

A RESOLUTION AUTHORIZING THE MAYOR AND THE FINANCE DIRECTOR TO ENTER INTO AN AGREEMENT WITH SIGNUM, INC. FOR A PRELIMINARY MARKET EVALUATION SERVICE PROPOSAL

BE IT RESOLVED by the Council of the Village of Richfield, State of Ohio:

SECTION 1. That the Mayor and the Finance Director be, and they hereby are, authorized and directed to enter into an agreement with Signum, Inc. to perform a preliminary market evaluation for the Village of Richfield in accordance with the proposal attached hereto as Exhibit "A" and incorporated herein fully as if by reference.

SECTION 2. This Resolution shall take effect and be in force from and after the earliest period allowed by law.

PASSED: April 4, 2000

Michael Lyons
President of Council

Ronald W. Larsen
Mayor

Dated: 4/7/2000

ATTEST:

Carole Gibson
Clerk of Council

EXHIBIT "A"

SIGNUM

March 28, 2000

Ms. Jan Weber
Human Services Coordinator
Richfield Village
4410 West Streetsboro
Richfield, Ohio 44286

Dear Jan:

It was a pleasure meeting you by phone and I thank you for considering Signum to meet your market research needs.

As directed, enclosed via fax is Signum's proposal to perform a Preliminary Market Evaluation for Richfield Village.

To complete the Preliminary Market Evaluation, Signum would request Richfield Village move-in data, for years 1994 through 1999, which include the resident's zip code of origin. After receiving the zip code data, the Preliminary Market Evaluation is typically submitted in five to ten working days.

Please call if you have any questions.

Sincerely,

SIGNUM, INC.

/s/

Cathy Walker
Vice President of Market Research

CW/lh

Enclosure

Preliminary Market Evaluation Service Proposal

*Prepared for:
Richfield Village*

March 28, 2000

Introduction

Richfield Village requested Signum submit a proposal to determine:

- The Richfield Village primary market area
- If there is sufficient market density in the Richfield Village market area to explore development of patio home and/or apartment style senior housing

To meet the stated objectives, Signum will:

- Identify the Richfield Village primary market area to reflect five year move-in patterns
- For each market area zip code, generate current year and five year projected target market counts, defined as:
 - Householders aged 55 to 64 with an income of \$50,000 or more (the caregiver market)
 - Householders aged 65 to 74 with an income of \$25,000 or more (the patio home target market)
 - Householders aged 75 or older with an income of \$25,000 or more (the apartment target market)
- Employ industry standard utilization rates to determine if there is sufficient market strength in patio homes and/or apartment style senior housing to warrant further feasibility analysis

Estimate and Terms

The service fee and estimated out-of-pocket expenses reflect Signum's calculation of time and expense required to complete the scope of work.

The service fee to conduct the specified scope of work is \$1,500. If continued consulting beyond the identified scope of work is requested by Richfield Village, said consulting will be provided at Signum's standard hourly consulting fee.

Out-of-pocket expenses incurred by Signum in performing the work are estimated at \$50. Expenses are subject to a contingency of plus or minus ten percent to cover cost variations at the time the actual work is performed. It is Signum's practice to use our best efforts to secure the most affordable means of travel and accommodations.

If Richfield Village secures Signum's services, Signum will submit a Letter of Service that outlines the scope and terms of work to be performed. Upon acceptance of the Letter of Service, Signum requires a retainer equal to 50 percent of the service fee. Signum will issue an invoice for the balance of the service fee with the submission of our final report. Incurred out-of-pocket expenses are invoiced monthly. Payment for all submitted invoices is due upon receipt.

Final Report

At the conclusion of the data exploration, Signum prepares and submits a tabular report that includes:

- The market's age by income distribution. The data are presented for householders aged 55 and older, in five year cohorts, for 1990, current year estimates, and five year projections.
- Current and projected qualified market strength
- Determine if the gross patio home and/or apartment market strength is sufficient to warrant an in-depth market feasibility study