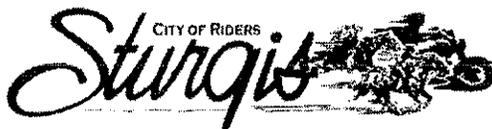


Proposal

RETAIL RECRUITMENT & VISITOR INSIGHTS SOLUTION



Prepared by: Cody Gunstenson
Expiration: February 28, 2017

Buxton®

OUR VALUE PROPOSITION

Since our founding in 1994, Buxton has been a leading force in retail site 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 soon realized that the company's expertise in retail site and market analysis could also be leveraged to benefit communities desiring retail expansion.

BUXTON'S AWARDS & HONORS



More than simply providing data, Buxton supplies custom marketing materials and strategies targeting the unique site requirements of retailers, developers, and commercial real estate brokers. Buxton clients achieve outstanding success using our tools for retail identification, selection, and recruitment. Clients benefit from Buxton's unique understanding of site selection from the retailer's point of view.

- **Grow Your Community.** Create new, permanent jobs that will satisfy your citizens' desire to shop at home; retain dollars currently spent outside of your community and maximize revenue growth to fund city services
- **Leverage Buxton's Retail Industry Expertise.** Establish credibility with decision makers by providing factual evidence to support your site and gain a competitive position by leveraging our experience:
 - 3500+ total clients from the retail, restaurant, healthcare, and public sector industries
 - 750+ public sector clients nationwide
 - 35+ million square feet of retail space recruited
 - 500+ cumulative years of retail management and economic development experience
- **Access Your Buxton Solution with Ease.** Utilize your best-in-class retail recruitment solution via SCOUT™ with the touch of a button from any mobile device: gain answers to your retail recruitment and site analysis questions and have the big picture in the palm of your hand
- **Develop a Long-Term Partnership.** Receive personal guidance and ongoing insight into key industry topics

SCOPE OF SERVICES

Buxton is pleased to present this proposal to the City of Sturgis, SD. The purpose of this proposal is to outline and review your community development objectives and how Buxton's solutions will enhance your ability to effectively meet those objectives.

City of Sturgis' Objectives:

1. **Develop profile of residents and visitors**
2. **Recruit new restaurants, including a family restaurant**
3. **Recruit new retailers, specifically lumber, clothing, sporting goods, and a furniture and appliance store (mattresses/lazy boy product line)**
4. **Focus on Downtown Main Street development, which is currently undergoing renovation**
5. **Retain existing retailers and restaurants and support local businesses and entrepreneurs**
6. **Receive support at conferences such as ICSC RECon**
7. **Understand current retail and restaurant economic condition**

Retail Recruitment and Retention Solution: Your Community & Visitor Profile

Our solution is a total marketing strategy that enables community leaders to understand the consumer profile of their residents and to identify specific retailers and restaurants who seek a market with household purchasing habits just like yours. This solution provides you with the ability to actively pursue identified retailers, making a compelling case for their expansion to the City of Sturgis by utilizing custom marketing packages that Buxton will create for you. You will have access to the same analytical information and insights retailers depend on today to make site selection decisions. This knowledge will provide you with instant credibility and the ability to differentiate your community.

Step 1 – Research Your Community

Buxton uses over 250 consumer and business databases that are updated regularly and compares your potential sites to the universe of all competing sites operating in the U.S. We define your current retail situation and those in any neighboring communities that impact your retail environment.

Step 2 – Define and Evaluate Your Trade Area

Customers shop by convenience, measuring distance based on time, not mileage. We will conduct a custom drive-time analysis to determine your trade area using our proprietary methodology and knowledge of individual retail clients' actual trade areas. Your drive-time trade area will be provided to you as a map that accurately depicts your consumer shopping patterns.

Step 3 – Profile Your Trade Area's Residential and Visitor Customers

You will have insights into more than 7,500 categories of lifestyles, purchase behaviors, and media reading and viewing habits of your residents and visitors. Buxton will develop three (3) unique profiles for your solution:

1. **Residential Profile** – will analyze all the households in your drive-time trade area.
2. **Visitor Profile** – will analyze all domestic Visa expenditures for a recent twelve (12) month period where the cardholder's originating address is located outside of your drive-time trade area. Expenditures are consolidated at the ZIP+4 level so as to de-identify individual cardholder information, which provides Buxton with a way to develop an accurate consumer profile of the visitors to your community.

3. Combined Total Community Consumer Profile – Buxton will combine your residential and visitor profiles to develop your overall consumer profile which will be used to match retailers and restaurants as fits for your community.

Step 4 – We Match Retailers and Restaurants to Market Potential

Buxton will match the consumer profile of your community's trade area against the customer profiles of 5,000+ retailers in our proprietary database. We will identify the similarity between the two profiles analyzed using Buxton's proprietary retail matching algorithm to determine if your site presents an attractive opportunity for each retailer. We then qualify the list of matched results to verify that a retailer is currently operating or expanding, that they operate in similar sites, and that your site affords adequate buffer from competition and cannibalization to be realistically considered.

Step 5 – We Create Marketing Packages

Buxton will assemble individualized marketing packages for up to twenty (20) targeted retailers. We will notify each retailer's key real estate decision maker by letter, informing them that they have been qualified by Buxton as a potential viable fit for your site and should expect to be contacted by a representative of the city.

Your marketing packages will be delivered to you in SCOUT and include a:

1. Map of the retail site and trade area
2. Map of the retailer's potential customers
3. Retailer match report that compares the site's trade area characteristics and consumer profile with the retailer's sites in similar trade areas

Solution Deliverables:

- SCOUT Touch access
- Drive time trade area maps
- Retail site assessment
- Residential, visitor, and combined profile
- Retailer specific marketing packages (for up to twenty (20) retailers)
- Mobile tablet device at completion with pre-loaded findings

Multi Year Deliverables:

Years 2 and 3 of this agreement will include a Retail Recruitment model refresh, retail marketing packages, and full access to SCOUT and SCOUT Touch.

Items to bolster the Recruitment Strategy will include:

- Provision of updated contacts for retailers
- Issuance of warm-up letters on your behalf to "break the ice" with retailers
- Attendance to conference calls with community and retailers, when available
- Attendance to ICSC RECon meetings with community and retailers, when available
- Continued monitoring of progress with retail outreach and advice on how to enhance marketability to retailers

Access and Use Your Retail Recruitment and Visitor Solution via SCOUT Touch

Buxton's Retail Recruitment solution will allow you to actively recruit retailers to your community and support existing businesses with the push of a button in SCOUT Touch, providing you with crucial information about your community, your trade areas, your residents, and much more. SCOUT is a web-based platform that is accessible on any Windows or iOS enabled device with an Internet connection. It is designed to give decision-makers in your community access to the data and solutions that will assist them in making better business decisions. The Retail Recruitment solution includes one (1) mobile tablet device that will be provided at completion and pre-loaded with all key findings. This mobile tablet device, possession of the City of Sturgis, enables four (4) SCOUT users with the ability to **run demographic and trade area profile reports**, and view maps and other data elements.

Identifying and quantifying key variables that impact your community, you will acquire insights from these findings that will provide you with a strong understanding of retail recruitment and business retention efforts. In Buxton's SCOUT Touch you will be able to:

- Identify retail matches
- Run variable reports
- View city limit maps
- Run healthcare reports
- See aerial view
- View physician intelligence
- Run comparable reports
- Run demographic reports

Support local business retention and expansion efforts with reports contained in the SCOUT reporting suite, including but not limited to:

Consumer Propensity Report

Quantifies likelihood of consumers of a given trade area to consume various goods and services or possess certain attitudes and opinions. This report can help local entrepreneurs, business owners and store managers better optimize their merchandise/product offerings or their local marketing strategies.

Create Profiles Report

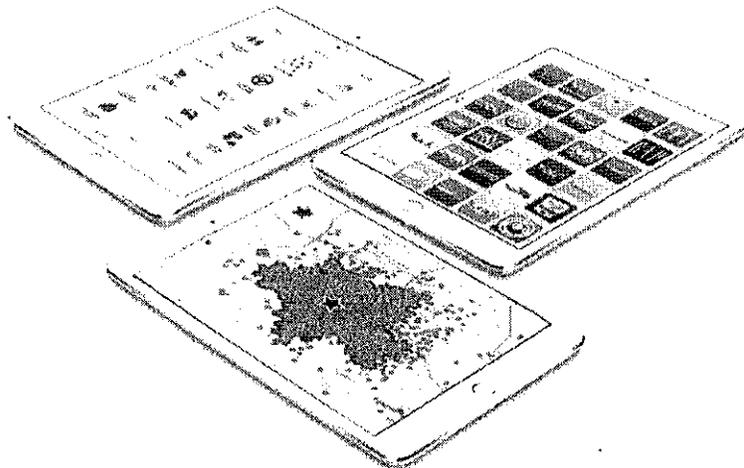
Profiles a specific trade area to determine the likes/dislikes, spending behavior, and marketing preferences of the households and workers within that geography. This report can help local businesses evaluate a market's retail potential or enhance marketing efforts.

Retail Leakage and Surplus Report

Quantifies the potential surplus or leakage in a trade area. This guide can help businesses understand how well the retail needs of residents are being met, uncover unmet demand and opportunities, and measure the difference between actual and potential retail sales.

Count Base Daytime Population Report

Examines the workforce in the study area and provides a count of the workforce population by industry. This report allows retail and restaurant owners to gain insights about how the population in the trade area differs during work hours so local businesses can cater to different types of workers.



SUPPORT

SCOUT Technical Requirements

SCOUT can be accessed at the following URL: www.buxtonco.com

SCOUT is a web-based platform accessible on any desktop, laptop, or mobile tablet device that has an Internet connection. An iPad Air 2 is suggested by Buxton to give you the best user experience. Android tablets are not supported by Buxton's Helpdesk. Minimum browser requirements are Internet Explorer 10, Safari 5, Chrome 21, or Firefox 14.

Buxton's Helpdesk

(1-817-332-3681) is available during normal office hours (8:00 AM-5:30 PM CST, excluding weekends and public holidays). Buxton's Helpdesk team will be available to support all educational, functional, and technical inquiries and will respond to all requests within twenty-four (24) hours of submission.



Monday – Friday: 8:00 am – 5:30 pm CST

1-817-332-3681

TERM, FEES, AND DELIVERY

Agreement Term	Three (3) Years
Year 1 Fee (50% invoiced upon execution of this agreement; 50% invoiced upon targeted retailer identification)	\$65,000
Year 2 Fee (invoiced 1 st anniversary of this agreement)	\$50,000
Year 3 Fee (invoiced 2 nd anniversary of this agreement)	\$50,000

Delivery **The City of Sturgis, SD will have access to retail match lists and marketing packages within sixty (60) business days of execution.**

Your SCOUT access will be enabled within ten (10) business days of the execution of this agreement. The City of Sturgis SD will have access to retail match lists and marketing packages within sixty (60) business days of execution. The initial term of this agreement is for three (3) years with services invoiced annually. However, at any time during this initial 3-year term, the City of Sturgis may cancel services for the following year by providing written notice to Buxton of least sixty (60) days in advance of a yearly renewal. If the City of Sturgis cancels services prior to the expiration of the initial term, the City of Sturgis will be invoiced 10% of the total remaining balance. All service fees associated with this agreement are due in net ten (10) days of the date of the invoice. Execution of this agreement will act as full consent that Buxton may include the City of Sturgis on its client list and in presentations and public relations efforts. Additionally, Buxton may issue a press release announcing the City of Sturgis as a client. When doing so, Buxton will not reveal information that is confidential and proprietary to the City of Sturgis.

Buxton

Signature _____
 Printed Name _____
 Title _____ Date _____

City of Sturgis, SD

Signature _____
 Printed Name _____
 Title _____ Date _____

Please provide us with a primary point of contact for invoice receipt.

Name: _____
 Phone: _____
 Email: _____

Preferred Method of Receipt: Email OR U.S. Mail

Please provide us with a primary point of contact.

Name: _____
 Phone: _____
 Email: _____

PROJECT TIMELINE

