

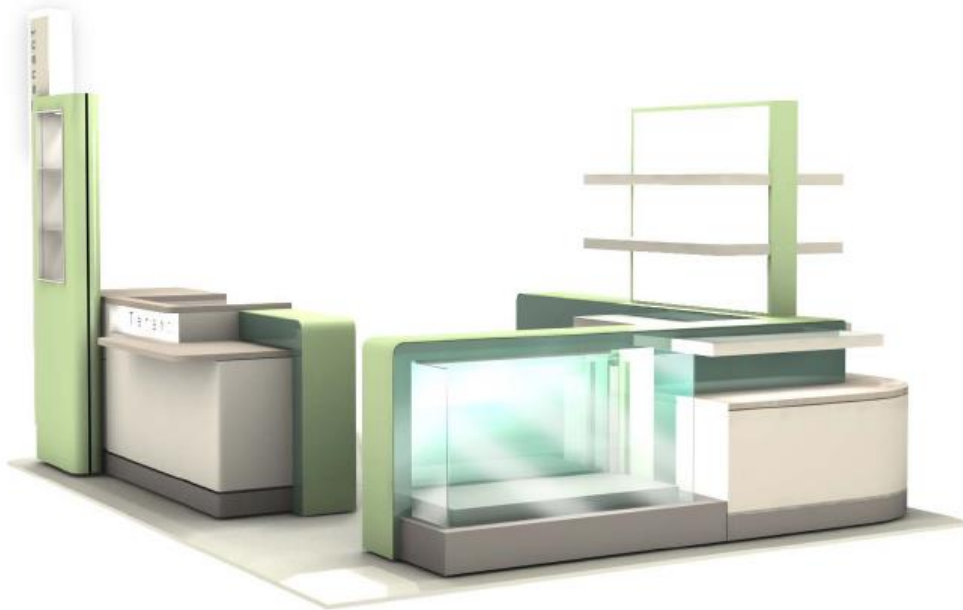
Retail Merchandising Unit (RMU) Program

**Presented to the Business
Workforce and Sustainability
Committee
by John Ackerman
November 3, 2010**

Retail Merchandising Unit Program Overview

- What is a Retail Merchandising Unit Program?
 - 34 locations
 - Airport Concessions Disadvantaged Business Enterprise Goal
 - Program Management
 - Visual Merchandising
 - Storage & Delivery

Kiosk & RMU Examples



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Projected Economic Benefits

- Program's projected gross revenue: \$13 M in Year 1
- Sales tax to the City: approximately \$500,000
- Estimating 120 new jobs at time of grand opening
- Airport Concessions Disadvantaged Business Enterprise goal is 25%

Airport Benefits

- Approximately \$13 million projected in additional Sales
- \$1 million or greater annual rent to airport
 - Helps meet airport mandate to maximize non airline revenue
- Expanded retail choices for customers
 - Seasonal and non-seasonal merchandise
 - Automated retail in certain locations

The Selection Process

- The RFP Process
 - Levels the playing level & encourages participation
 - Airport advertises/conducts outreach
- Issued January 28, 2010
 - Question Period
 - Mandatory Pre-proposal Conference
 - Due date of April 2, 2010
 - Received 2 Proposals
 - Evaluation Panel

The Asset Manager

- Provenzano Resources Inc.
- 15 years in business running RMU Programs
 - Consulted at Airports (Los Angeles and San Diego)
 - Worked with premier developers in US
- Company is ACDBE certified in California & Colorado

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