sure whether the eagle has landed, you, the City Manager, and the City Council may be gone! This money must be viewed as a long-term investment.*
- *Sometimes deals go awry based on market conditions. We were very close to landing Borders in Downtown San Jose (thanks to Buxton’s efforts) and then the bottom fell out of the bookstore industry. They put a halt to all deals they had been pursuing, and now may not even last as a company.*
- *The Buxton match list can give you leverage with a developer who is claiming that there is no interest, or different interest than what actually exists.*
- *I recently used my match list to retain an existing shoe store. Their sales had been down, and they were ready to abandon our city. I showed them that several of their competitors were on our match list, and that there is significant leakage in this category. This data made them decide to give us a second shot. They are now going to increase their marketing efforts and store presence before they make any decisions about the future of the store.*

Bottom line – there are definitely a few total and partial success stories. But, more importantly, I can say that the list has opened doors previously closed tight, has extended conversations with retailers who had previously been “lukewarm”, and has provide value to me in so many ways that I can’t keep count.

Buxton is my partner in retail recruitment. This needs to be viewed as a holistic and powerful tool for your program. It will take years for your program to be successful and to have the tangible success that your decision makers are looking for. This will be an excellent first step. If I were you I would try to steer them away from trying view success as a one-store opening – it’s a dangerous road to go down! In some ways, making this expenditure is a stake in the ground – a commitment from the city that they value retail, and that they are serious about their recruitment efforts. A relationship with Buxton sends a very strong message to the retail community.