CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	05/10/2016	
RESOLUTION OR ORDINANCE NUMBER	Resolution R-16-69	
AGENDA TITLE	Hire Whittaker and Associates for Southwire building occupant recruitment	
REQUESTING DEPARTMENT	Economic Development	
PRESENTER	Trisha Purdon, Assistant to the City Manager	
FISCAL INFORMATION	Cost as recommended:	$5,000 and then $7,500 if building is purchased/leased by a company from this contact list
	Budget Line Item:	180-5-210-478 Professional Services Retail and Industrial Marketing
	Balance Available	$25,000
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	To assist in industrial recruitment through use of detailed and accurate industrial business analytics. This database provides a contact list of industrial businesses that are already vetted, and are looking for additional or relocation sites in our region. These companies are then ranked according to the likelihood of locating in Coffeyville.	

BACKGROUND	Since Southwire closed over one year ago, the City has had several promising leads for new businesses for the now vacant building. Although significant proposals were offered none have been successful. The City has contracted with Whittaker and Associates for recruitment efforts for the vacant Amazon Building. In order to be more proactive in recruitment with Amazon, the City purchased a database of contact information from Whittaker and Associates for leads for the Amazon building. This list has been extremely useful in marketing this building, and most of the leads on this list were not in the realtors contact list, therefore we were able to double the reach that we normally would have for recruitment for this Distribution Facility. The leads that the Amazon list provides were 98% distribution and logistics firms, therefore would not be strong leads for a manufacturing facility like Southwire. In order to be more proactive in industrial recruitment for the Southwire building, staff would like to purchase a second lead contact database from Whittaker and Associates so that we can better market this facility. The City would own this list for all future recruitment efforts as well. This database typically includes 100 leads that are ranked according to their potential for this specific site. This means that Whittaker and Associates has already vetted these companies, studied their expansion patterns, capacity, and areas of future growth to determine where the company might locate another facility. The City would purchase the database for $5,000, and if one of the leads results in a tenant/owner then the City and Colliers/Southwire would split the cost of the remaining $7,500. This $7,500 would only be paid if the company that purchases/leases the building resulted from this database.
SPECIAL NOTES	

ANALYSIS	Staff believes that this service would provide the critical data we need to secure an industrial business for the Southwire building. The City would be making a proactive effort to create jobs in Coffeyville, rather than relying on Southwire and their Realty firm to sell the building (which could result in an investment firm rather than a business owning the building). Given the lack of current leads, this would allow staff, MCAC, and the Chamber of Commerce to reach a wider audience for the facility and target only those businesses that are likely to locate in Coffeyville, KS.
PUBLIC INFORMATION PROCESS	
BOARD OR COMMISSION RECOMMENDATION	
STAFF RECOMMENDATION	It is staff's recommendation that we purchase the Contact Database through Whittaker and Associates for an initial sum of $5,000, and Colliers International/Southwire and the City split the remaining $7,500 fee if the building is purchased. Total cost to the City would be $8,750. We have already budgeted for the $5,000 fee in 2016's budget, so no new appropriation is needed.
REFERENCE DOCUMENTS ATTACHED	Whittaker and Associates Contract

RESOLUTION NO. R-16-69

A RESOLUTION TO AUTHORIZE THE EXECUTION OF AN AGREEMENT WITH WHITTAKER AND ASSOCIATES FOR SOUTHWIRE BUILDING OCCUPANT RECRUITMENT.

BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas that the Mayor be and is hereby authorized and directed to execute an agreement with Whittaker and Associates for $5,000 for a Southwire building occupant recruitment database. If one of the leads from the database results in a tenant/owner, then the City and Colliers/Southwire will split an additional payment of $7,500.

ADOPTED THIS 10th DAY OF MAY 2016.

_____
Craig C. Powell, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

Contract to serve:

Coffeyville KANSAS

With services of:

Targeted Marketing Services
Southwire Manufacturing Building
Coffeyville, Kansas

Prepared by:

Dean F. Whittaker
President/CEO

April 7, 2016

WHITTAKER ASSOCIATES

1121 Ottawa Beach Road, Ste 200
Holland, MI 49424
616.396.4500
www.whittakerassociates.com

Targeted Lead Development

Predictive Models

Industry Intelligence

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Introduction

Since 1991, Whittaker Associates has provided targeted marketing research services to real estate professionals worldwide. Through state-of-the-art information technology, data mining, and our carefully cultivated proprietary database, Whittaker Associates identifies decision-makers within companies whose real estate requirements can be met by the particular characteristics of the property.

The benefits of the target marketing research services from Whittaker Associates include:

- **Rapid identification of potential buyers/tenants** at local, regional, national, and international levels
- **Maximization of the property's value** by closely matching the facility's attributes to the user's needs, requiring less modification
- **Minimization of the property holding costs** by significantly enhancing the likelihood of a prompt transaction

Objective

The objective of this project is to identify companies likely to have a real estate requirement that could be met by the Southwire manufacturing facility located in Coffeyville, KS in order to facilitate a prompt sale or lease of the property.

Scope of Work

Whittaker Associates (WA) will create a target company profile of potential domestic and international users of the property. Several factors will be considered including an analysis of the industry's new location and expansion trends in the Midwest and the precipitating causes of recent locations as well as:

- Rapidly growing companies within the same industry sector
- Skill sets of existing workforce
- Unique characteristics of the property
- Local, regional, state, and national trends.

WA will then compare the target company profile to firms in our proprietary database to identify specific firms that have a high probability to have a real estate requirement and whose needs could be met by the property using our predictive analytic process. The companies that match the profile will be further researched to create a corporate profile and identify the appropriate decision-maker within each firm.

These companies will be compiled into a database of 100 leads in our web-based lead tracking system, WALTER. This real-time web tool allows all authorized parties to monitor the status of each lead and to report the results of contact with these firms.

Expected Results

You will receive access to a web-based lead tracking system containing a database of 100 firms highly likely to have a real estate requirement that can be met by the property.

Time Table

The turnaround time will depend upon your needs, the objectives of your marketing program, and our staff availability. We are currently working on a three week delivery time.

Cost & Payment

The costs for the services provided by Whittaker Associates are as follows:

- A $5,000 retainer fee due upon engagement
- A $7,500 fee due upon sale or lease of the property to a company provided on Whittaker Associates' targeted lists

Payment is due in the following manner:

- Payment of the retainer fee is due upon engagement
- Final payment due upon sale or lease of the property

Letter of Agreement

Target Marketing Services:

Southwire Manufacturing Building
Coffeyville, Kansas

Please sign the agreement and send it along with the $5,000 retainer payment to:

Whittaker Associates, Inc.
1121 Ottawa Beach Road, Suite 200
Holland, MI 49424.

A final payment of $7,500 is due upon the sale or lease of the property to a company provided on Whittaker Associates' targeted lists.

Agreed to and accepted on the _____day of _____, 2016

By:_____

Title: _____

Whittaker Associates, Inc.

President/CEO

Date: April 7, 2016

Should any misunderstanding arising from this agreement, they will be mediated through a mediation service. This proposal is valid for 30 days beginning April 7, 2016.