



**Economics Research Associates**

Proposal for

**Qualifications for Preparers of  
Comprehensive Economic Impact  
Studies**

Submitted to

**Maine State Planning Office  
Augusta, Maine**

Submitted by

**Economics Research Associates**

**November 5, 2007**

**ERA Proposal No. 49138**

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Los Angeles San Francisco San Diego  
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**Economics Research Associates**

November 5, 2007

Ms. Jody Harris  
Maine State Planning Office  
184 State Street  
Augusta, Maine 04333

Dear Ms. Harris,

Economics Research Associates (ERA) is pleased to respond to your request for qualifications for economic and fiscal impact analysis work associated with larger scale big box retail developments. ERA is well-positioned for this project, offering skills in key areas relevant to communities across the State of Maine:

- ERA has an established, 49-year track record of economic and fiscal impact work, focused on larger format retail developments such as Target, Bass Pro Shops, and Walmart. ERA has been particularly active in California, where numerous municipalities have enacted store size limitations to control the impact of superstores. These California-specific studies are also evaluating the urban decay impacts that are increasingly being associated with these larger format retail stores.
- ERA is currently working for the State of Kentucky Department of Tourism to review all applications by private developers for public incentives under the Kentucky Tourism Development Act. ERA's role is to examine the applications and determine whether the project meets statutory requirements, and generates a positive employment, economic, and fiscal impact on the state.
- Our proposal includes resumes for key staff that will be involved in this assessment from ERA offices in Chicago, New York, and Washington, D.C. Also, key staff assigned to this project have previously worked or lived in Maine.

The proposed approach identified in your RFQ document is significant in that it focuses attention on the full array of impacts that new superstores can have on a host community. On one hand, while these stores can expand trade areas and generate incremental retail sales, they also create impacts on traffic and stormwater systems, and can burden delivery of other public services as well. Broadly, there are also relevant concerns about the use of incentives for these projects, particularly if local retail sales are cannibalized in the process.

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**Economics Research Associates**

Following is an outline of our proposed approach to this challenging assignment, along with resumes for key staff who will be assigned to the project. ERA welcomes the opportunity to present our related qualifications and looks forward to the opportunity to discuss this project in greater detail with you.

Sincerely,

A handwritten signature in black ink that reads "Christopher D. Brewer". The signature is fluid and cursive, with the first name being the most prominent.

Christopher Brewer  
Principal

Contact information:

Chris Brewer, Principal  
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## **Proposed Scope of Services**

ERA's approach to evaluating the economic and fiscal impacts of larger format retailers incorporates the following elements:

### **Project Kick-off**

Initially, ERA and the client will need to confirm key aspects of the project, including:

- Client contacts, key stakeholders, and communication approaches.
- A clearer understanding of the proposed project, along with current developer projections for sales, employment and wages, and need for incentives.
- Access to local data and information, past reports, commercial and residential property information, traffic counts, GIS data, etc.
- Discussion of policy framework issues relating to zoning, traffic, stormwater, parking, infrastructure, use of incentives (such as TIF), and planning considerations.
- An inventory of community resources and institutions.

### **Stakeholder Involvement**

As part of the initial data-gathering phase, ERA will interview a sample of stakeholders, which could include public officials, commercial tenants, property owners, developers, real estate brokers, community leaders, and / or corporate leaders. The approach will specifically include assessment of current local comprehensive planning efforts and policy goals.

### **Market Area Definition and Demographic Assessment**

The approach will start with a review of population, household, age, income, and educational attainment data, with comparisons made to other comparable jurisdictions in Maine for perspective. Then, working with local planning officials, ERA will define primary, secondary, and tertiary market areas using ArcGIS software. Additional demographics for each defined market will be highlighted for 2007 and 2012, including:

- Population forecasts at a neighborhood and citywide level
- Changes in household structure
- Per capita income
- Educational attainment
- Household Lifestyle segments, using Community Tapestry data



## **Economic Base Perspective**

Key economic base factors for the area will be noted, including unemployment rates, new housing unit construction by area, home values, income growth, and employment trends in retail and related industries. The economic and demographic assessment will highlight key broader market factors that will impact the assessment. Initial findings will be incorporated in the market analysis section.

## **Retail Market Assessment**

The retail market assessment approach is built on analysis of current retail store performance in relation to potential spending, with the intent of clarifying growth potentials for retail, the competitive position of each defined target area, and current gaps in the market. Work efforts could include:

- Identification of competitive local, city-wide, and regional retail inventories, along with discussion of current occupancy trends and implications. The inventory assessment will be developed from local GIS records, ERA field surveys, and national data providers such as Costar, based on availability. Specific retail businesses that could be impacted by the proposed project will also be mapped.
- Analysis of current retail sales data for the region, with emphasis on the sporting goods, general merchandise, home improvement, and food & beverage sectors, along with estimation of the current share of sales captured by target area retailers and implications for sales per square foot performance in relation to industry benchmarks. Current assessed values for retail space will also be considered.
- Calculation of income-based retail sales pull-factors for retail segments in the region, highlighting both the strength of the area as a regional destination and specific retail segments in which opportunities exist.
- Prediction of growth in retail sales based on trade area demographics through 2012, with linkage to demand for retail space. This assessment will be based on an analysis of the existing trade area, as well as implications for trade area growth generated by a large format retailer.
- Discussion of national retail industry trends that have local significance.

## **Economic Impact Assessment**

The economic impact approach will quantify the array of impacts associated with the proposed project. Impacts to be considered will include:

- Direct jobs and wages associated with the new project
- Estimation of net new retail sales generated by the project, as well as the share of sales that will be re-allocated from other local merchants.



- Estimates of fiscal benefits to local jurisdictions and the state of Maine, including sales and property taxes, as well as other fees and charges, as appropriate.
- Estimates of municipal service costs imposed on local jurisdictions because of the project. Costs could relate to infrastructure, maintenance, fire & police, and other elements.
- Discussion of environmental implications associated with the proposed project, including traffic and stormwater considerations. ERA will apply judgment based on experience with similar projects around the country.
- Assessment of indirect economic and fiscal impacts generated by the project, using economic base multipliers generated by RIMS II or IMPLAN.

### **Presentations and Final Report**

ERA will prepare a memorandum report that summarizes the research efforts taken to arrive at noted conclusions. Initial draft copies of the document will be produced in Adobe Acrobat format; additional hard copies of the final report will also be produced, along with a digital version for publication on web sites. In addition, we will make a final public presentation of the report findings.



## **Firm Profile**

Economics Research Associates (ERA) was founded in Los Angeles in 1958. Since 1981, the firm has been owned as a California Corporation by its principal consultants. Headquarters are in Los Angeles, California, with offices in Chicago, San Francisco, San Diego, New York, London, and Washington, D.C. There are roughly 125 members of the staff; professional consultant tenure with the firm averages 11 years. In domestic and international projects, ERA has completed more than 17,000 research and consulting assignments for both public and private clients, with skills in economics, financial analysis, real estate analysis, and urban and regional planning. The firm's experience is concentrated in five interrelated fields:

- Economic development and planning
- Real estate and land use
- Recreation, tourism, and leisure time
- Transportation systems
- Management and marketing services

ERA has conducted major planning and economic development studies for public and private clients in markets large and small around the world, ranging from St. Petersburg, Singapore, and Macau to Traverse City, Michigan; Mason City, Iowa; and State College, Pennsylvania. These projects have included analysis of Tax Increment Finance (TIF) Districts, downtown retail and housing market opportunities, urban / infill redevelopment feasibility assessments, and comprehensive long-range master plans. The firm is frequently called upon to assess economic and fiscal impacts of major retail projects and corporate relocations; ERA's attached qualifications highlight considerable national experience in this area. Lastly, ERA has been involved in all five rounds of contemporary military base reuse planning, defense industry conversion, and community economic diversification since 1988, with current projects in Louisiana, Illinois, New Jersey, and Maine.

Real estate and land use economics constitute a primary area of ERA project experience. ERA has studied the marketability, feasibility, and appropriate project densities for all types of real estate uses, with a current emphasis on adaptive use and revitalization of urban infill sites and former brownfields. ERA also conducts project valuation analyses, portfolio reviews, and prepares independent review valuations during sales transactions. In addition to the full range of urban real estate product types, ERA also works on shopping centers, hotels, high-technology parks, and university-related land uses. Recent projects have been completed for investment banks such as Goldman Sachs, and developers such as Forest City, Related Midwest, and General Growth.



ERA's experience in recreation, tourism, and leisure incorporates skills in formulating tourist development plans for cities, states, and countries, as well as evaluation of public and commercial recreational facilities and analysis of specialty attractions, arenas, convention centers, performing arts centers, and amphitheaters. Long known for its work with major theme parks in the United States and internationally, ERA has also led in the definition of responsible revenue generation and cost coverage programs for park and recreation systems. In addition, the firm is an authority on the development and programming of urban entertainment centers developed by Paramount and Harrah's, as well as other themed attractions, such as the Guinness Storehouse in Dublin, Ireland.

ERA's consultation in transportation planning and economics spans urban, intercity, and international transport operations, in both cargo and passenger transport. The firm's research involves infrastructure planning (airports, ports, highways, railways, and mass transit systems) as well as transport operations analysis; the emphasis is with economic activity forecasting, economic and real estate impact estimates, and financial planning. The firm also defines market prospects for joint development and for revitalization of transit-oriented districts.

In management and marketing consultation, ERA has provided both public and private clients with guidance in program design, organization, public finance, government relations, long-term planning, marketing, and acquisition programs. A growing number of projects involve city and agency marketing strategies. ERA has developed a specific strength in downtown retail programming, tenancing, and marketing, with successful projects completed in markets ranging from Austin, Texas to St. Louis, Missouri.

In its 49-year history, ERA has established one of the finest research libraries in the country, containing 200 active periodical subscriptions, more than 2,000 books, data series, and focused geographic files. Since 2006, ERA has also invested over \$1 million in new technology, including servers and software to implement a new integrated file structure shared by all seven office locations.



## **Resumes of Key Personnel**

This assignment will be completed by the Chicago office of ERA, managed by Christopher Brewer, Principal, with support from Shuprotim Bhaumik, Principal. Mr. Brewer has been with ERA for more than 13 years, and will bring an established track record of economic and fiscal impact analysis work to this assignment. His first assignment with ERA in 1995 looked at the economic, fiscal, and real estate impacts of alternative airport expansion scenarios for the Minneapolis Airports Authority. He is also familiar with unique aspects of working in Maine and New England, having completed graduate school at the University of New Hampshire. Mr. Bhaumik has over 15 years of experience in public/private development, focusing on economic and financial analyses of real estate projects, analyzing public policies, and implementing economic development plans. Prior to joining ERA, Mr. Bhaumik worked as a Senior Vice President for the New York City Economic Development Corporation.

Key staff included on this project will include:

- Tom Martens, Senior Associate, has over 14 years of real estate and economic development experience and manages assignments involving market and financial feasibility, real estate valuations, and fiscal and economic impact analyses.
- Jeff Baird, Analyst, has completed numerous economic and fiscal impact analyses, using RIMS II and IMPLAN economic base multipliers. He is currently completing the State of Kentucky economic impact assessment.
- Will Renner, Analyst, has also been included on the project to take advantage of his recent project work in economic impact analysis. He is also particularly familiar with Maine, having grown up in Portland and graduated from McGill University.

Resumes for key staff follow.



## **Christopher D. Brewer, Principal**

Mr. Brewer's consulting practice has focused on real estate market analysis, detailed project financial analysis, fiscal and economic impact assessment, and economic planning services, focused on downtown revitalization, redevelopment of older commercial corridors, adaptive reuse, parks and recreation, and performing arts centers. Recent economic and fiscal impact assignments include:

- For the City of Tulsa, Mr. Brewer estimated the fiscal impacts associated with redevelopment of specific city-owned parcels in the downtown area. The analysis included an assessment of downtown redevelopment opportunities, as well as fiscal benefits that could result from redevelopment.
- For the City of Ankeny, Iowa, Mr. Brewer evaluated the fiscal impacts associated with development of a 450,000-square-foot retail town center development, proposed for a 1,000-acre site in this growing community north of Des Moines, Iowa. The assessment considered growth in retail space, vacancy levels, demand, and growth in property / sales tax implications associated with the project.
- For Cushman & Wakefield, Mr. Brewer assessed the economic and fiscal impacts of a planned \$3.5-billion-dollar steel processing plant proposed by ThyssenKrupp. The assessment looked at construction and operating period impacts, including wages paid to employees, as well as operational and capital spending.
- For the Illinois Association of Park Districts, Mr. Brewer evaluated the economic and fiscal impacts of more than 335 park agencies across the state, including city park departments, park districts, conservation districts, and forest preserve districts. The analysis included a review of operational spending, capital spending, full-time and temporary employment, and levels of property tax support.
- For WE Energies, Mr. Brewer completed fiscal and economic impact assessments for coal- and gas-fired power plants and a nuclear power station in Wisconsin. Assessments include the multiplier impact of in-state operational spending and capital spending, using the RIMS II model.
- For the City of Sun Prairie, Wisconsin, Mr. Brewer assisted in the assessment of fiscal impacts associated with new commercial and residential development around a new highway interchange. The analysis included estimation of traffic impact fees associated with development of big box retail.
- An economic impact and financial analysis for the Miamisburg Mound, a closing Department of Energy nuclear weapons research facility in Miamisburg, Ohio.

- An assessment of forecast economic and fiscal impacts generated by three airport development scenarios for the Metropolitan Airports Commission in Minneapolis. The impact forecasts included direct, indirect, and induced job and wage impacts, as well as construction, visitor industry, and fiscal impacts. The assignment was utilized by the State of Minnesota to choose between a \$4.5 billion new airport, and a \$2.5 billion expansion of the existing airport.
- An impact analysis for the Ann Arbor Rail Road Company, assessing the costs to a local township resulting from the development of a large, 500+acre multi-modal rail center proposed for southeastern Michigan. Costs for additional police, fire and road maintenance costs were evaluated. Administrative costs associated with enforcing a special use permit for the proposed site, with costs for environmental monitoring, air and noise pollution were considered.
- An economic impact assessment for the City of Des Moines, covering the economic impact of a new arena and convention center project proposed for the downtown area. Impacts were calculated for retail purchases, hotel rooms, food and beverage, and related fiscal benefits, such as jobs, wages, taxes paid, etc.
- For the City of Corpus Christi, an estimate of tax increment revenues and economic impacts generated by forecast development in the proposed North Padre Island Tax Increment Finance (TIF) district.

As an undergraduate, Mr. Brewer studied international economic development and political science at Drake University in Des Moines, Iowa, graduating in 1991. Graduate studies at the University of New Hampshire led to a MS degree in environmental economics, economic impact assessment and natural resource monitoring, in 1993. Prior to joining ERA, Mr. Brewer worked for Thorne Consultants, a Washington, D.C. based real estate consulting firm. Mr. Brewer has been with ERA since 1995.



## **Shuprotim Bhaumik**, Principal

Shuprotim Bhaumik, a Principal in the New York office of ERA, has over 15 years of experience in public/private development, focusing on economic and financial analyses of real estate projects, analyzing public policies, and implementing economic development plans. His practice focuses on market and economic analysis, strategic planning, and transaction-related services for real estate investors and developers, public agencies, financial institutions, and non-profit organizations. Recent projects include:

- Conducted an economic and fiscal impact analysis for New Jersey Transit in connection with the ARC (Access to the Region's Core) project, which proposes to build new rail tunnels under the Hudson River into midtown Manhattan.
- Led the ERA team in preparing the market analyses and economic and fiscal impacts for Ridge Hill Village, a 2.5-million-square-foot mixed-use development in Yonkers, New York, on behalf of Forest City Ratner Companies.
- Conducted market studies and economic analyses for the Concord Resort Community, a proposed mixed-use resort and retail development in Sullivan County, New York, on behalf of Cappelli Enterprises.
- Conducted fiscal and economic impact analysis for a 6-million-square-foot mixed-use project in Stamford, Connecticut, for Antares Development. ERA estimated the project benefits that would accrue to the City of Stamford, and quantified the incremental property taxes for purposes of a TIF plan.
- Conducted fiscal and economic impact analysis for a 29-acre mixed-use project in downtown Yonkers, New York, for SFC, LLC. ERA estimated the project benefits that would accrue to the City of Yonkers and New York State, and quantified the direct and indirect jobs, incomes, and spending, as well as the additional sales and income taxes that would be generated as a result of the project.
- Conducted fiscal and economic impact analysis for the Glen Isle Development Corporation for a mixed-use project on a brownfield site in Glen Cove, Long Island. ERA estimated the project benefits that would accrue to the City of Glen Cove and Nassau County from the development of this property.
- Conducted fiscal and economic impact analysis for the Struever Brothers Eccles & Rouse (SBER, Inc.) for an adaptive reuse of a 25-acre industrial site in Providence, Rhode Island. ERA estimated the benefits that would accrue to the City of Providence from this mixed-use

project, in terms of direct and indirect jobs, incomes, and spending, as well as the additional sales and income taxes from the development of this property.

- **Analyzed development alternatives, including retail, residential, hotel and office uses, and assisted with developer selection and negotiations for the Moynihan/Farley Redevelopment Project, a 1.4 million square foot building in midtown Manhattan.**

Prior to joining ERA, Mr. Bhaumik worked as a Senior Vice President for the New York City Economic Development Corporation from 1997 to 2003, where he led a team of economists, financial analysts and researchers in developing revitalization and growth strategies for industry sectors in new and emergent business districts, and utilizing sophisticated financial incentives to develop transaction strategies. In that position, he directed a team of economists, financial analysts and researchers. Relevant projects include:

- **Conducted studies on a wide range of transactions to assess financial feasibility, calculate public and private returns, and propose alternative financing and implementation strategies. Presented recommendations to the deputy mayor and senior city hall staff on project feasibility, development strategies, and community outreach.**
- **As part of NYC’s new industrial policy, analyzed business needs of industrial firms and the city’s relative competitive position. Designed innovative strategies to retain high value firms using land use, incentives and workforce development tools.**
- **Directed economic and fiscal analyses of mixed-use development on Manhattan’s Westside. Refined financing plans, identified new sources of revenue, and “stress-tested” models to evaluate the impacts of alternative build and absorption scenarios on debt-coverage assumptions.**
- **Assisted in creating a strategic economic development blueprint for New York City. Conducted off-site sessions for the deputy mayor and city agency commissioners to discuss priorities, set strategic initiatives and establish benchmarks. Proposed initiatives were incorporated in business plans for individual agencies.**

Prior to his work at EDC, he was a Senior Budget Analyst at the New York City Office of Management and Budget from 1995 to 1997, and a Financial Economist for the Emerging Markets Finance Corporation in the Netherlands working on economic development projects in Europe and Asia. Mr. Bhaumik has a Masters of Economics from the University of New York at Stony Brook.



## **Thomas W. Martens, Senior Associate**

Tom Martens joined the Washington, DC office of Economics Research Associates in 2002. He has over 14 years of real estate and economic development experience and manages assignments involving market and financial feasibility, real estate valuations, and fiscal and economic impact analyses. He has a comprehensive real estate strategy and advisory background, including retail site selection and corporate real estate strategy. He has conducted projects on behalf of developers, economic development and other public agencies, financial services firms, retailers, and manufacturers. Since joining ERA, Tom has completed a wide range of projects including:

- For Charles E. Smith Realty, created a flexible computer model to test the fiscal implications of various redevelopment scenarios of the Crystal City area of Arlington, Virginia, in light of pending Department of Defense relocations
- For the New York City Economic Development Corporation, conducted market demand analysis and developed city revenue projections resulting from the redevelopment of the 59-block Hudson Yards area on Manhattan's Far West Side, including providing the city with an interactive computer model to chart revenue potential under changing circumstances.
- Identified the potential TIF revenue to be generated over a multi-year timeframe from the redevelopment of a low-density commercial area of Raleigh, NC into a higher-density, mixed-use neighborhood
- Fiscal and economic impact analysis of the American College of Cardiology's proposed relocation into the District of Columbia
- Completed an economic impact analysis of construction and on-going operations for the redevelopment of a former General Motors plant in Sleepy Hollow, New York into a mixed-use waterfront village center.
- Forecasted the incremental retail sales tax revenues to support a proposed retail TIF program in Downtown DC, and the feasibility of the program, for the Downtown DC Business Improvement District. The program was subsequently implemented

Mr. Martens holds a Masters degree in City and Regional Planning from Rutgers University. Before joining ERA, he worked for five years with Ernst & Young's Real Estate Advisory group in New York City. He has been a guest lecturer at Johns Hopkins Master of Real Estate program and is a member of the Urban Land Institute.



## **Jeff Baird**, Analyst

Jeff Baird is an analyst in ERA's Chicago office. He has experience with economic impact analysis, feasibility studies, and market assessments in several sectors, including retail, downtown development, cultural attractions, resorts, and fiscal impacts.

- For the state of Kentucky department of tourism, Mr. Baird evaluated the economic and fiscal impacts of the motion picture production and distribution industries, using the IMPLAN model. The analysis covered retail expenditures, wages paid to workers, and the value of postproduction work. He advised the tourism department on policy changes to make the state more competitive for motion picture industry activity.
- For Mecklenberg County, North Carolina, Mr. Baird and a project team assessed the economic impact of youth sports leagues. Mr. Baird and the project team analyzed the economic impact of hotel room revenue, event registration fees, retail expenditures, restaurant expenditures, and other spending patterns by visitors to Mecklenberg County's regional sports events, using the IMPLAN impact model
- In metropolitan Houston, Mr. Baird and a project team evaluated the economic impacts of building a mixed-use, mixed-income development that would include a hotel, retail space, office space, rental apartments and condominiums. The economic impacts covered the construction of the facility and the permanent employment that would result.
- In Alexandria, Louisiana, Mr. Baird analyzed the potential economic impact of a proposal for a 40-acre parcel that would include a casino, a hotel, and a medical center. The impacts covered construction, permanent employment, and extra visitation that would be generated.
- For the city of Garland, Texas, Mr. Baird evaluated the market opportunities for a mixed-use downtown redevelopment proposal that included retail space, office space, parking structures, and rental apartments, as well as civic projects like roadway improvements, streetscapes, and expansion of utility lines. He developed pro forma cash flows for several development scenarios.
- For the city of Oak Park, Illinois, Mr. Baird researched opportunities for the renovation of two historically significant downtown office and retail buildings. The project included analysis of retail, office, and condominium markets.

As an undergraduate, Mr. Baird studied economics and political science at Muhlenberg College in Allentown, Pennsylvania. He has pursued additional coursework in urban real estate at the University of Illinois at Chicago. Prior to joining ERA, Mr. Baird was director of communication for a membership organization based in Ohio.



## **William P. Renner**, Analyst

Will Renner is an analyst in ERA's New York City office. He has experience working in development advisory, economic impact analysis, feasibility studies, market assessments and financial modeling initiatives in several sectors, including retail, urban mixed-use developments, hotel resorts and entertainment attractions.

- In Brunswick, Maine, Mr. Renner is conducting an economic and market analysis to help shape / define a reuse plan for Brunswick Naval Air Station. Critical to the plan is the assessment of the position that BNAS and the area hold in the business recruitment and development marketplace, and the likely economic and development impacts resulting from the redevelopment of the site.
- Estimated the demand for additional sporting fields and the economic impact of youth sports leagues in Mecklenburg County, North Carolina. Mr. Renner and the project team analyzed the economic impact of hotel room revenue, event registration fees, retail expenditures, restaurant expenditures, and other spending patterns by visitors to Mecklenburg County's regional sports events.
- Reviewed and commented on previous market and feasibility studies conducted for a proposed indoor/outdoor waterpark on Randall's Island in New York City. Mr. Renner helped to review attendance projections as well as selected revenue and expense line items for the waterpark. The experience of other New York child-oriented attractions as well as other waterparks (primarily in northern climates) were also considered in the recommendations.
- Assisted in estimating the economic and fiscal impact of the ING New York City Marathon for New York Road Runners (NYRR). The first phase of the analysis included an electronic survey of 1,000 participants in the 2005 ING New York City Marathon. The survey was designed primarily to measure event-related spending of participants and the spectators who accompanied them. Based on the data generated by this survey, ERA developed estimates of the economic and fiscal impacts generated by this flagship event.

Originally from Portland, Maine, Mr. Renner graduated from McGill University with Great Distinction in Economics. He then completed a Masters degree in Local Economic Development at the London School of Economics. His dissertation at the LSE focused on the effectiveness of the Maine Laptop Initiative as a statewide economic development plan.



## Relevant Project Experience

### **Economic Impact of Stand-Alone Large Format Retailers**

National

Clients: Developers and Cities

ERA has evaluated the economic and fiscal impacts associated with several specific destination big box retailers, including Bass Pro Shops, Costco, Home Depot, Walmart, and Cabela's. In all cases, our projects have been completed at the behest of local developers, or host communities who are concerned about the impact of these projects.

#### **Bass Pro Shops**

- Council Bluffs, Iowa
- Wichita, Kansas
- Spotsylvania County, Virginia
- Hampton, Virginia
- Rancho Cucamonga, California
- Gurnee, Illinois
- Springfield, Missouri
- Gulfport, Mississippi

#### **Cabela's**

- Vacaville, California

#### **Home Depot**

- Watsonville, California
- Vallejo, California
- Eureka, California
- Redding, California
- Barnstable, Massachusetts

#### **Walmart**

- Calexico, California
- El Centro, California
- Brawley, California
- Blythe, California
- South San Francisco, California



## Statewide Impact Assessment Studies

### **Tourism Development Act Economic Impact Assessments**

Statewide

Client: Kentucky Department of Economic Development

ERA has been engaged by the Kentucky Department of Economic Development to evaluate all applications for funding under the Kentucky Tourism Development Act. ERA's role is to examine the applications and determine whether the projects meet the statutory requirements. The statute requires that all approved projects must have a positive economic and fiscal impact on the state and must not adversely affect existing employment.

For each application, ERA evaluates the proposed tourist attraction and likely performance. ERA then evaluates the likely impact to the state of the attraction—whether it is on-site spending, off-site spending, or indirect impacts of the activity. ERA estimates the total fiscal and economic benefits to the state, subtracting out any spending that may have been shifted from other in-state attractions. ERA then gives a final judgment on the project's eligibility for funding, presenting its findings to the Kentucky Tourism Finance Authority. ERA has completed three assignments, with two ongoing:

- Evaluation of a proposed Westin hotel and resort, located in the Kentucky Horse Park (Lexington, Kentucky)
- Evaluation of a proposed complex of youth baseball and softball fields, on Taylorsville Lake (near Taylorsville, Kentucky)
- Evaluation of a proposed renovation to the Hyatt Regency Lexington, which is attached to the Lexington Convention Center
- ERA is currently evaluating a proposed extended stay hotel attached to Newport on the Levee, an entertainment destination in Newport, Kentucky
- ERA will soon begin work on a proposed hotel renovation at the Kentucky state fairgrounds.

### **Economic and Fiscal Impacts of Project Compass**

National

Client: Cushman & Wakefield / Thyssen Krupp

In 2007, ERA was engaged by Cushman & Wakefield to evaluate the economic and fiscal benefits of Project Compass. The project focused on the potential development of a new steel processing plant with capital investment of more than \$3.5 billion. Early on, Cushman & Wakefield had worked with Thyssen Krupp to identify multiple potential sites around the country that would be suitable for this considerable project. Once priority sites had been identified, ERA was asked to evaluate fiscal and economic impacts, looking at construction of the \$3.5-billion-dollar project at proposed sites in Louisiana, Alabama, and Arkansas. The proposed program incorporated impacts generated by extensive site preparation and construction, as well as plant operation and shipping services. In part based on the impact analysis, Thyssen Krupp announced that the new plant would be built in Alabama.



## **Economic and Fiscal Impacts of Project Cactus**

National

Client: Cushman & Wakefield / Merck Pharmaceuticals

ERA was engaged by Cushman & Wakefield to evaluate the economic and fiscal benefits created by the construction of an \$800-million-dollar pharmaceutical processing plant planned by Merck, Inc. at alternative sites along the eastern United States. The company wanted justifiable impact data to negotiate incentives with local and state governments. For each market, ERA defined the full range of construction and operating period impacts, including direct jobs and wages, local purchases of goods and services, charitable contributions, corporate travel, real estate occupancy, and related benefits. These direct impacts were translated into multiplier impacts, i.e. supported using the REMI model. Following ERA's analysis, working with Cushman & Wakefield, a site in the Raleigh-Durham Metropolitan Area was selected; the project is now under construction.

## **Mixed-Use / Larger Shopping Center Impact Assessments**

### **Ridge Hill Village Center**

Yonkers, New York

Client: Forest City Ratner Companies

Forest City Ratner Companies retained ERA in 2003 to complete the Socioeconomic and Municipal Impacts sections of a Draft Environmental Impact Statement (DEIS) for Ridge Hill Village Center, a mixed use development, including 1.2 million square feet of retail, 150,000 square feet of office, 800 residential units, and a 350-room hotel and conference center in a traditional village setting on 81 acres in Yonkers, in Westchester County, New York.

The Socioeconomic section of the DEIS closely examined the proposed project's potential impact on the traditional village centers that surround the railroad stations within the study area and are the hearts of many Westchester County communities, as well as the commercial strips and shopping centers in the study area. This section also examined the total additional supportable retail space in area, as well as hotel and residential demand. The Municipal Impacts section identified the overall net fiscal and economic impact of the project on the surrounding community, and quantified additional municipal services that will likely be required. The DEIS was subsequently approved as a Final Environmental Impact Statement.

### **West Side Neighborhood Plan**

City of Sun Prairie, Wisconsin

Client: RTKL Associates, City of Sun Prairie

For the City of Sun Prairie, Wisconsin, a high-growth community near Madison, ERA evaluated the fiscal and economic benefits and costs associated with development of farmland around a new highway interchange, with emphasis on the impact of big box retail development, including a large format (150,000-sf) Woodman's grocery / superstore, as well as residential and commercial development. The approach examined the existing budgets for the City of Sun Prairie as well as related organizations such as the Sun Prairie Area School District, Sun Prairie Water and Light Utility, and others. Discussions with City staff addressed revenue and expense estimates and their relation to current and projected population. ERA utilized market data to forecast real estate development trends, absorption of space, and related fiscal benefits. Additionally, ERA examined current rules and regulations concerning developer impact fees, Wisconsin State funding of local governments and



school districts, and other elements that affect the fiscal health of the community. This input was used to develop a fiscal impact model in Excel format, which is now being used by city officials to estimate the fiscal costs and benefits of future development in this area of the growing city.

### **Economic Impact of Proposed Development on North Padre Island**

Corpus Christi, Texas

Client: City of Corpus Christi

ERA was engaged to provide the City of Corpus Christi with estimates of tax increment revenues and economic impacts generated by forecast development in the proposed North Padre Island Tax Increment Finance (TIF) district. The proposed development, covering 1,200 acres of land on the Gulf of Mexico, is targeted for development of at least 3,000 residential, timeshare, and hotel units, as well as one or more amusement parks and water parks. Estimated future tax revenues from the district will be targeted to fund a portion of the development cost of funding the North Padre Island Damage Reduction and Environmental Restoration Project. The goal of this project is the excavation of a new navigable channel through North Padre Island, providing a new access point for boats from Corpus Christi Bay. Development of the channel is the starting point for the new mixed use development, which ERA developed a range of economic and fiscal impact estimates for, including jobs, wages, multiplier impacts, and fiscal benefits to local taxing jurisdictions. This study was updated in the summer of 2002; Construction of the channel is now underway.

### **Carousel Center Expansion Economic Impacts Assessment**

Syracuse, New York

Client: Syracuse Industrial Development Agency

ERA was hired by the City of Syracuse Industrial Development Agency to independently assess the fiscal and economic impact of the Carousel Mall expansion project to determine the economic basis for a Payment In Lieu Of Taxes (PILOT) agreement. The Carousel Mall was completed in 1990 on a former brownfield site. Currently, efforts are underway to expand the mall and other waterfront activities into land formerly occupied by oil storage tanks, to link the project to the Franklin Square area. ERA compared the project expansion with the retail industry as a whole, as well as specific "destination" retail establishments. The knowledge from industry standards and case studies were applied to the Syracuse market and the project in particular. ERA identified the capacity of the market to support an expanded mall, the likely source of those sales, and the likely fiscal (taxes) and economic (spending/jobs) impacts on Onadaga County and the City of Syracuse and State of New York. These questions are affected by two elements, phasing and tenant mix. ERA's results were used to decide whether the City should support the PILOT agreement. In a follow up assignment, ERA was hired by the developer, Pyramid Companies, to determine the feasibility of the project for the bond offering.

### **Market and Financial Analysis for the Prairie Trail Master Plan**

City of Ankeny, Iowa

Client: City of Ankeny / Urban Design Associates

ERA was engaged as part of the Urban Design Associates team to develop a master plan for a 1,000 acre tract in Ankeny, a rapidly growing suburb north of Des Moines, Iowa. ERA had two primary tasks on this project, which is now nearing completion. Initially, ERA developed the commercial market analysis for the 1,000+acre site. Initial efforts included extensive interviews with area stakeholders, a review of demographic and economic trends for Ankeny, as well as Johnston, Altoona, and West Des Moines, and economic base assessments. Commercial real estate segments studied by ERA included retail, cinema, entertainment, hotel, office, and industrial. For



each property type, ERA evaluated absorption trends, lease rates, demand potentials, and capture potentials for the Prairie Trails Site. As the project included the development of a town center, with potentially more than 400,000 square feet of space, the approach included a specific recommended tenanting strategy. Following the market analysis effort, ERA developed a detailed fiscal impact model of the project, evaluating the phasing impact of about \$21 million in public investment for the project in relation to growth in the development's property tax base. The fiscal impact model included assessment of residential absorption, as well as commercial office and retail development, which drove estimates of property taxes to participating jurisdictions. Based in part on ERA analysis, the City of Ankeny is moving ahead with key infrastructure improvements, with construction expected to begin in 2007.

### **Assessment of Atlantic Steel Tax Allocation District**

Atlanta, Georgia

Client: CRB Realty Associates

ERA prepared an assessment of a property tax allocation district (TAD) needed to finance environmental remediation and infrastructure improvements for the Atlantic Steel site in Midtown Atlanta. The 140-acre site, once the location of a steel foundry, has been programmed for over 10 million square feet of office, retail, hotel, and residential development. The proposed TAD is only the second such district created in Georgia, and the first created for a stand-alone development. As part of the TAD plan, ERA also undertook analyses of the development's economic and fiscal benefits. In October 2001, the first round of TAD bonds were issued by the City of Atlanta, marking their first use in the State of Georgia. Since 2001, the project has moved ahead, with more than 5 million square feet of retail, residential, and office space developed.

### **Economic and Fiscal Impacts of the L.A. Sports and Entertainment District**

Los Angeles, California

Client: LA Arena Land Company

ERA was retained by the L.A. Arena Company to aid in planning future potential developments in the district surrounding the Staples Center. The analysis consisted of several components including a 1,200-room, convention hotel; a 600-room hotel; 1.1 million square feet of retail and entertainment uses; and an 800-unit residential complex.

### **North Hills Financing Plan**

Raleigh, North Carolina

Client: Kane Realty Corporation

Kane Realty Corporation of Raleigh, NC retained ERA to develop a detailed Tax Increment Financing Plan for their proposed North Hills East, adjacent to their redeveloped North Hills Mall. The proposed development is intended to extend the pedestrian-oriented, new urbanist development pattern, with a mix of uses along traditional town streets interspersed with squares and plazas. The Plan compares the bonding debt service requirements for several phases of infrastructure improvements with the anticipated incremental tax revenue to be generated from the project, with the goal of maximizing debt coverage while minimizing exposure.



### **Retail/Mix-Use Development**

Garfield Township, Michigan

Client: The Charter Township of Garfield

ERA was retained by The Charter Township of Garfield to analyze the impact of a proposed development including a big-box retail center and residential and office uses on the local economy. The research consisted of an overview of national retail trends, interviews with local retailers, assessment of local development trends and an analysis of comparable communities. ERA also researched Neo-Traditional planning practices that are increasing in popularity across the nation, as the plan was considered "Neo-traditional" in its approach. ERA's conclusions consisted of an impact analysis of the development on other retailers within the township and surrounding development areas. ERA also commented on future trends in retailing in the area and across the nation, as well as the functionality of Neo-traditional planning in retail developments. These conclusions were presented to the Garfield Township Board's public hearing.

### **Economic Impacts and Potential for "Urban Decay" from a Proposed Retail Center**

Bakersfield, California

Client: Quad Knopf, Inc.

ERA was retained by Quad Knopf, Inc., to evaluate the economic impact of a proposed 600,000+-square-foot retail center in southwest Bakersfield, and determine the potential for long term "urban decay" in other retail districts of the city as result of any retail dilution. The study was included as part of the project's preliminary environmental impact report, as was required after the Fifth District Appellate Court ruled in favor of a CEQA challenge in December 2004 that set a precedent for "urban decay" analysis to be part of major retail development environmental impact reports.

## **Other Economic Impact Assessments**

### **Economic Impact of the Point Beach Nuclear Power Plant**

Two Rivers, Wisconsin

Client: WE Energies

ERA was engaged by WE Energies to assess the economic impact of renewing the license for the Point Beach Nuclear Power Station, located on Lake Michigan near Green Bay, WI. ERA's approach considered direct employment and operational spending at the power station, as well as a range of long term investment requirements driven by the license renewal process, which included repair and replacement of major capital items and ongoing facility maintenance. Of particular note, ERA analyzed the fiscal benefits to the state generated by anticipated income taxes generated off of payments into the Nuclear Facility Decommissioning Trust Fund, as well as recurring investment in labor and materials for annual facility outages, during which contractors are brought on site to perform preventative maintenance.



### **State of California Investment in High Speed Rail**

State of California

Client: California High Speed Ground Transportation Commission

The California High Speed Ground Transportation Commission (HSGT) retained ERA to examine the economic impact and benefit versus cost implications of the construction and operations of a high speed rail system linking the Los Angeles basin with Sacramento and the San Francisco Bay Area. Serving as prime contractor on this major assignment, ERA evaluated the overall impact on the California economy, the impacts on the different sectors of the economy with emphasis on the manufacturing sector, the impacts on the geographic distribution of economic activity and the impacts on the different socio-economic strata of society. In addition, ERA compared the benefit/cost relationship of the high speed rail investment to alternative investments such as improved ground access to airports and additional airports and highway improvements with upgraded conventional rail.

### **Economic and Fiscal Impact Study: Metropolitan Airports Commission**

Minneapolis, Minnesota

Client: Metropolitan Airports Commission

ERA conducted a multifaceted study to forecast a range of economic and fiscal impacts generated by alternative scenarios for new airport construction in the Minneapolis/St. Paul metropolitan area. The Metropolitan Airports Commission had identified three alternatives: an expansion at the current airport facility; a new airport several miles away, and a no-action alternative. The analysis defined the extent of economic and fiscal impacts on differing regions, including the State of Minnesota, the metropolitan region, and a multi-state service area over a 20-year period. The study also identified the potential for related real estate (induced) development that could occur under each alternative. The multi-faceted analysis evaluated historic, current, and forecast real estate and socio-economic trends in the Minneapolis/St. Paul area; historic real estate development patterns in the metro area and case studies of real estate development patterns surrounding other major airports in the U.S., including Dallas/Fort Worth and Denver. These efforts led ERA to conclusions regarding the extent to which new airport construction serves as an impetus for new business creation in a region. The assessment also considered how changes in the economics of commercial air travel in the U.S. since the 1970's have impacted air travel and related impacts. The study was used by local authorities to ultimately justify expansion of the current airport, rather than consider construction of a new airport in an alternative location.

### **Economic Impact of all Port's Tidelands Operations**

San Diego, California

Client: San Diego Unified Port District

ERA was retained by the Port of San Diego to examine the economic and fiscal impacts of all of that Port's operations within the tidelands area. This analysis covered the marine terminal operations, the airport, the convention center, hotels on Port property, over 5,000 pleasure boat slips in several marinas, the tourist retail areas, dry boat storage, and ship building and cargo storage. The analysis examined lease agreements, revenue flow, jobs generated, income created, taxes paid and overall impact on the regional economy. A computer model designed to estimate the regional economic impact of all of the Port's tidelands operations was also developed.



## **Economic Impact of Parks and Recreation in Illinois**

Statewide

Client: Illinois Association of Park Districts (IAPD)

ERA was engaged by the Illinois Association of Park Districts (IAPD) to assess the economic impact of park and recreation agency employment, operational spending, and capital investment across the state of Illinois, covering over 300 agencies, including park districts, park departments, forest preserve districts, and conservation districts. ERA's analysis began with annual membership surveys that were sent out by IAPD. To develop additional detail regarding employment, operational spending, and capital expenditures, ERA developed a survey instrument distributed by email to capture more precise spending and employment estimates, including breakdowns for part-time, seasonal, and full time employment, related wages, and operational / capital spending by industry sector. Identified direct impacts were then assessed using economic base multipliers to evaluate the ripple effect of direct in-state agency spending. The approach also examined park agency operating budgets, looking at budgeted revenues allocated between fees and charges, property taxes, and grants. Lastly, the report included an extensive literature review documenting 20 years of research into the real estate impact created by proximity to park facilities, with a summary of percentage enhancements to property value generated by proximity to parks and open space. Elements of ERA's study were instrumental in building arguments with business and labor constituencies across the state to preserve funding for the Open Space Lands Acquisition and Development Program (OSLAD), which the state governor had targeted for a deep cut in funding. ERA provided figures for OSLAD impact on construction and union labor jobs, purchase of raw materials within the state and the impact that capital spending has on the Illinois economy. The study helped preserve \$20 million in grant funding for Illinois park agencies.

## **The Economic and Employment Impacts of Tourism on Los Angeles**

Los Angeles, California

Client: Los Angeles Convention and Visitors Bureau

As part of the preparation for their strategic marketing plan, the Los Angeles Convention and Visitors Bureau retained ERA to conduct an analysis of the size of the visitor industry in Los Angeles, measured primarily by the flow of dollars through the economy attributable to visitors and the number of jobs supported by the tourism industry. The visitor industry was found to be responsible for over \$20 billion in economic output for Los Angeles County, creating significant income for over 400,000 employees. This unprecedented study also included analysis of the spatial distribution of beneficial economic impacts through use of a Geographic Information System (GIS) covering all the cities in Los Angeles County.

## **Economic Impact of New York City Marathon**

New York, New York

Client: New York Road Runners Club

The New York Road Runners Club, sponsors of the New York City Marathon, retained ERA to calculate the economic impact of the race, one of the nation's premier road running events. ERA used surveys of runners and interviews with city officials, media representatives, and corporate sponsors to determine total direct and indirect impacts as well as tax revenues generated for the city and state of New York.



## **Project Experience in Maine**

### **Brunswick Naval Air Station Reuse Plan**

Brunswick, Maine

Client: Brunswick Local Redevelopment Authority

### **Downtown Retail District Strategy**

Freeport, ME

Client: Freeport Economic Development Commission

### **Cultural Facilities & Convention Center Analysis**

Lewiston-Auburn, ME

Client: LA Excels

### **Statewide Tourism Study**

Maine

Client: State Of Maine

### **Market Demand Analysis for Off-Price Retail Center**

Ellsworth, ME

Client: Town of Ellsworth

### **Analysis of Potential Impacts During Construction of Route 196**

Lisbon Falls, ME

Client: Maine Department of Transportation

### **Effects on Area Business of Expanded Air Freight Operations**

Lewiston-Auburn, ME

Client: Androscoggin Valley Council of Governments

### **Market and Financial Feasibility Analysis of Proposed Aquarium**

Bangor, ME

Client: City of Bangor

### **Market Analysis for Mixed-Use Development**

York, ME

Client: Emerson Associates

### **Route 196 Corridor Study**

Lewiston, ME

Client: Maine Department of Transportation

### **Sears Island Environmental Impact Statement**

Maine

Client: Maine Department of Transportation



## References

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## **STANDARD PROPOSAL ADDENDUM**

It is understood by the client that Economics Research Associates (ERA) can make no guarantees concerning the recommendations which will result from the proposed assignment, since these recommendations must be based upon facts discovered by ERA during the course of the study and those conditions existing as of the date of the report. To protect you and other clients, and to assure that the research results of ERA's work will continue to be accepted as objective and impartial by the business community, it is understood that our fee for the undertaking of this project is in no way dependent upon the specific conclusions reached or the nature of the advice given by us in our report to you.

It is agreed by the client that the report is not to be used in conjunction with any public or private offering of debt or equity securities without our prior written consent.

It is further agreed that the client will indemnify ERA against any losses, claims, damages and liabilities under federal or state security laws which may arise as a result of statements or omissions in public or private offerings of securities.

It is agreed by the client that payment for the services of ERA is due upon receipt of the invoice; that full payment is due upon receipt of the completed report; and that ERA has the right to withhold delivery of the final report pending receipt of any overdue payments.

In the event any invoice is not paid within thirty (30) days after rendering of the invoice it shall commence bearing interest on the date the invoice was rendered at the rate of 18 percent per annum (or such lesser rate as may be the maximum interest permissible under applicable law), and the client agrees to pay all accrued interest, together with the charges for services rendered as provided for in this agreement. In addition, should an unpaid invoice be referred to our attorneys for collection, the client agrees to pay their reasonable fee for such work, as well as any costs of suit that may be incurred.

It is further agreed by the client that the report will be presented to third parties in its entirety and that no abstracting of the report will be made without first obtaining the permission of ERA.

It is understood by ERA that the findings of this report are the proprietary property of the client and they will not be made available to any other organization or individual without the consent of the client.

This proposal will remain in force for a period of sixty (60) days from the date shown herein.