

2012

# CITY OF HENRYETTA, OKLAHOMA

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## MARKET ASSESSMENT

Prepared and presented to  
City of Henryetta  
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**Economic Development Consulting**

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### POPULATION

2011 (Estimate) - PRIMARY TRADE	51,742
2011 (Estimate) - CITY LIMITS	6,135
Growth 2000-11 - PRIMARY TRADE	-2.16%
Growth 2000-11 - CITY LIMITS	0.64%
Growth 2011-16 (Estimate) - PRIMARY TRADE	-1.64%
Growth 2011-16 (Estimate) - CITY LIMITS	-1.22%

### EDUCATIONAL ATTAINMENT

Earned a College Degree	21.68%
Some Post-Secondary Education	42.60%

### COMPOSITION

Family Households	75.33%
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### AVERAGE INCOME (2011 Estimate)

Household Income	\$53,937
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### OCCUPATION

White Collar Workers	50.17%
Blue Collar Workers	34.21%
Service/Farm Workers	15.62%

### HOUSING

Owner Occupied Housing	78.71%
Median Housing Value	\$94,306
Houses less than 10 years old	13.90%

## OPPORTUNITY GAP HIGHLIGHTS

**TOTAL RETAIL LEAKAGE** **\$186,841,575**

Non-Store Retailers	\$47,033,099
Building Materials	\$18,900,630
Full Service Restaurants	\$18,831,642
Health and Personal Care	\$13,298,999
Electronics and Appliances	\$10,056,288
Limited Service Restaurants	\$9,056,760
Clothing and Clothing Accessories	\$8,399,918
Furniture and Home Furnishings	\$5,644,651
Office Supplies, Stationery, Gift	\$5,163,262
Sporting Goods	\$3,676,138
Lawn and Garden Supplies	\$2,409,931
Beer, Wine and Liquor Stores	\$1,813,821

The Opportunity Gap represents the difference between retail sales in specific categories of goods and services where reported demand (purchases by consumers living in an area) exceeds reported sales by merchants (supply) within the same defined trade area. Data is derived from the Consumer Expenditure Survey as administered by the U.S. Bureau of Labor Statistics and from the Census of Retail Trade, made available through the U.S. Census.

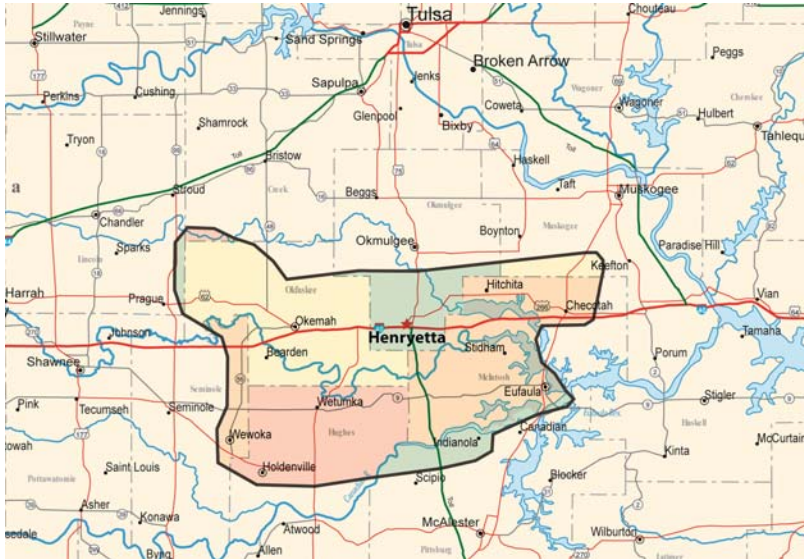
## About the City of Henryetta

Henryetta, Oklahoma is located at the center of the state in Okmulgee County at the intersection of two of Oklahoma's most traveled roadways. The Henryetta community is dissected by US 75 and Interstate 40. US 75, a major north/south arterial with daily traffic counts in excess of 22,000, connects Henryetta to the Tulsa metro area (40 miles to the north). The Indian Nation Turnpike ends just south of Henryetta and connects Henryetta to southeast Oklahoma and Texas. Interstate 40 runs east and west across the United States and brings over 17,000 vehicles through Henryetta daily and connects Henryetta to Oklahoma City (90 miles to the west) and Ft. Smith, Arkansas to the east.

The stable population base coupled with an average household income of nearly \$54,000 makes the Henryetta area a location with retail potential, primarily due to its ability to pull consumers from a large regional area as well as from the transient population represented by the forty thousand vehicles traveling the highway infrastructure through the community every day. The City of Henryetta has consistently re-invested in utility infrastructure and improved water sources and water and sanitary sewer delivery to local residents and businesses.

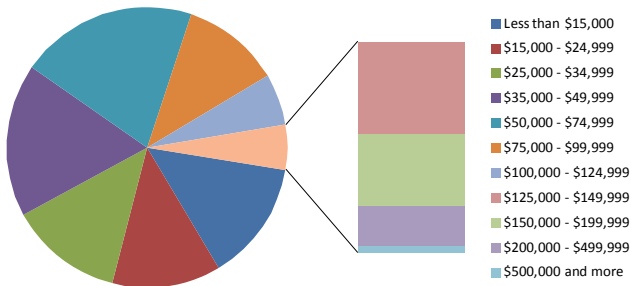
For more information about the City of Henryetta contact Retail Attractions at (918) 376-6707 or [info@retailattractions.com](mailto:info@retailattractions.com)  
Visit [www.retailattractions.com](http://www.retailattractions.com) to download this and other information about the City of Henryetta and other client cities

# City of Henryetta Oklahoma

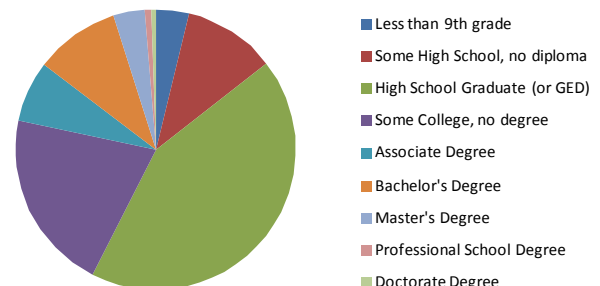


This trade area should be used for the vast majority of retailers including shopping and dining establishments. Benefiting from its outstanding location at the intersection of Interstate 40, US Highway 75 and the Indian Nation Turnpike, average daily traffic counts of nearly 40,000 vehicles per day travel to and through Henryetta make the area a regional collection point for retail shopping opportunities. Consumers from these outlying markets are funnelled into Henryetta's retail offerings.

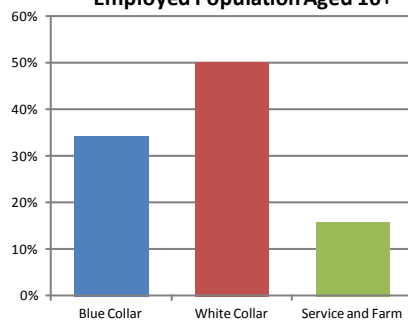
**Household Income 2011**



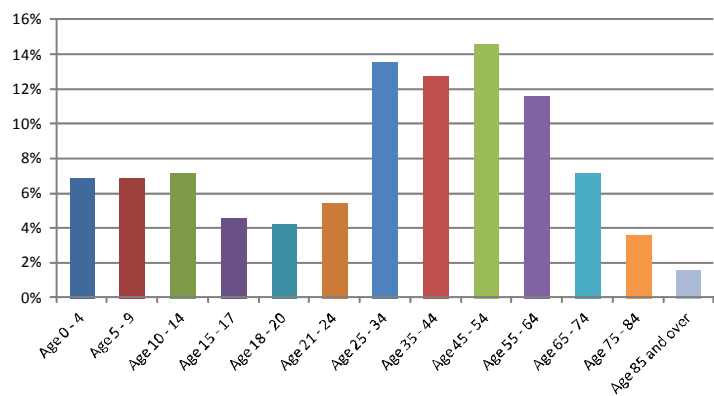
**Educational Attainment**



**Occupational Classification,  
Employed Population Aged 16+**



**Age Classification**



For more information about the City of Henryetta contact Retail Attractions at (918) 376-6707 or [info@retailattractions.com](mailto:info@retailattractions.com)  
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## LOCATION AND ACCESSIBILITY

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Henryetta, Oklahoma is located at the center of the state in Okmulgee County at the intersection of two of Oklahoma's most traveled roadways. The Henryetta community is dissected by US 75 and Interstate 40. US 75, a major north/south arterial with daily traffic counts in excess of 22,000, connects Henryetta to the Tulsa metro area (40 miles to the north). The Indian Nation Turnpike ends just south of Henryetta and connects Henryetta to southeast Oklahoma and Texas. Interstate 40 runs east and west across the United States and brings over 17,000 vehicles through Henryetta daily and connects Henryetta to Oklahoma City (90 miles to the west) and Ft. Smith, Arkansas to the east.

## DEVELOPMENT ASSETS AND CONCERNS

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The City of Henryetta and the Henryetta Economic Development Authority (HEDA) have created an environment in the community that is pro-growth and pro-business. Although growth has been slow, Henryetta did show positive growth over the last decade unlike countless other rural Oklahoma communities. Residential construction totals show an increase of 29 new residential permits in the city limits over the past five years totalling over 2.4 million dollars in value. Henryetta benefits from its outstanding location at the intersection of Interstate 40, US Highway 75 and the Indian Nation Turnpike. Average daily traffic counts of nearly 40,000 vehicles per day travel to and through Henryetta making the area a regional collection point for retail shopping opportunities. The City of Henryetta is home to a state of the art community hospital with acute care capabilities and a dialysis center. A strong school system, numerous parks and recreational opportunities and 30 churches add to the charm and overall quality of life in the area. The community has made large investments to water and sanitary sewer infrastructure over the last five years as over 40% of the infrastructure has been replaced. The city's water treatment facility has also been completely modernized and drinking water sources and treatment processes have been improved and expanded. City administration and HEDA understand the necessity for public-private partnerships to facilitate retail development.

## BUSINESS ENVIRONMENT

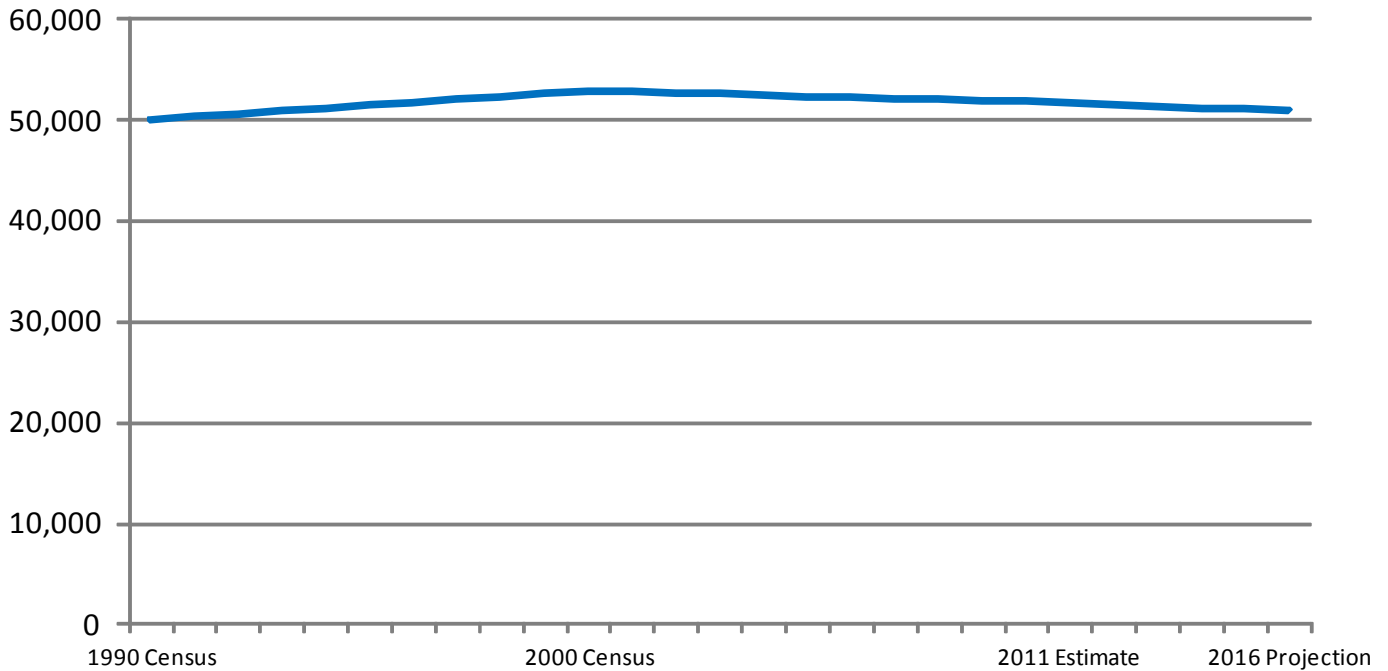
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The stable population base, coupled with an average household income of nearly \$54,000, makes the Henryetta area a location with retail potential. This is primarily due to its ability to pull consumers from a large regional area as well as from the transient population represented by the forty thousand vehicles traveling the highway infrastructure through the community every day. The City of Henryetta has consistently re-invested in utility infrastructure and improved water sources and water and sanitary sewer delivery to local residents and businesses.

POPULATION GROWTH

Population Growth / 2011 / Henryetta Primary Trade

Population Growth



Unlike many rural Oklahoma communities, the City of Henryetta has not suffered from a declining population base. Although the Henryetta community has only grown 0.64% over the last ten years, the community has managed to maintain its population base. This stability is due to the proximity to the Tulsa and Oklahoma City metro areas and the quality of life in the community. However, growth in the Henryetta trade area has declined slightly, with a -2.16% decrease in population over the past decade to 51,742 residents, with an additional -1.64% decrease projected by 2016. The Henryetta city limits population is projected to decrease at a rate of -1.22% by 2016. Efforts from citizens and city administration to incentivize growth and to create an inviting environment for private sector investment the City of Henryetta may encourage positive growth and revitalization into the future.

	Estimated 2011 Population	Growth 2000-11	Estimated Growth 2011-16
CITY LIMITS	6,135	0.64%	-1.22%
PRIMARY TRADE	51,742	-2.16%	-1.64%

## ABOUT THE CITY OF HENRYETTA

### RETAIL ENVIRONMENT

Henryetta serves as the retail source for the nearby towns of Schuller, Dewar, Okemah, Weleetka, Grayson, Hoffman, Stidham, Morris, Dustin, Hanna, Wetumka and Eufaula. Benefitting from its outstanding location at the intersection of Interstate 40, US Highway 75 and the Indian Nation Turnpike, average daily traffic counts of nearly 40,000 vehicles per day travel to and through Henryetta make the area a regional collection point for retail shopping opportunities. Consumers from these out lying markets are funnelled into Henryetta's retail offerings. The ability of retailers and restaurants to site new outlets with excellent visibility and easy access from these highways create interesting retail dynamics and opportunities for the community. The Henryetta community is currently under-retailed because very few national retail and restaurant brands are in the area. There is opportunity for premium sales in several retail categories due to Henryetta's regional pull, not to mention the high traffic volumes that the highway infrastructure funnels through the community.

RETAIL CATEGORY	ANNUAL LEAKAGE
Non-Store Retailers	\$47,033,099
Building Materials	\$18,900,630
Full Service Restaurants	\$18,831,642
Health and Personal Care	\$13,298,999
Electronics and Appliances	\$10,056,288
Limited Service Restaurants	\$9,056,760
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Lawn and Garden Supplies	\$2,409,931
Beer, Wine and Liquor Stores	\$1,813,821
<b>TOTAL RETAIL LEAKAGE</b>	<b>\$186,841,575</b>

### ACTION ITEMS

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For Henryetta to maximize its retail potential moving forward there are several suggestions Retail Attractions would make. These suggestions include:

Engage the entire community to establish ownership, support, and participation from a broad cross-section of the stakeholders.

Develop a cooperative effort from local governing bodies including city, county, state, school and other community organizations.

Develop and enhance the depth and consistency of the pool of individuals for local leadership and develop a shared vision for leadership of the community.

Improve the image of the community in terms of aesthetics. Cleanup, beautify, and do whatever is feasible to present the best "look" for the city.

Develop short and long-range plans to deal with new growth and the maintenance of infrastructure systems including transportation, water, sanitary sewer, and storm sewer. This will allow the community to be able to accommodate potential development investments in an efficient and timely manner.

Develop and modernize IT infrastructure including an up to date city and ED website, staying active in social media, and providing adequate internet speeds to businesses and residents.

Develop modern, up-to-date, accurate and informative marketing material.

Develop a strategy for incentives and public-private partnerships that are effective and make sense for the community. Evaluate opportunities to pursue Tax Increment Financing (TIF) Districts and Tax Increment Reinvestment Zones.

Identify and pursue grant funding opportunities when available.

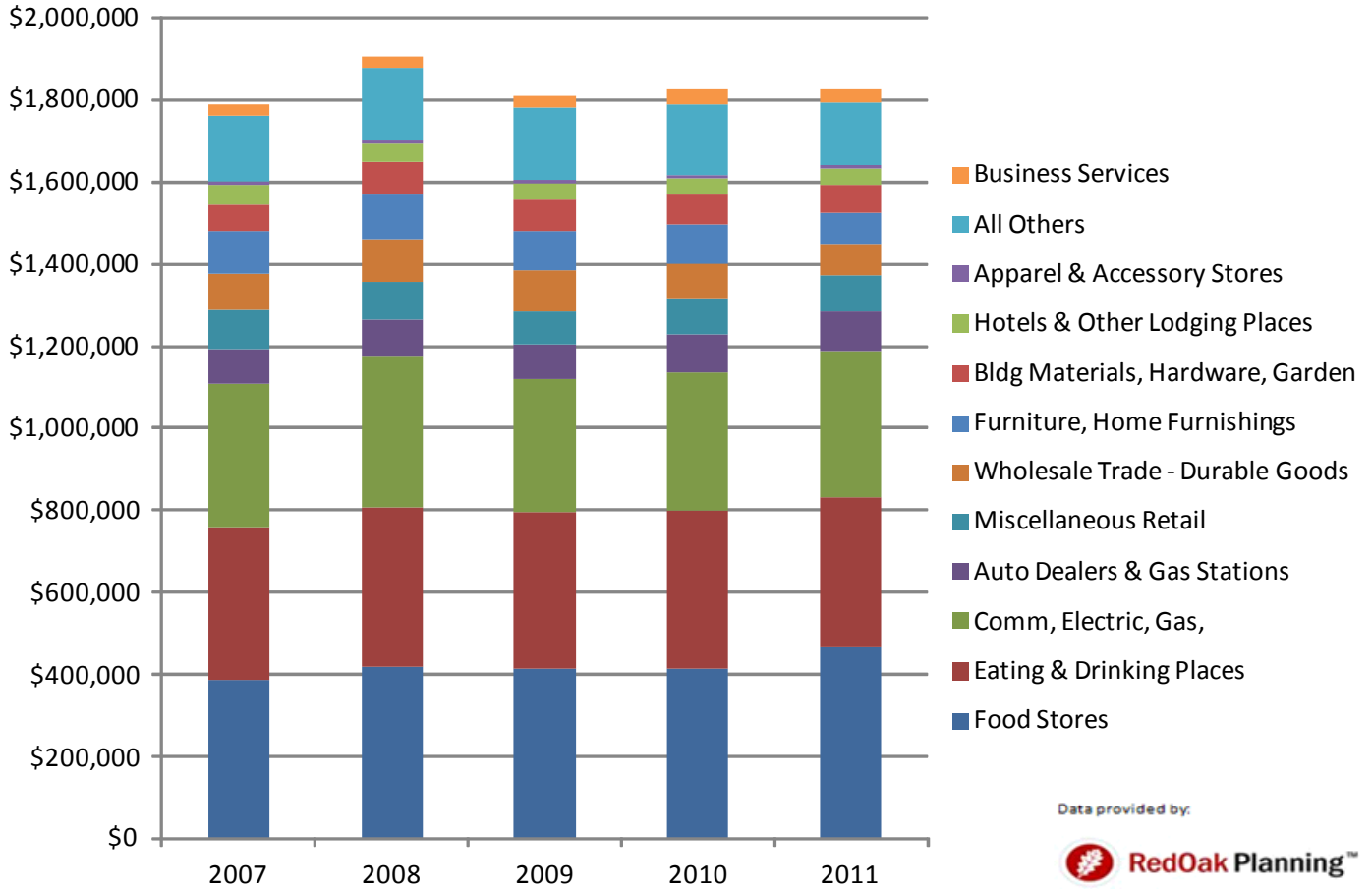
Assess city's development protocol with the goal of making the process as efficient as possible. Identify and train key personnel so that when opportunity knocks, the community responds immediately.

Hire a professional to market your community to national retailers.

SALES TAX INFORMATION

Sales Tax Collection / 2007-11 / Henryetta

Henryetta Sales Tax Collection by Category: 2007-11

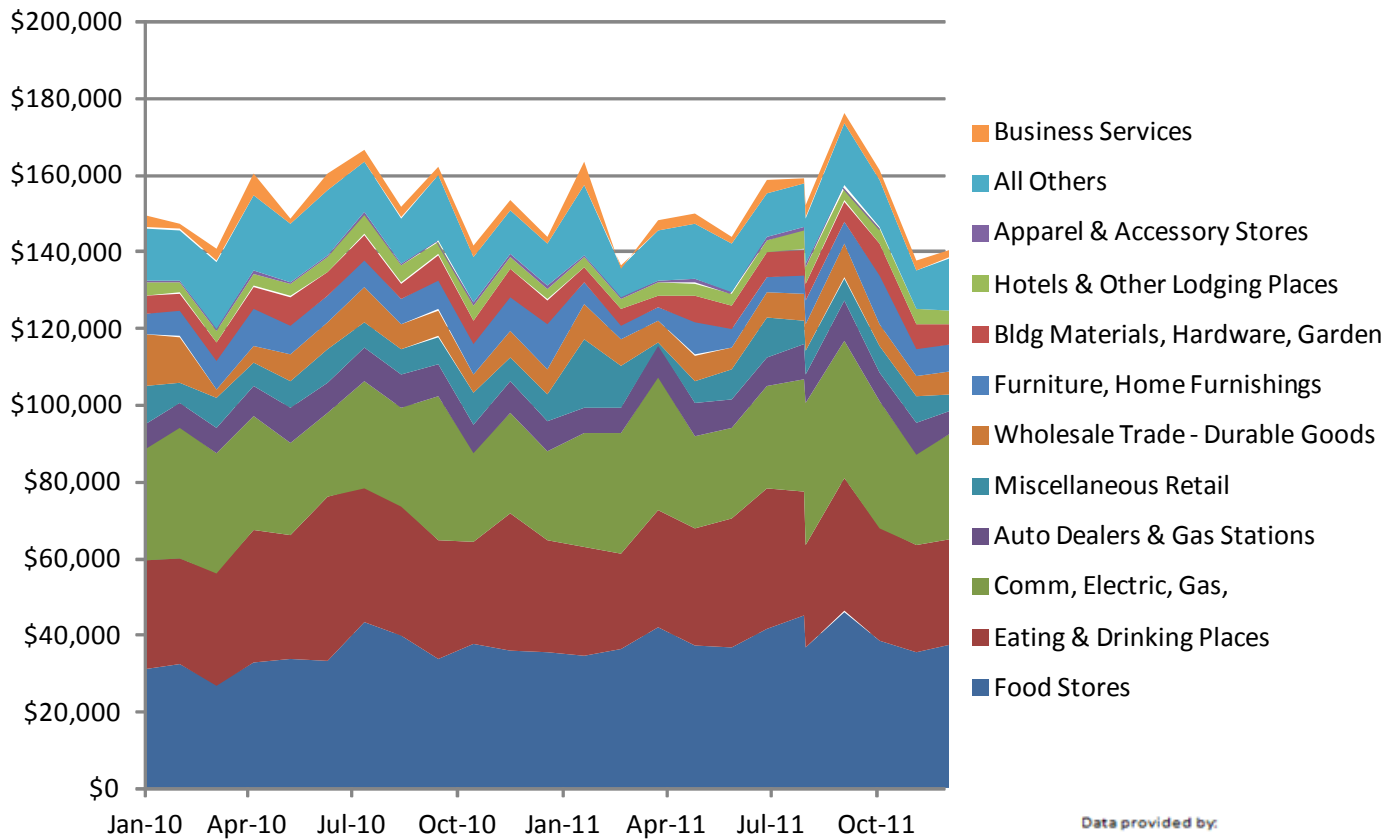


Sales tax revenue is an indicator of the overall economic health of the existing retailers and the fiscal health and stability of city government. As shown in the above chart, the sales tax revenue has shown a steady increase in retail sales in the community over the last 6 years indicating fiscal health and stability

SALES TAX INFORMATION

Monthly Sales Tax Collection by Category / 2010-11 / Henryetta

**Henryetta Sales Tax Collection by Category: 2010-11**



Data provided by:

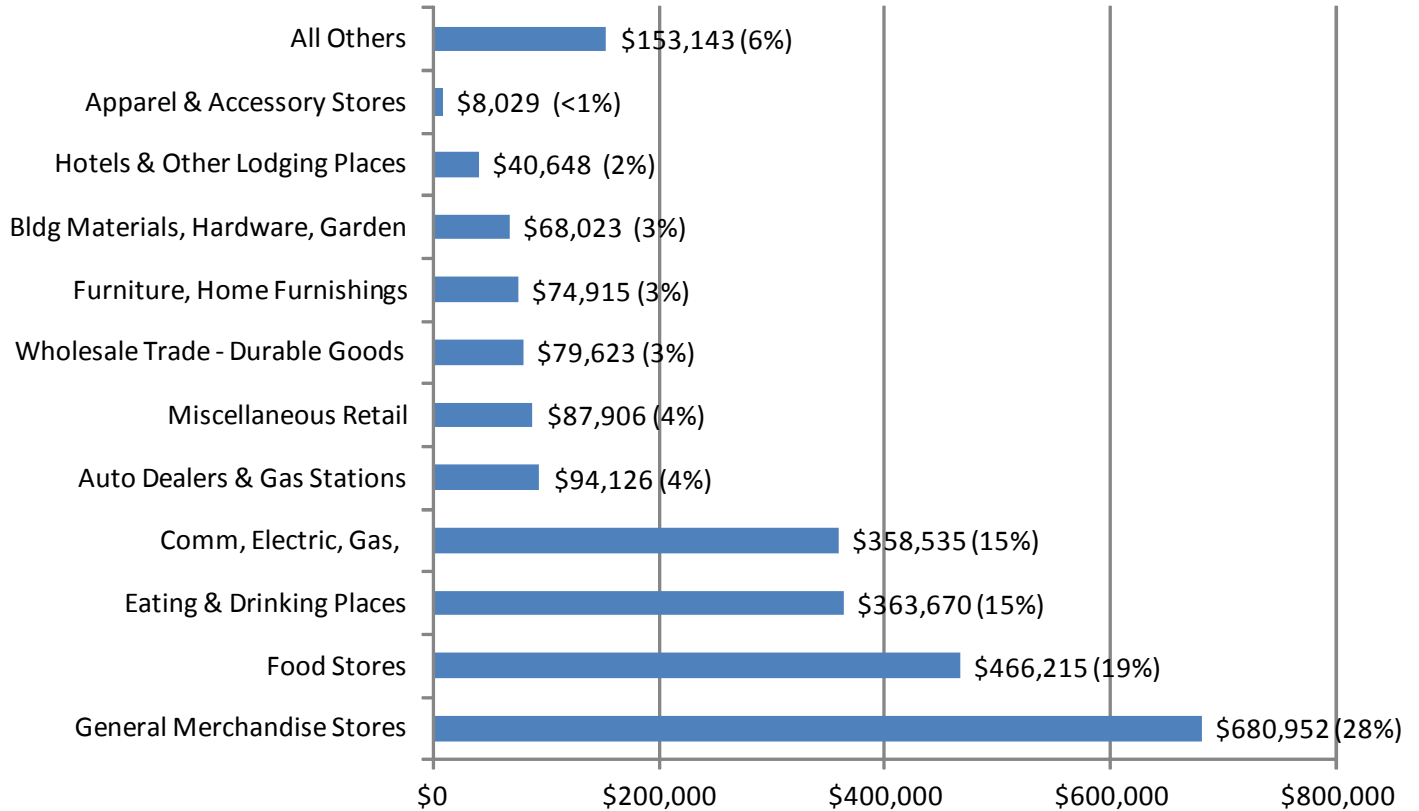


This graph show the monthly distribution of the total sales tax collected by retail category. This graph depicts the seasonal fluctuation of sales by category.

SALES TAX INFORMATION

Sales Tax Collection by Category / 2011 / Henryetta

### Henryetta 2011 Sales Tax Collections: \$2.5mm



Data provided by:

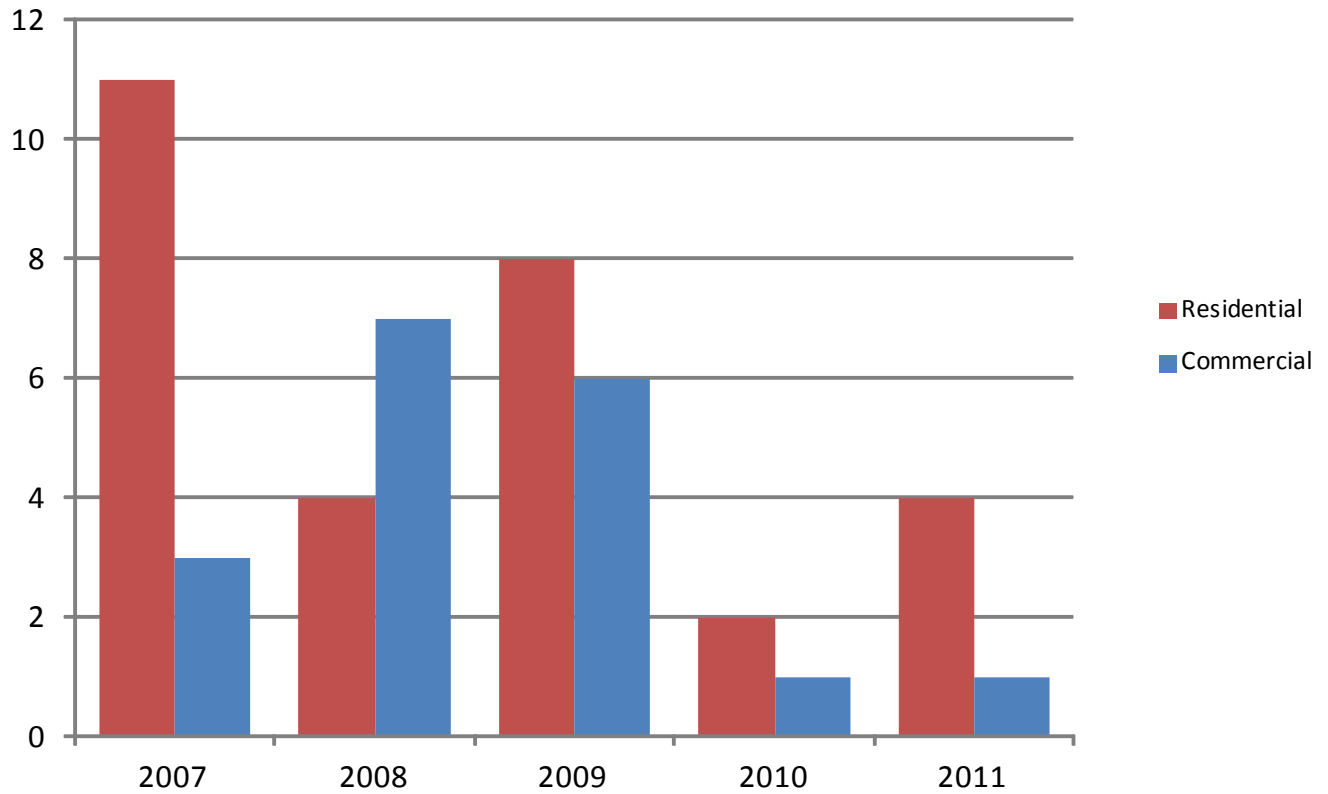


This graph shows the total 2011 sales tax collected by category. General merchandise stores account for the largest portion of sales with roughly 35% of the total.

BUILDING PERMIT INFORMATION

*Building Permits / 2011 / Henryetta*

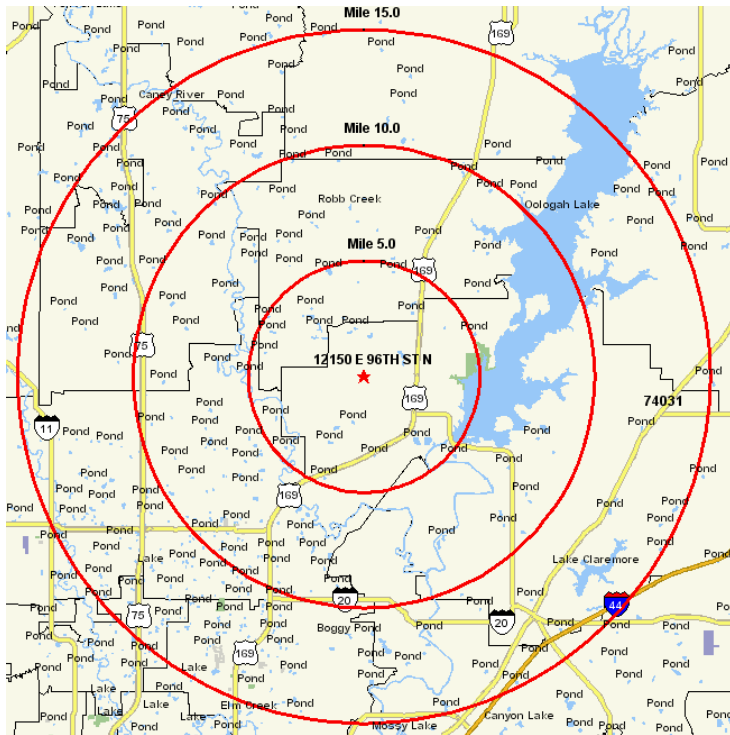
### Building Permits



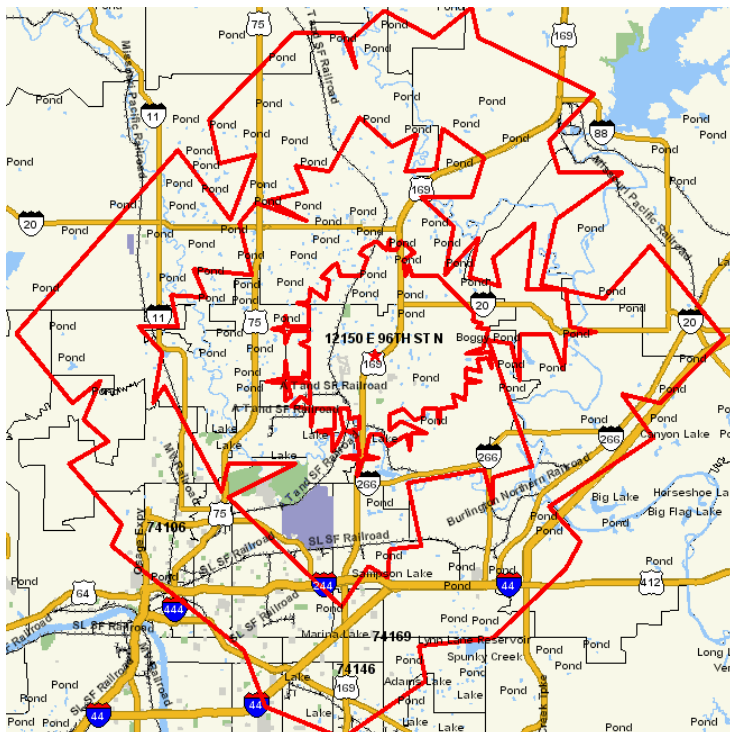
Building permits reflect the residential and commercial growth of a community. Residential growth indicates an increase in the customer base and the amount of disposable income available to new and existing retailers. Although there is not much residential growth for the city of Henryetta, there have been a number of commercial permits issued over the past five years supporting the retail growth potential of the community.

## WHY WE USE THE CUSTOM POLYGON METHOD

Of critical importance to any community market research project is accurately defining the trade area, the geographic area from which the majority of consumers are to be drawn. Estimating trade areas requires skilled judgment and experience. Simply using concentric rings or drive times is not an accurate method of determining trade area.



This map shows 5-, 10- and 15-mile concentric rings around the Retail Attractions office in Owasso, Oklahoma. A 15-mile ring is a conservative trade area, but because Owasso is located 10 miles from the Tulsa metro, this is not an accurate depiction of the trade area. Owasso cannot include the Tulsa metro as part of their trade area, but they can include the area 15-miles to their north. Concentric rings do not give an accurate depiction of trade area.



This map shows 5-, 10- and 15-minute drive times from the Retail Attractions office in Owasso, Oklahoma. Consumers will travel 15-minutes to shop or dine especially if they are used to commuting, but as with the radius map shown above a portion the Tulsa metro is included in the trade area. However, there is little retail to the north and west of Owasso, and a 25-minute drive time could be justified for these directions. Drive times do not give an accurate depiction of trade area.

## WHY WE USE THE CUSTOM POLYGON METHOD (cont)

There are many factors that affect the trade area. Retail Attractions uses real world experience and research to analyze the factors affecting trade area and define an accurate primary trade area. The most accurate estimated trade areas take into account factors such as population densities, competitive locations, natural barriers, traffic flow, accessibility and convenience. Other less accurate methods are radii, drive-time, or county based trade area definitions.

The effect of competition is best defined by Reilly's Law of Retail Gravitation which is based on the premise that people want to shop in larger towns, but their desire declines in direct relation to the distance and time they must travel to reach those places. At Retail Attractions, our preliminary trade area is defined using Reilly's Law. We assess the population and offerings of the surrounding communities to get a starting point for the trade area. Reilly's Law defines the maximum distance consumers will travel to a market as:

$$\text{Distance consumers will travel to } Y = \frac{\text{Distance between } X \text{ and } Y}{1 + \sqrt{\frac{\text{Population of Larger Town } X}{\text{Population of Smaller Town } Y}}}$$

From there, the area is adjusted to account for natural barriers. For example, the nearest major shopping district could be 2 miles from a potential site, but if a river or body of water forces a consumer to drive 15 miles out of the way to access the nearest bridge, the trade area for that potential site has just grown exponentially. There is no way to account for natural barriers when using a trade area defined by a radius.

Traffic flow also plays a role in the trade area definition. For example, a community located to the east of a metropolitan area where there are affluent residential developments to the east, north or south will be able to head off consumers before they reach the metropolitan area. Likewise, sites located where people live or work will benefit from the consumer's natural traffic patterns.

Accessibility is another key to defining trade area. Communities situated along highways and interstates have a natural advantage of accessibility. Intersections of major thoroughfares are even more appealing to retailers. It is much easier to justify a 10 mile drive if they are highway miles with limited delays. Along with traffic flow and accessibility is convenience. Convenient retail is successful retail.

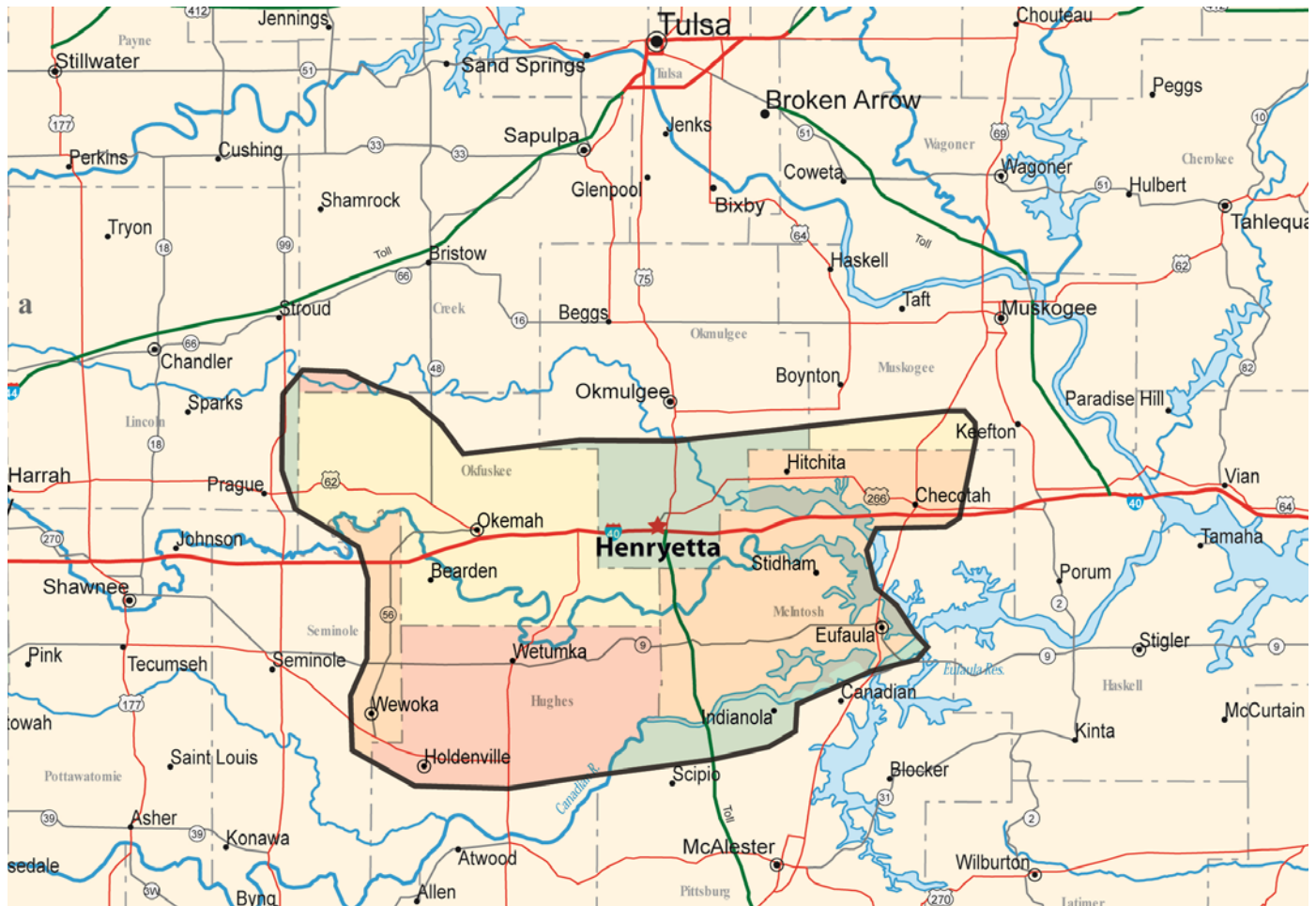
Once we have analyzed all of these factors, we adjust our preliminary trade area to account for our findings. The result is a custom polygon that represents a true consumer base. This methodology has been perfected through years of experience and diligent research. This approach provides a result far superior to concentric rings or drive times which are obsolete when considering natural barriers, competition and traffic flow. The results of our method are justifiable and proven to be effective marketing information.

Please keep in mind the trade area will vary for different types of retail; convenience locations will have a smaller trade area than destination locations. For example, the trade area for a grocery store will be tighter than the primary trade area, and the trade area for electronics or other specialty items will be wider than the primary area. If a specific retailer has shown interest in a location and the trade area is different due to the type of retail, custom demographics reports can be prepared to provide the pertinent information.

# DEMOGRAPHIC PROFILE - PRIMARY TRADE

## AREA MAP

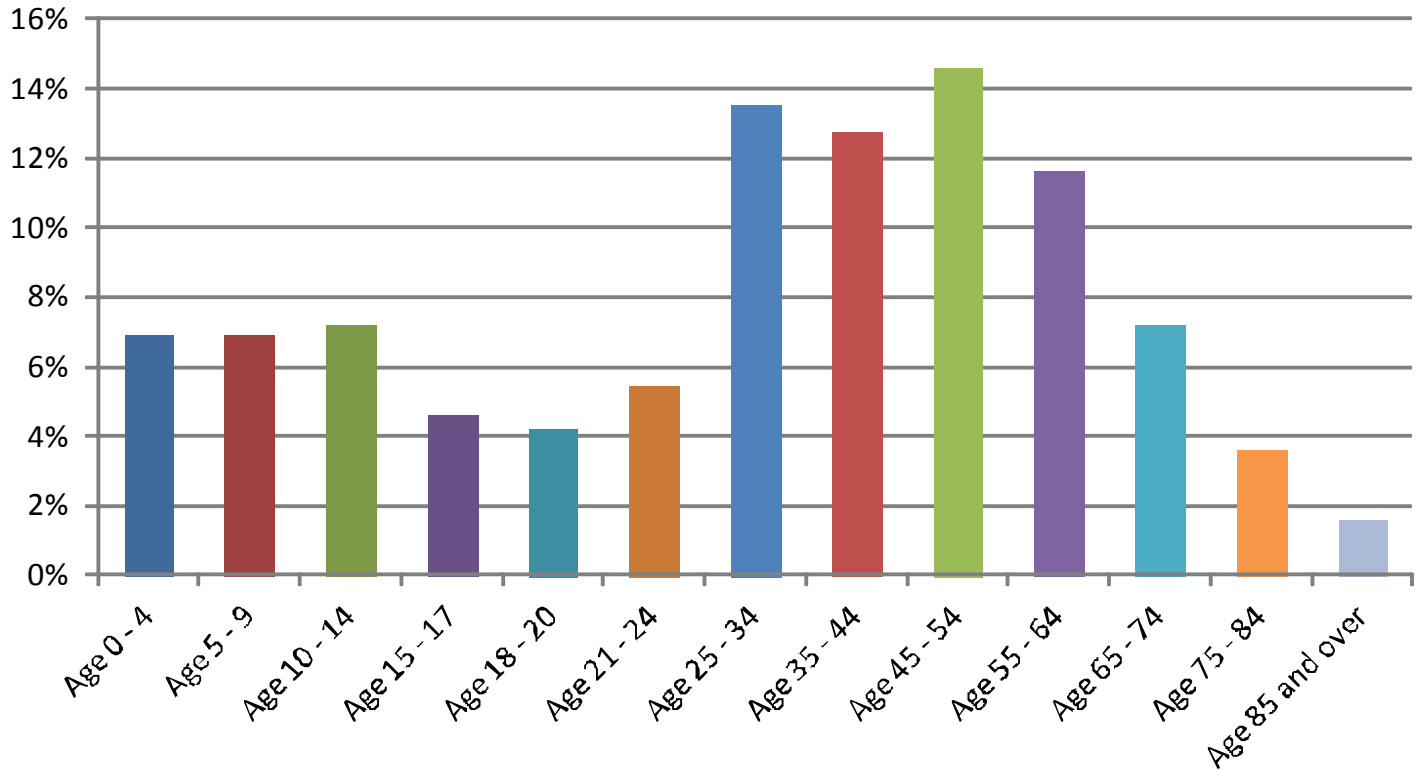
This trade area should be used for the vast majority of retailers including shopping and dining establishments. Benefitting from its outstanding location at the intersection of Interstate 40, US Highway 75 and the Indian Nation Turnpike, average daily traffic counts of nearly 40,000 vehicles per day travel to and through Henryetta make the area a regional collection point for retail shopping opportunities. Consumers from these out lying markets are funnelled into Henryetta's retail offerings.



POPULATION BY AGE

Population by Race / 2011 / Henryetta Primary Trade

Age Classification

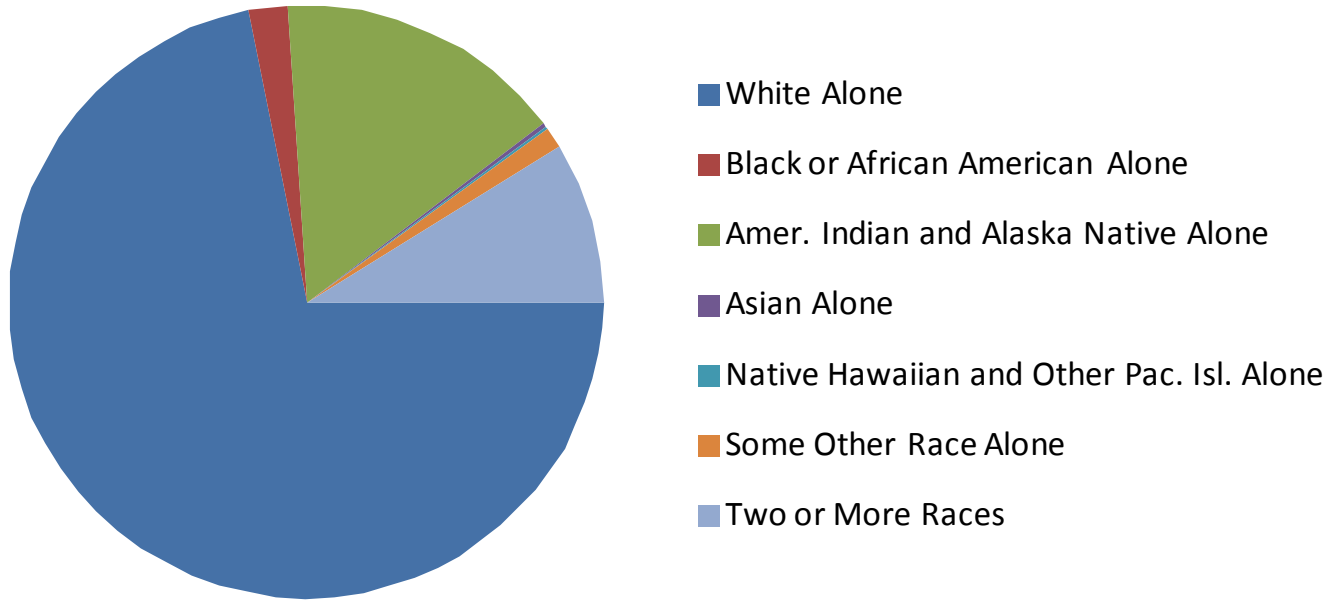


The average age in the primary trade is 37.10 years old. With heavy concentrations in the desirable age ranges of 25-34 and 35-44, Henryetta represents a marketplace with demographic data supporting most national retailer's target data.

POPULATION BY RACE

Population by Race / 2011 / Henryetta Primary Trade

Single Race Classification

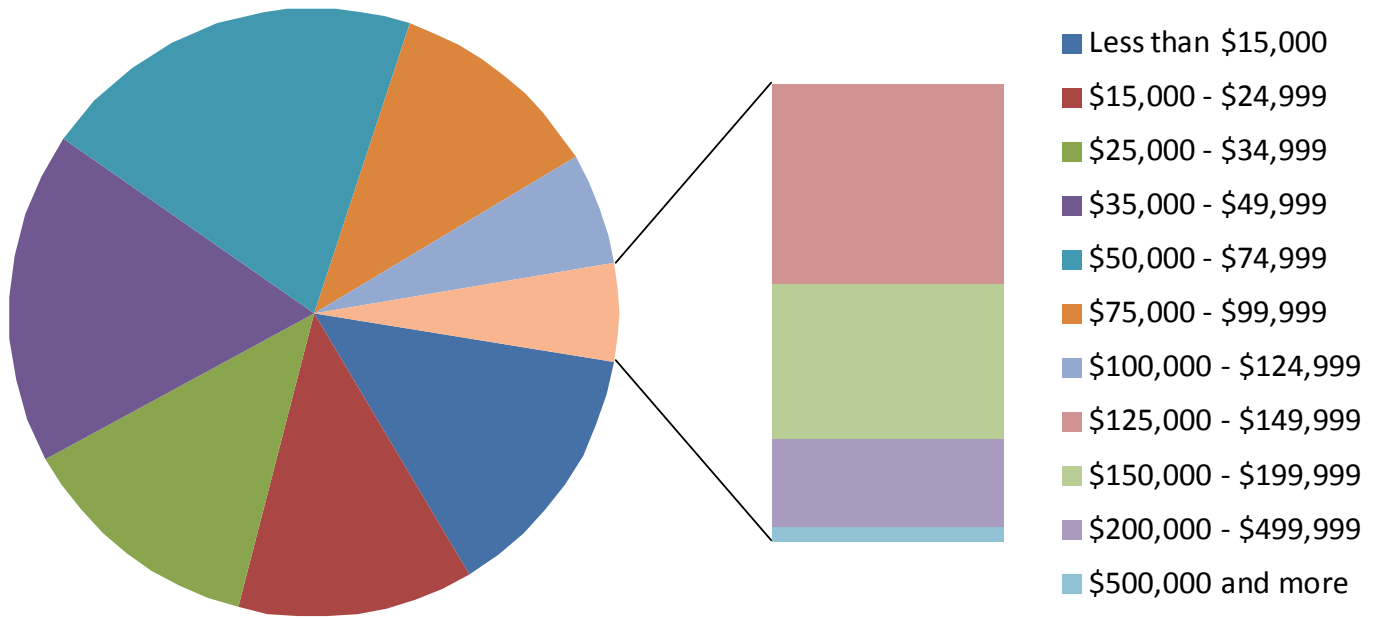


The population of the primary trade area of Henryetta has 67.33% White residents, 6.86% Black or African American residents, and 17.18% American Indian or Alaska Native residents, and 3.01% of the population is Hispanic or Latino by origin.

POPULATION BY INCOME

Population by Income / 2011 / Henryetta Primary Trade

**Household Income 2011**



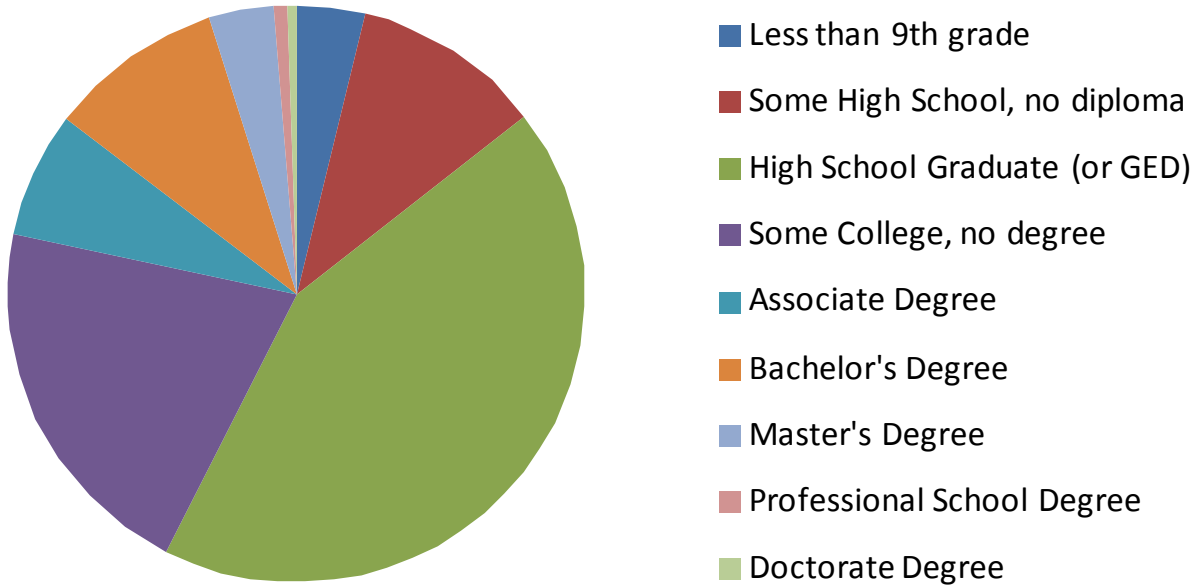
The average household income in the Henryetta primary trade is \$53,936.52. Of the households in the Henryetta primary trade, 42.92% have an average annual income at or above \$50,000, and 75.33% are family households.

<b>2011 Household Income (Estimated)</b>	
PRIMARY TRADE	\$53,937
CITY LIMITS	\$49,204

POPULATION BY EDUCATION

Population by Education / 2011 / Henryetta Primary Trade

Educational Attainment

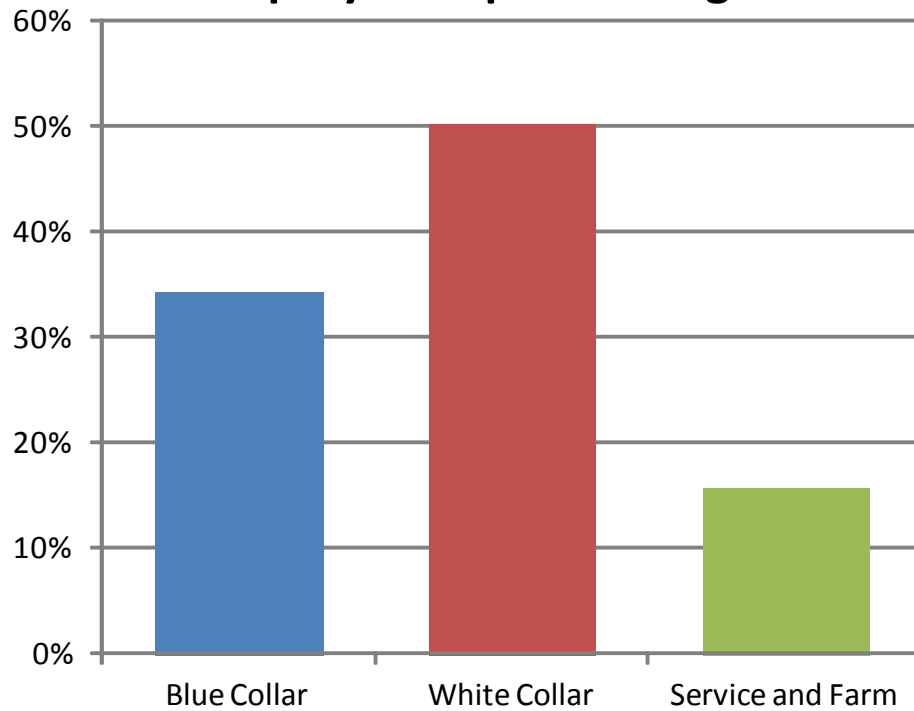


Of the population age 16 and over in the primary trade, 42.60% have some post-secondary education, and 21.68% have a college degree.

POPULATION BY OCCUPATION

*Population by Occupation / 2011 / Henryetta Primary Trade*

**Occupational Classification,  
Employed Population Aged 16+**

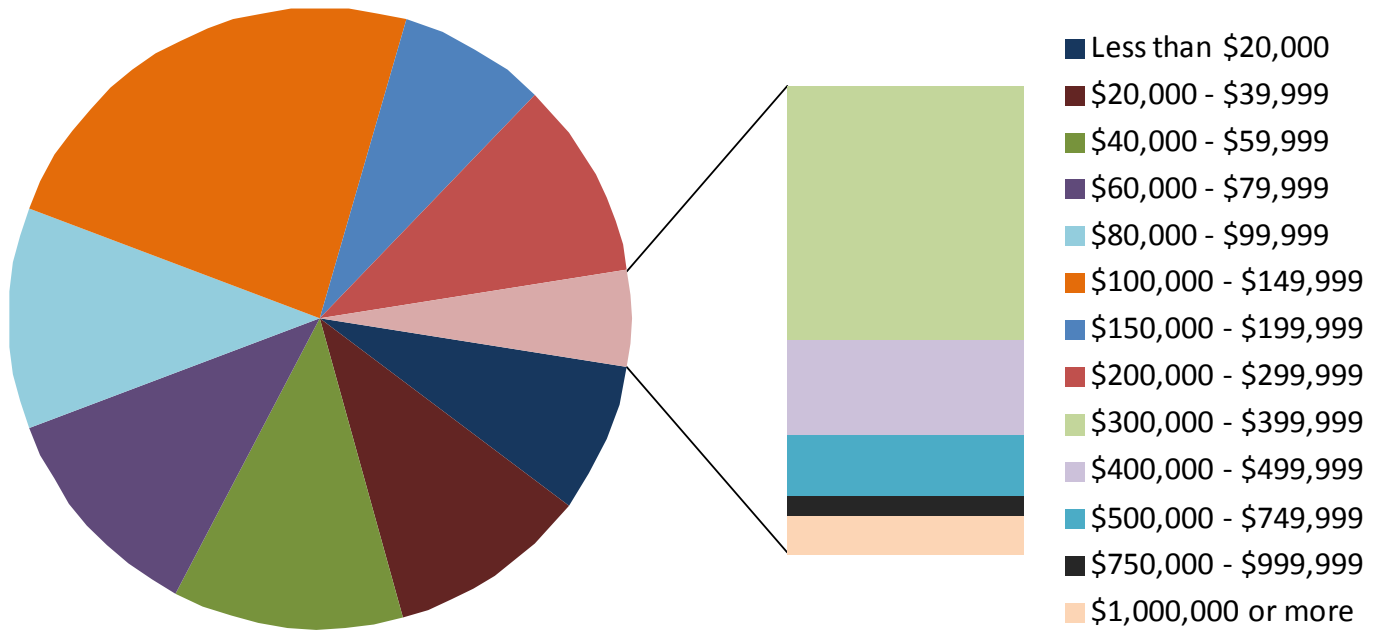


The majority of the population in the Henryetta primary trade, 50.17%, is engaged in white collar occupations, with 25.78% in management, business, financial or other professional positions and another 24.40% in sales or office positions. Of the the population in the Henryetta primary trade, 34.21% is engaged in blue collar occupations, and 15.62% is engaged in service and farm occupations.

HOUSING VALUE DISTRIBUTION

*Housing Value Distribution / 2011 / Henryetta Primary Trade*

**Housing Value Distribution 2011**



The median value of a home within the primary trade is \$94,306.00. Of these homes, 78.71% are owner occupied and 13.90% are less than 10 years old.

# DEMOGRAPHIC PROFILE - CITY LIMITS

## AREA MAP

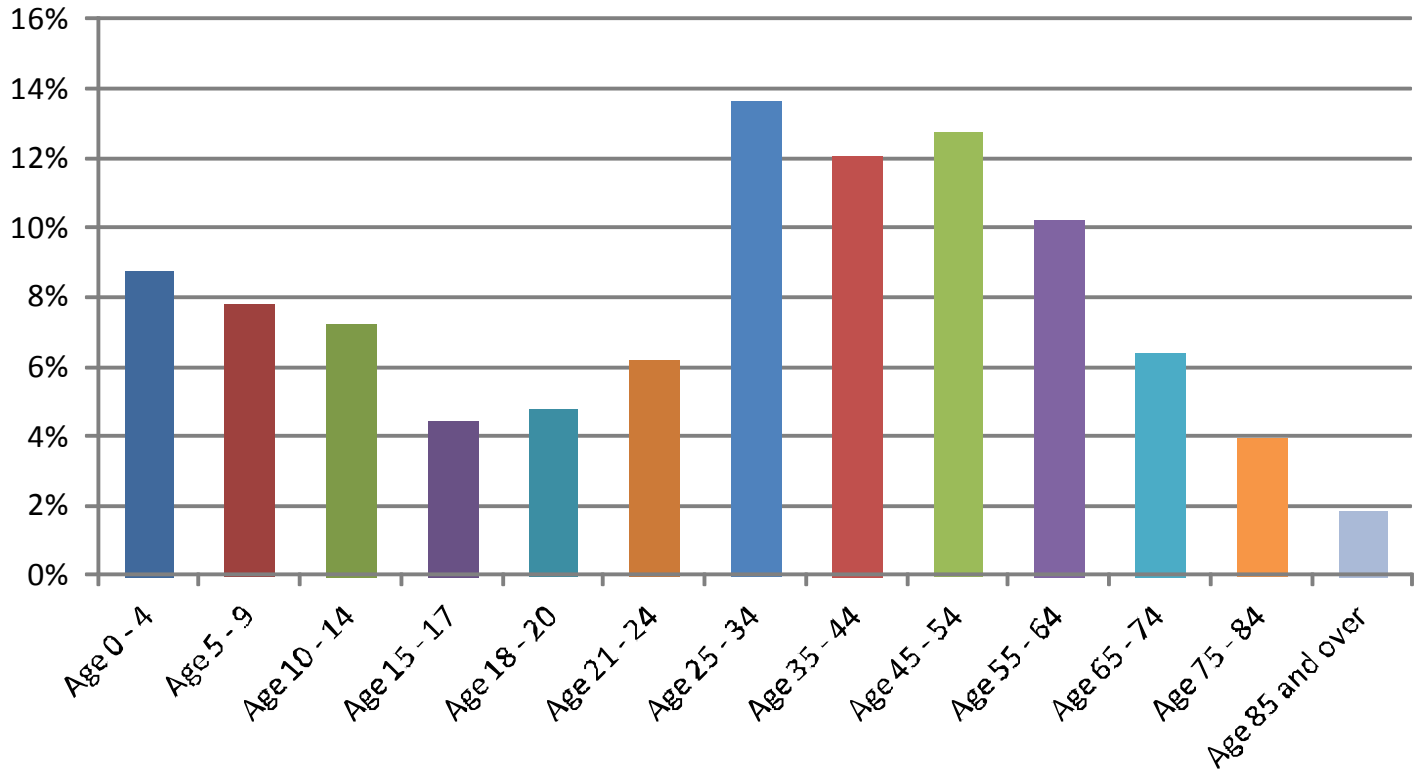
This map shows the highways that service the area and the surrounding communities. The city limits data gives a good representation of the centrally concentrated population in an area.



POPULATION BY AGE

Population by Race / 2011 / Henryetta City Limits

Age Classification

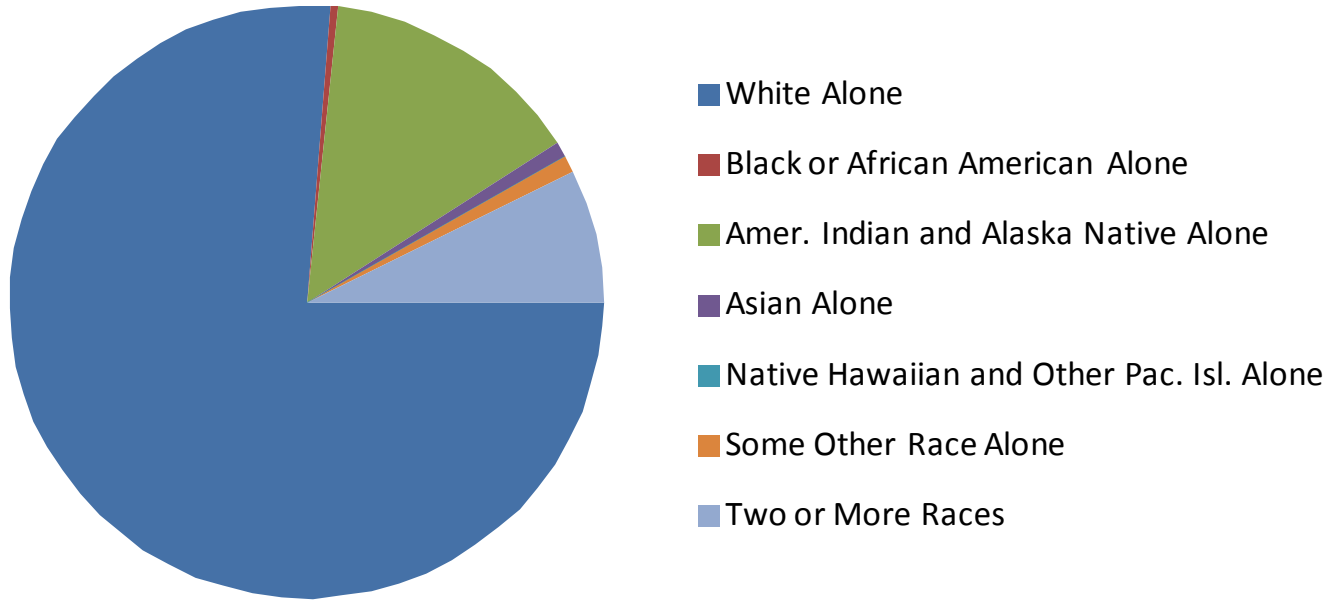


The average age in the city limits is 35.40 years old. With heavy concentrations in the desirable age ranges of 25-34 and 35-44, Henryetta represents a marketplace with demographic data supporting most national retailer's target data.

POPULATION BY RACE

Population by Race / 2011 / Henryetta City Limits

Single Race Classification

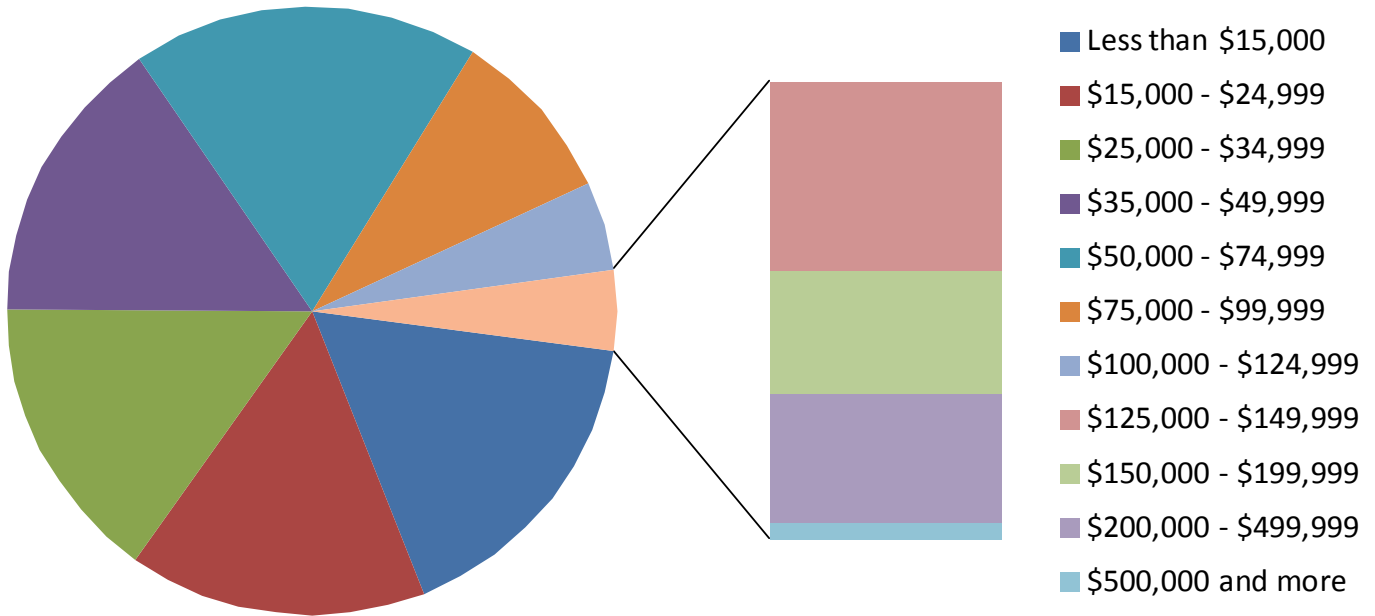


The population of the city limits area of Henryetta has 76.30% White residents, 0.46% Black or African American residents, and 14.28% American Indian or Alaska Native residents, and 2.98% of the population is Hispanic or Latino by origin.

POPULATION BY INCOME

Population by Income / 2011 / Henryetta City Limits

**Household Income 2011**



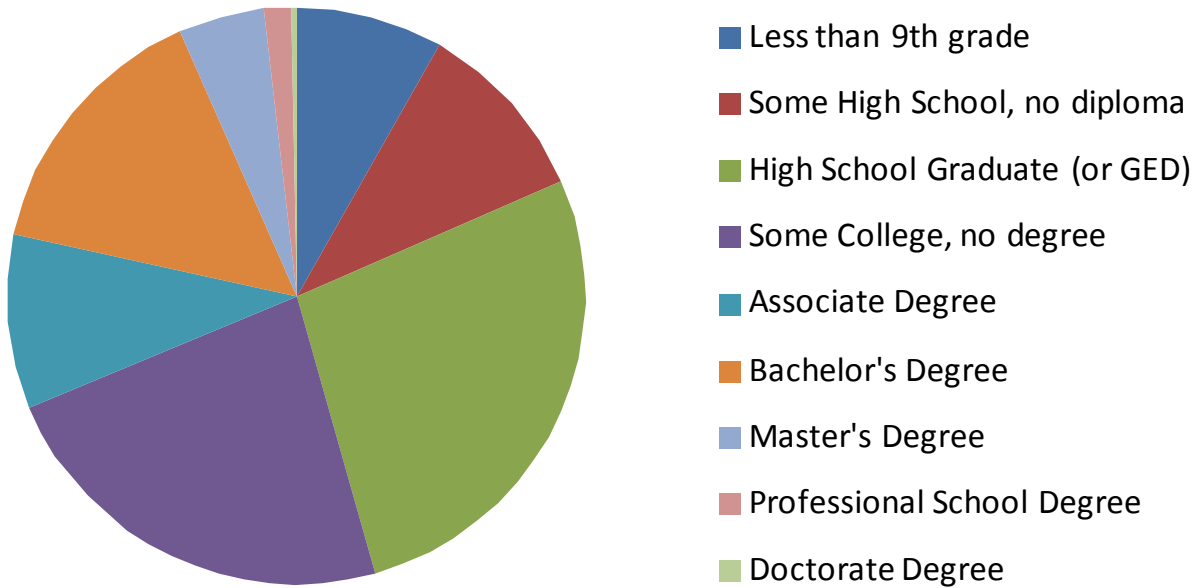
The average household income in the Henryetta city limits is \$49,204.08. Of the households in the Henryetta city limits, 36.68% have an average annual income at or above \$50,000, and 71.19% are family households.

<b>2011 Household Income (Estimated)</b>	
PRIMARY TRADE	\$53,937
CITY LIMITS	\$49,204

POPULATION BY EDUCATION

Population by Education / 2011 / Henryetta City Limits

### Educational Attainment

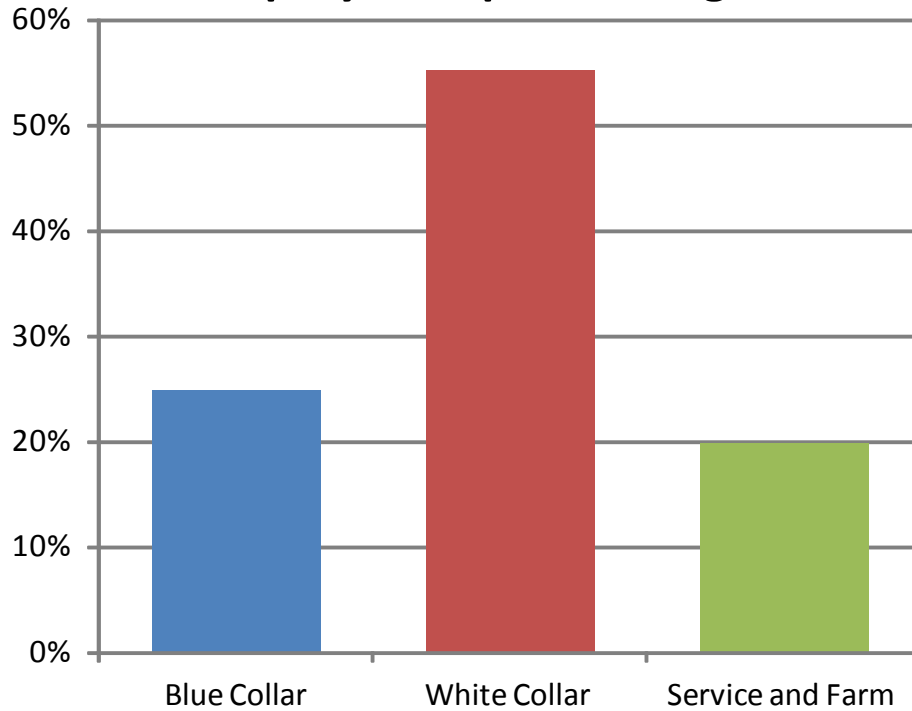


Of the population age 16 and over in the city limits, 54.39% have some post-secondary education, and 31.38% have a college degree.

POPULATION BY OCCUPATION

*Population by Occupation / 2011 / Henryetta City Limits*

**Occupational Classification,  
Employed Population Aged 16+**

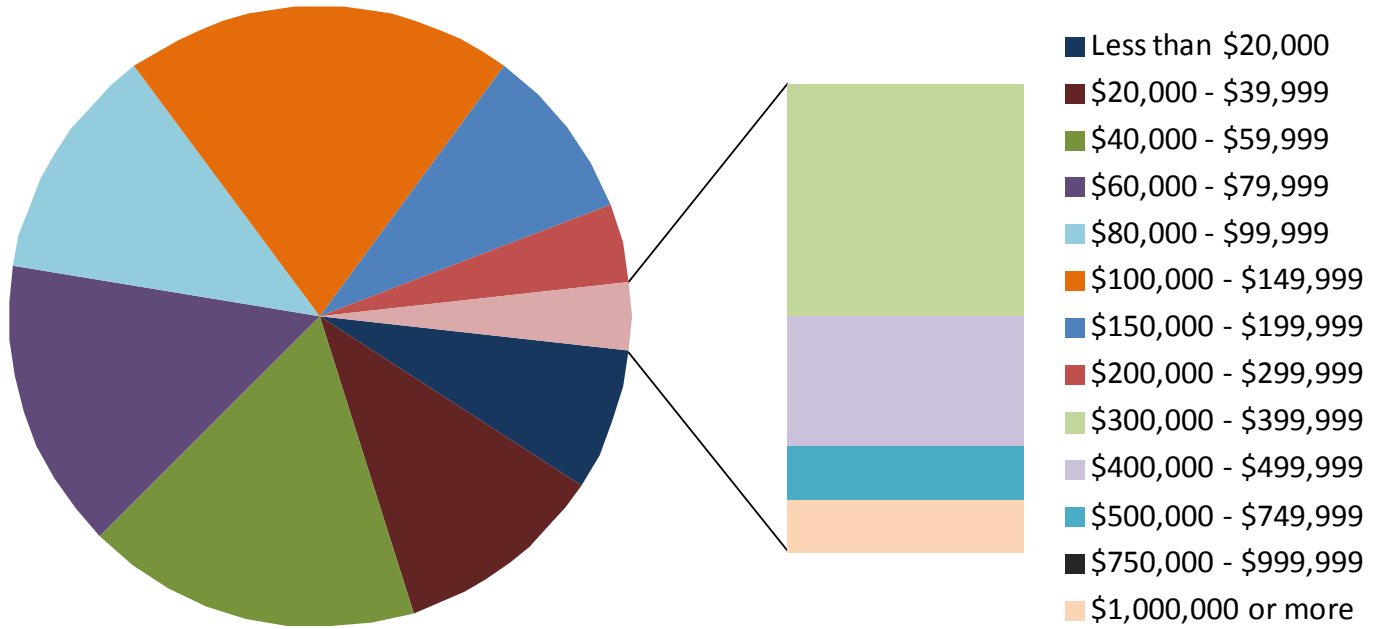


The majority of the population in the Henryetta city limits, 55.22%, is engaged in white collar occupations, with 30.37% in management, business, financial or other professional positions and another 24.85% in sales or office positions. Of the the population in the Henryetta city limits, 24.96% is engaged in blue collar occupations, and 19.82% is engaged in service and farm occupations.

HOUSING VALUE DISTRIBUTION

*Housing Value Distribution / 2011 / Henryetta City Limits*

**Housing Value Distribution 2011**



The median value of a home within the city limits is \$78,872.00. Of these homes, 54.75% are owner occupied and 6.36% are less than 10 years old.

## NIELSEN CLARITAS RETAIL MARKET POWER

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The Nielsen Claritas Retail Market Power™ (RMP) database provides an actionable portrait of sales opportunity for optimal site and market analysis, allowing you to maximize your growth strategies by accurately targeting the sales gaps that exist in the marketplace. By using sales potential to depict supply and geography-based estimates of potential annual consumer expenditures to depict demand within a specific market, RMP enables an opportunity gap analysis of the retail environment. The database was developed using the Consumer Expenditure (CEX) surveys conducted by the Bureau of Labor Statistics and the Census of Retail Trade conducted by the US Census. Current-year (CY) supply and demand estimates and five-year (5Y) demand projections are available for all standard census, postal, and marketing geographies.

### Data Sources for Potential Sales:

- Census of Retail Trade (CRT) Annual Survey of Retail Trade
- Claritas Business-Facts
- Census of Employment Wages
- State Sales Tax reports
- Trade Associations
- Demand Side Estimates

### Data Sources for Potential Expenditures:

- Consumer Expenditure Survey (CEX) Global Insights
- Claritas Current Year demographics
- Trade Associations

The Nielsen Claritas Retail Market Power™ (RMP) allows you to compare supply and demand to determine potential sources of revenue growth at any standard or user defined geographic level. Such comparison can be achieved at the retail outlet level or the merchandise line level. An opportunity gap appears when household expenditure levels for a specific geography are higher than the corresponding retail sales estimates. This difference signifies that resident households are meeting the available supply and supplementing their additional demand potential by going outside of their own geography. The opposite is true in the event of an opportunity surplus which occurs when the levels of household expenditures are lower than the retail sales estimates. In this case, local retailers are attracting residents from other areas to their stores.

## RETAIL CATEGORIES

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### Vehicle and Parts Dealers

New and used automobile dealers, motorcycle dealers, recreational vehicle dealers, all terrain vehicle dealers, boat dealers, auto parts stores, auto accessories stores and tire dealers

### Furniture and Home Furnishings Stores

Furniture stores, home furnishing stores, home decorating stores and floor covering stores

### Electronics and Appliance Stores

Household appliance stores, electronics stores, computer and software stores and camera and photographic equipment stores

### Building Materials and Garden Supply Stores

Building material and supply dealers, home improvement centers, paint and wallpaper stores, hardware stores, lumberyards, lawn and garden stores, outdoor power equipment stores, nursery and garden centers

### Food and Beverage Stores

Grocery stores, supermarkets, convenience stores, specialty food stores and beer, wine and liquor stores

### Health and Personal Care Stores

Pharmacies, drug stores, cosmetic dealers, beauty supply stores, perfume stores, optical goods stores, health care stores and personal care stores

### Gasoline Stations

Gasoline stations and gasoline stations with convenience stores

### Clothing and Clothing Accessories Stores

Men's clothing stores, women's clothing stores, children's and infant's clothing stores, family clothing stores, clothing accessories stores, shoe stores, jewelry stores, luggage stores, leather goods stores

### Sporting Goods and Hobby Stores

Sporting goods stores, hobby stores, toy stores, sewing and needlework stores, musical instrument and supplies stores, book stores, newsstands, music stores

### General Merchandise Stores

Department stores and other general merchandise stores

### Miscellaneous Store Retailers

Florists, office supply stores, stationery stores, gift and souvenir stores, used merchandise stores and other miscellaneous retailers

### Foodservice and Drinking Places

Full-service restaurants, limited-service eating places, special foodservices, taverns and bars

## OPPORTUNITY GAP - PRIMARY TRADE

RETAIL CATEGORY	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Motor Vehicle and Parts Dealers	\$101,592,183	\$82,859,975	\$18,732,208
Automotive Dealers	\$83,266,410	\$69,365,106	\$13,901,304
Other Motor Vehicle Dealers	\$10,499,419	\$3,705,255	\$6,794,164
Automotive Parts and Accessories	\$7,826,353	\$9,789,614	(\$1,963,261)
Furniture and Home Furnishings	\$10,907,368	\$5,262,717	\$5,644,651
Furniture	\$5,698,107	\$4,418,708	\$1,279,399
Home Furnishings	\$5,209,261	\$844,008	\$4,365,253
Electronics and Appliances	\$11,953,683	\$1,897,395	\$10,056,288
Appliances, TVs, Electronics	\$8,934,200	\$1,897,395	\$7,036,805
Household Appliances	\$2,181,034	\$1,897,309	\$283,725
Radio, Television, Electronics	\$6,753,166	\$85	\$6,753,081
Computer and Software	\$2,513,714	\$0	\$2,513,714
Photographic Equipment	\$505,770	\$0	\$505,770
Building Materials and Garden Eqpt	\$54,972,594	\$33,662,033	\$21,310,561
Building Materials	\$49,135,992	\$30,235,362	\$18,900,630
Home Centers	\$19,613,219	\$15,836,950	\$3,776,269
Paint and Wallpaper	\$1,196,996	\$17,783	\$1,179,213
Hardware	\$5,050,170	\$2,783,444	\$2,266,726
Other Build Materials	\$23,275,606	\$11,597,185	\$11,678,421
Lumberyards	\$9,400,044	\$4,534,501	\$4,865,543
Lawn and Garden Supplies	\$5,836,602	\$3,426,671	\$2,409,931
Outdoor Power Equipment	\$1,217,803	\$134,790	\$1,083,013
Nursery and Garden Centers	\$4,618,799	\$3,291,881	\$1,326,918
Food and Beverage Stores	\$94,842,721	\$92,172,352	\$2,670,369
Grocery Stores	\$86,397,397	\$87,552,469	(\$1,155,072)
Supermarkets	\$81,843,043	\$79,195,754	\$2,647,289
Convenience Stores	\$4,554,354	\$8,356,715	(\$3,802,361)
Specialty Food Stores	\$2,666,165	\$654,545	\$2,011,620
Beer, Wine and Liquor Stores	\$5,779,159	\$3,965,338	\$1,813,821
Health and Personal Care	\$44,985,438	\$31,686,439	\$13,298,999
Pharmacies and Drug Stores	\$39,282,629	\$31,464,656	\$7,817,973
Cosmetics and Beauty Supplies	\$1,652,100	\$171,815	\$1,480,285
Optical Goods	\$1,131,969	\$0	\$1,131,969
Other Health and Personal Care	\$2,918,740	\$49,968	\$2,868,772
Gasoline Stations	\$69,436,768	\$179,951,330	(\$110,514,562)
Gasoline with Convenience Store	\$52,564,506	\$79,642,859	(\$27,078,353)
Other Gasoline Stations	\$16,872,262	\$100,308,471	(\$83,436,209)

## OPPORTUNITY GAP - PRIMARY TRADE

RETAIL CATEGORY (cont)	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Clothing and Clothing Accessories	\$25,873,196	\$17,473,278	\$8,399,918
Clothing	\$18,655,740	\$14,607,566	\$4,048,174
Men's Clothing	\$1,125,492	\$0	\$1,125,492
Women's Clothing	\$4,574,228	\$2,776,142	\$1,798,086
Children's Clothing	\$1,252,639	\$0	\$1,252,639
Family Clothing	\$10,020,971	\$11,787,250	(\$1,766,279)
Clothing Accessories	\$421,403	\$2,835	\$418,568
Other Clothing	\$1,261,007	\$41,339	\$1,219,668
Shoes	\$4,061,324	\$807,354	\$3,253,970
Jewelry	\$2,849,414	\$2,058,358	\$791,056
Luggage and Leather Goods	\$306,719	\$0	\$306,719
Sporting Goods, Hobby, Book Music	\$10,761,739	\$732,917	\$10,028,822
Sporting Goods	\$3,900,939	\$224,801	\$3,676,138
Hobby, Toys, Games	\$2,658,101	\$107,915	\$2,550,186
Sew, Needlework, Piece Goods	\$558,844	\$4,716	\$554,128
Musical Instruments	\$668,180	\$25,282	\$642,898
Book Stores	\$1,821,482	\$77,451	\$1,744,031
News Dealers and Newsstand	\$146,414	\$0	\$146,414
Prerecorded Tapes, CDs, Record	\$1,007,780	\$292,752	\$715,028
General Merchandise	\$86,453,117	\$80,628,600	\$5,824,517
Miscellaneous Retailers	\$17,842,176	\$24,276,311	(\$6,434,135)
Florists	\$1,144,736	\$6,217,747	(\$5,073,011)
Office Supplies, Stationery, Gifts	\$6,115,106	\$951,844	\$5,163,262
Used Merchandise	\$1,193,043	\$954,764	\$238,279
Other Miscellaneous	\$9,389,290	\$16,151,956	(\$6,762,666)
Non-Store Retailers	\$48,159,865	\$1,126,766	\$47,033,099
Food and Drink	\$62,763,092	\$27,440,824	\$35,322,268
Full Service Restaurants	\$27,977,535	\$9,145,893	\$18,831,642
Limited Service Restaurants	\$26,388,281	\$17,331,521	\$9,056,760
Special Food	\$5,196,488	\$0	\$5,196,488
Drinking Places	\$3,200,787	\$963,410	\$2,237,377
<b>TOTAL LEAKAGE</b>			\$186,841,575
<b>TOTAL SURPLUS</b>			(\$125,468,572)
<b>BALANCE</b>			\$61,373,003

## OPPORTUNITY GAP - CITY LIMITS

RETAIL CATEGORY	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Motor Vehicle and Parts Dealers	\$11,154,642	\$26,418,038	(\$15,263,396)
Automotive Dealers	\$9,309,883	\$23,451,713	(\$14,141,830)
Other Motor Vehicle Dealers	\$938,723	\$767,439	\$171,284
Automotive Parts and Accessories	\$906,036	\$2,198,886	(\$1,292,850)
Furniture and Home Furnishings	\$1,203,666	\$1,992,225	(\$788,559)
Furniture	\$622,536	\$1,914,435	(\$1,291,899)
Home Furnishings	\$581,130	\$77,790	\$503,340
Electronics and Appliances	\$1,361,073	\$972,469	\$388,604
Appliances, TVs, Electronics	\$1,019,245	\$972,469	\$46,776
Household Appliances	\$245,861	\$972,469	(\$726,608)
Radio, Television, Electronics	\$773,384	\$0	\$773,384
Computer and Software	\$285,833	\$0	\$285,833
Photographic Equipment	\$55,995	\$0	\$55,995
Building Materials and Garden Eqpt	\$6,036,538	\$13,245,499	(\$7,208,961)
Building Materials	\$5,428,869	\$13,245,499	(\$7,816,630)
Home Centers	\$2,156,253	\$11,783,670	(\$9,627,417)
Paint and Wallpaper	\$133,500	\$14,846	\$118,654
Hardware	\$561,132	\$172,609	\$388,523
Other Build Materials	\$2,577,984	\$1,274,374	\$1,303,610
Lumberyards	\$1,078,705	\$498,282	\$580,423
Lawn and Garden Supplies	\$607,669	\$0	\$607,669
Outdoor Power Equipment	\$110,329	\$0	\$110,329
Nursery and Garden Centers	\$497,340	\$0	\$497,340
Food and Beverage Stores	\$11,369,323	\$9,377,820	\$1,991,503
Grocery Stores	\$10,362,136	\$8,982,253	\$1,379,883
Supermarkets	\$9,810,858	\$8,980,125	\$830,733
Convenience Stores	\$551,278	\$2,128	\$549,150
Specialty Food Stores	\$321,475	\$0	\$321,475
Beer, Wine and Liquor Stores	\$685,712	\$395,567	\$290,145
Health and Personal Care	\$5,213,345	\$1,353,398	\$3,859,947
Pharmacies and Drug Stores	\$4,557,715	\$1,328,959	\$3,228,756
Cosmetics and Beauty Supplies	\$191,095	\$24,439	\$166,656
Optical Goods	\$125,350	\$0	\$125,350
Other Health and Personal Care	\$339,185	\$0	\$339,185
Gasoline Stations	\$8,040,419	\$20,208,947	(\$12,168,528)
Gasoline with Convenience Store	\$6,123,443	\$9,124,079	(\$3,000,636)
Other Gasoline Stations	\$1,916,976	\$11,084,868	(\$9,167,892)

## OPPORTUNITY GAP - CITY LIMITS

RETAIL CATEGORY (cont)	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Clothing and Clothing Accessories	\$3,013,992	\$6,238,290	(\$3,224,298)
Clothing	\$2,181,270	\$5,660,306	(\$3,479,036)
Men's Clothing	\$129,290	\$0	\$129,290
Women's Clothing	\$532,190	\$0	\$532,190
Children's Clothing	\$152,515	\$0	\$152,515
Family Clothing	\$1,172,176	\$5,658,400	(\$4,486,224)
Clothing Accessories	\$48,523	\$0	\$48,523
Other Clothing	\$146,576	\$1,906	\$144,670
Shoes	\$489,147	\$0	\$489,147
Jewelry	\$307,905	\$577,984	(\$270,079)
Luggage and Leather Goods	\$35,670	\$0	\$35,670
Sporting Goods, Hobby, Book Music	\$1,244,215	\$65,277	\$1,178,938
Sporting Goods	\$445,717	\$15,903	\$429,814
Hobby, Toys, Games	\$309,037	\$24,092	\$284,945
Sew, Needlework, Piece Goods	\$60,624	\$0	\$60,624
Musical Instruments	\$74,831	\$25,282	\$49,549
Book Stores	\$221,320	\$0	\$221,320
News Dealers and Newsstand	\$17,680	\$0	\$17,680
Prerecorded Tapes, CDs, Record	\$115,006	\$0	\$115,006
General Merchandise	\$10,155,205	\$32,752,874	(\$22,597,669)
Miscellaneous Retailers	\$2,018,935	\$4,447,648	(\$2,428,713)
Florists	\$127,593	\$699,231	(\$571,638)
Office Supplies, Stationery, Gifts	\$706,544	\$0	\$706,544
Used Merchandise	\$139,104	\$228,454	(\$89,350)
Other Miscellaneous	\$1,045,694	\$3,519,963	(\$2,474,269)
Non-Store Retailers	\$5,591,422	\$50,815	\$5,540,607
Food and Drink	\$7,488,356	\$2,401,317	\$5,087,039
Full Service Restaurants	\$3,332,939	\$1,780,532	\$1,552,407
Limited Service Restaurants	\$3,154,600	\$0	\$3,154,600
Special Food	\$620,121	\$0	\$620,121
Drinking Places	\$380,696	\$620,785	(\$240,089)
TOTAL LEAKAGE			\$23,302,106
TOTAL SURPLUS			(\$68,935,592)
BALANCE			(\$45,633,486)

## ABOUT US

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Retail Attractions is an economic development consulting firm specializing in market research, incentive packages and retail recruiting. Our firm believes healthy economic development is a process. Retail Attractions partners with our clients in a coordinated and strategic course of action resulting in extraordinary results. Retail Attractions believes smart, successful retail development is a vital part of a community's economic development program. We leverage our national network of relationships and our proven expertise to bring retailers, developers, landowners and communities together to grow new retail business... one relationship at a time. We partner with our client cities to achieve their community goals through retail development. Far beyond concentric rings, drive times or just another bound report, we develop actionable information and make sure the right people have access to it. In short, we make a difference for your community.

The truth is that anyone or any competent firm can pull demographics for a location based on a radius or a drive time. What make us different is our custom approach to developing a community's trade area. We evaluate the existing retail options nearby, physical barriers to traffic, natural existing shopping patterns, and the potential draw of new shopping opportunities to develop a custom trade area for each community we serve. Your trade area is prepared by seasoned retail recruitment professionals based on criteria we know is important to the audience who will be receiving the finished marketing materials. We integrate demographic data with data we develop from other sources to create a complete picture of a community... one that will resonate with developers, brokers and retailers. We work with a community to prepare materials and get them in the hands of interested parties rather than merely deliver data that then the community has to send out on its own. We also recognize that "one size DOESN'T fit all" when it comes to trade areas. Some sites may be perfect for a grocery store, with a more localized trade area, while others may support a more regional draw. If your community has unique opportunities that require more than one trade area, we deliver what you need rather than forcing your community into our "standard offering."

Retail Attractions sends our custom marketing material, developed for each city based on the unique characteristics and demographic indicators for that city, to our network of developers, brokers and retailers. In addition, we contact retailers through our accurate, proprietary database to make sure they are aware of opportunities in your city that match their specs.

We have an extensive knowledge of various types of incentives, and their practical application, and the experience to work with city staff to develop a framework for evaluating opportunities and providing incentives. Beyond merely a list of incentive possibilities, Retail Attractions serves as an ongoing advisor to city staff, helping to craft incentives that make sense for the city, meet developer's needs and truly encourage new business development.

Retail Attractions understands municipal government and the interplay of political, financial, and regulatory environments. We also understand how development works and what site selectors, developers and retail tenants need to see, hear, and feel from a potential location to move forward. Retail Attractions features a team of research and marketing professionals who assist retail recruiters in developing the necessary data and marketing materials to prove the case for investment in your community. Since beginning Retail Attractions, we have helped our client cities launch nearly two million square feet of additional retail and reap the associated benefits of additional city revenues, plus new goods and services for citizens, and increasing the quality of life in the community.

## OUR STAFF

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### **RICKEY HAYES, PRINCIPAL**

During his six years as Economic Development Director for the City of Owasso, Rickey Hayes facilitated new commercial construction totaling more than 4.2 million square feet with more than a quarter of a billion dollars in total value, resulting in a city sales tax base more than double what it had been. Since beginning Retail Attractions, Rickey has helped cities launch nearly two million square feet of additional retail space and reap the associated benefits in additional revenues, goods and services for their citizens. Rickey has developed an extensive 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. Rickey holds a Bachelors Degree in Criminal Justice and a Masters Degree in Counseling from Great Plains Baptist College. Rickey is a member of International Council of Shopping Centers (ICSC). Rickey and his wife, Wendy, have four children, and one grandchild.

### **KATE THORP, REGIONAL DIRECTOR**

Kate brings with her almost a decade of real estate expertise to the Retail Attractions family. She has handled numerous, multi-million dollar industrial, retail, and development transactions, representing both Buyers/Tenants and Sellers/Landlords. Her strong negotiation skills, dedication to providing excellent customer service, and determination to seek the best economic outcome for her clients has resulted in strong relationships with both local and national retailers and developers. Kate and Mr. Hayes work together with our city, retail, and development clients in research, and retail recruitment. Kate attended the University of Arkansas, is a trustee on the board of the Carver Foundation, and is a member of the International Council of Shopping Centers (ICSC). Kate lives in Owasso, Oklahoma with her two daughters.

### **BETH NICHOLS, PROJECT MANAGEMENT**

Beth has a Bachelor of Science in Electrical Engineering from Purdue University. She has been with Retail Attractions since inception and manages marketing and recruitment projects at Retail Attractions. Beth is a member of the International Council of Shopping Centers(ICSC). Beth lives with her husband and two children in Skiatook, Oklahoma.

### **ROBERT NICHOLS, INFORMATION TECHNOLOGY**

Rob has a Bachelor of Science in Electrical Engineering from Oklahoma State University. He has been with Retail Attractions since inception and manages the website, data storage and access for Retail Attractions. Rob lives with his wife and two children in Skiatook, Oklahoma.

## OUR METHODOLOGY

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### Our Approach

Just as every city has distinctive characteristics, every consulting project is unique. Retail Attractions employs proven strategies to achieve economic development and growth in your community. We offer three tiers of contract service in addition to project-based and short-term engagements, allowing us to tailor our services to each client community's individual needs. Unlike "cookie-cutter" approaches to retail development that return little more than a bound document, partnering with Retail Attractions means you gain an experienced, dedicated staff who will work diligently on your behalf to grow your city. In addition to our tiered services under contract, additional services such as municipal web site development (for the city overall or specifically for economic development), experienced city and economic development PR efforts, and public meetings/input process management are available as well. These types of services may either be included in the contract for an additional cost or may be utilized on a project / as-needed basis by a client city for an additional estimated cost.

### Market Assessment

Retail Attractions uses data from a variety of sources to accurately portray the trade area, retail potential and opportunities within a market. Sources used in this report include Nielsen-Claritas, the City, US Census Bureau, US Economic Survey and US Bureau of Labor information. Retail Attractions combines physical observation, data-driven research and information, retail site selection methodologies and competitive analysis with personal experience and a reputation for finding the right sites for the right retail to create our market assessment reports.

### Retail Recruitment

Our relationships with our clients do not end when we deliver our market assessment report. We promote and actively recruit for our clients throughout the term of their contracts through mail, email, web, phone and personal contacts in our comprehensive nationwide contact database. Our diligent pursuit of development for your community assures your community will be on the radar of appropriate national retailers.

### The Benefits

Employing Retail Attractions 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. Retail Attractions is intimately familiar with development dynamics and can bring our 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. Retail Attractions will be with you every step of the way to help your community reach its maximum retail potential.

## OUR DATA

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The Claritas Demographic Estimation Program traces its history to the industry's earliest years, and is completing its third decade in the hands of the industry's most experienced demographers. The demographers now with the Claritas team did the industry's groundbreaking work in small area estimation, and continue to make contributions to the profession of applied demography.

Pop-Facts is a shorthand term for the massive set of demographic estimates and projections produced each year by Claritas. Estimates are data prepared for current year, and projections (sometimes called forecasts) are prepared for dates five years in the future.

Pop-Facts is produced each year for many geographic levels including national, state, county, place (city/town), MCD, census tract, and block group. Data are also available for commonly used areas such as metropolitan areas, ZIP Codes, and media areas such as DMAs. Because they are produced for small areas, Pop-Facts can be easily aggregated to custom geographic areas specified by the user.

Pop-Facts starts with the estimation and projection of "base counts," such as total population, household population, group quarters population, households, family households, and housing units. Characteristics related to these base counts are then estimated. Population characteristics include age, sex, race, and Hispanic ethnicity; households are estimated by age of householder and income; family households are estimated by income; and owner-occupied housing units are estimated by value.

Pop-Facts are prepared first for large geographic areas, then for progressively smaller areas, with adjustments ensuring consistency from one level to the next. In order to take full advantage of methodological refinements and new data resources, each set of updates begins not with the previous year's estimates, but with data from the most recent decennial census. For this reason, the difference between estimates for consecutive years is not an estimate of change from one year to the next. Change is estimated with reference to the previous census numbers. The target estimation and projection date is January 1 of the relevant year.

# ACKNOWLEDGEMENTS AND DISCLAIMER

## ACKNOWLEDGEMENTS

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Nielsen is the premier provider of customer targeting and small business marketing analysis resources, offering the most complete source of marketing information in the nation. SiteReports is a powerful market research tool providing comprehensive reports and maps that include population statistics, demographic estimates and consumer profiles. This reliable breadth of business data makes SiteReports the perfect solution for your site location, market research and strategic planning challenges.

Nielsen is the preferred choice of Fortune 500 companies who wish to optimize their customer targeting, media strategies and site analysis decisions. Combining the most passionate team of industry experts with world-class data, software and services, we deliver solutions that help you identify both 'who' and 'where' your best customers and prospects are—with precision.

## DISCLAIMER

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All information is believed to be accurate and is presented in good faith by Retail Attractions, LLC under the terms and protections of the contact between the Client and Retail Attractions, LLC.

While we do expect to successfully complete the objective of increasing commercial investment in your community, 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. You understand and agree 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.