



**RETAIL ATTRACTIONS, LLC**  
**Economic Development Consulting**

# Project Proposal

Prepared for: City of Clinton, Oklahoma

Grayson Bottom, City Manager

Prepared by: Rickey Hayes, Principal

Proposal number: 009/0017

# Executive Summary

## Objective

Our objective is to increase retail sales subject to tax and investment in the City of Clinton, OK, by retaining and recruiting sales tax producing commercial business entities. Clinton's location is both a benefit and a challenge in terms of increasing retail investment in the city and expanding the available services to citizens and the sales tax base that is so critical to governmental operations. Preliminary information indicates a large potential retail base and an extraordinary market draw. However, the national retail community's traditional view of smaller, less dense markets in substantially rural areas of the heartland will remain an obstacle to further investment unless the city undertakes specific efforts to combat it. Capitalizing on the success of existing merchants will be one strategy to employ as recruitment efforts go forward. Marketing the City of Clinton to the national retail community will require capitalizing on traffic flow from the west and east on Interstate 40.

## Statement of Qualifications

### RICKEY HAYES

During my six years as Economic Development Director for the City of Owasso, the city's sales tax base more than doubled and new commercial construction totaled more than 4.2 million square feet with more than a quarter of a billion dollars in total value. During my tenure with the City of Owasso, I developed a large personal network of relationships in the areas of government, retail, land development, real estate, and site selection, leasing and tenancing, engineering, creative financing for development projects and architecture and planning. Since beginning Retail Attractions, LLC, our company has helped Oklahoma cities launch over one million square feet of additional retail and reap the associated benefits in additional revenues, goods and services for their citizens. Three of my contract cities are seeing record retail growth and the corresponding sales tax growth that accompanies that investment.

I understand how municipal government works and the interplay of city political, financial, and regulatory environments. I also understand how development works and what site selectors, developers and retail tenants need to see, hear, and feel from a potential location in order to move forward. Working with me for this project will be a team of professionals in research and marketing who will assist in development of the necessary data to prove the case for investment in Clinton and may be utilized to develop marketing tools, web sites, and other items as determined by the project's needs and the direction of the City Council or other authority.

## Process / Tactics

Just as every city is unique, every consultation project is unique. However, we propose to employ these tactics to achieve the stated objective of increasing commercial investment in the City of Clinton:

### **STAGE 1 (FIRST TWELVE MONTHS)**

1. Research, identify, and validate Clinton, OK retail trade area market and retail potential;
2. Provide market and trade area information, opportunity gap (retail leakage) report, and market/consumer psychographics and spending patterns;
3. Prepare one page (two-sided) marketing piece for use at ICSC and to provide targeted retailers with a separate preliminary trade area map
4. Represent Clinton at May 2010 ICSC annual conference in Las Vegas
5. Consult with city administration/others that the city deems appropriate to identify target retail businesses that will meet the needs of the city (from leakage data)
6. Actively recruit 20 retail targets identified and approved by the city and supported by the data. Recruitment efforts will be through personal contact, mail, email, ICSC events, and development/industry contacts or events for twelve months; at the end of the initial 12 month period if the City of Clinton wishes to continue the scope of work the proposal will be renegotiated and work will continue. If however, the City of Clinton wishes to terminate the scope of work after the initial one year period, Retail Attractions, LLC will furnish the contact info of the 20 retail prospects to the city and the city may continue the work on its own.
7. Other work if needed (bid separately): Web site (retail specific), marketing material, etc

## Benefits

Employing a consultant to fulfill the city's need for an economic development professional allows the city to conserve resources that would otherwise be spent for no direct gain including insurance, employment taxes and other benefits. The city can reap the benefit of utilizing an experienced, successful economic development professional without incurring the expense of a full-time exempt employee. I am intimately familiar with the development dynamics in Oklahoma and can bring my experience, network and concentrated approach to bear immediately on behalf of the city. No valuable time is lost through a "learning the process" or "learning the area" acclimation period.

Commercial development often feels painfully slow when observing the process from the outside. From initial interest in a site to doors open for business is often an 18- to 24-month process. For this reason and to maximize the City of Clinton's investment, I propose a two-year agreement (renewable annually), and renewable for a third year at the discretion of the City of Clinton at the rates/fees agreed to by both parties.

## Compensation - Phase I

Note: Compensation schedule to follow applies to the initial term of the agreement, which commences January 1, 2010 and concludes December 30, 2010. Additional compensation in the form of incentives for performance may be discussed in future negotiations.

Description	Quantity	Unit Price	Cost
Consultation fee, per Month  Payable on the 1st of each month, commencing January 1, 2010 with the first annual phase ending December 30, 2010.	12	\$1,000.00	\$12,000.00
Travel reimbursement when on City of Clinton business (Must have prior approval of City of Clinton)	tbd		
Market and Demographic Research	1	\$8,000.00	\$8,000.00
<b>Total</b>			<b>\$20,000.00</b>

## Additional Compensation

### Performance Bonus - Retail

For construction or lease of a commercial / retail space from 2,500 – 10,000 square feet during the term of the contract, the City of Clinton agrees to pay Retail Attractions, LLC a performance bonus of \$2,500.00. For construction or lease of a commercial / retail space from 10,001- 25,000 square feet during the term of this contract, the City of Clinton agrees to pay Retail Attractions, LLC a performance bonus of \$5,000.00. For construction or lease of a commercial / retail space from 25,001 – 50,000 square feet or larger during the term of the contract, the City of Clinton agrees to pay Retail Attractions, LLC a performance bonus of \$10,000.00 This bonus structure will be in force from the time the contract commences on January 1, 2010 through the phase ending December 30, 2010. **Compensation for performance will be capped at \$15,000.00 per calendar year for retail / commercial space.**

### Performance Bonus - Job Creation

For every 25 quality jobs created anywhere in the City of Clinton, across any combination of employers, and defined as permanent positions where the salary and benefits compensation is expected to be in excess of \$25,000.00 per annum, the City agrees to pay Retail Attractions, LLC, a performance bonus of \$10,000.00. This bonus will only be payable if Retail Attractions' efforts on behalf of the city impacted the decision to create the jobs in question. This bonus structure will be in force from the time the contract commences on January 1, 2010 through the final phase ending December 30, 2010. **Compensation for performance will be capped at \$10,000.00 per calendar year for retail / commercial space for job creation.**

**This proposal for consulting can be extended for additional terms by the agreement of both parties.**

**This proposal for consulting can be terminated by either party with written notice given 30 days prior to the termination.**

**Retail Attractions LLC will provide a monthly or quarterly written report to the City Manager on the scope of work. [whichever you prefer]**

**Retail Attractions will do monthly conference calls to discuss scope of work and strategy.**

**Disclaimer**

While we do expect to successfully complete the objective of increasing commercial investment in the City of Clinton, it is impossible to guarantee a level of investment or even any investment since market conditions, retailer's business plans, city policies and other market drivers are subject to change at any time and are beyond the control of Retail Attractions, LLC. The City of Clinton understands and agrees that any advice provided under this proposal is true and correct to the best knowledge and ability of Retail Attractions, LLC and will be provided in good faith. The city accepts full responsibility for its decisions to act or not act according to said advice and agrees to indemnify and hold harmless Retail Attractions, LLC; its principals, employees, sub-contractors and associates pertaining to outcomes or situations that arise from the advice, materials or other items provided under this proposal agreement.

---

Accepted for the City of Clinton Date

---

Accepted for Retail Attractions, LLC Date