

Marketing Vision Team Approach

Site Consulting



Effective Targeting

**So You Want to Make a Site Selector's Shortlist...
Responding to the RFI/RFP**

Chabin Delivering Strategic Solutions, Tactics & Tools

Typical Questions Regarding RFI's

- Is there a good ballpark estimate as to how long the due diligence period takes on average for companies to review information? And ultimately make a decision?
- *What kinds of information should we have prepared and ready to go?*
- *What can a small community do to get on the radar screen of companies unfamiliar with South Dakota?*
- How do you know we are not just a staging horse?
- Should we include supplemental information? If so, what kind of information and in what format should be shared?
- What is a typical success rate? In other words, how many deals do we need to participate in before we hit a home run?
- How do we get companies to be candid and tell us why we didn't make the cut?
- How often should we touch base?
- *Does it make sense to offer some incentives up front just to spark interest and convey our seriousness?*
- How do I resize photos and how should I submit info?

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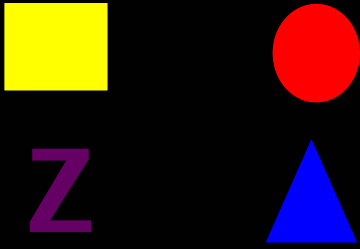
Work Session

1. Introductions
2. Review the Site Selection Decision Process –*better known as the Process of Elimination*
3. The State's Role & Process
4. Competitive responses (*on limited budget & manpower*) for State RFI's and your own

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Introductions

Where do you struggle in responding to an RFI?



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The Site Selection Decision Process

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Changing Nature of Location Decision Making

- Decisions are more complex – more information, more variety 
- SPEED* – less time to deliver and analyze data 
- More location options – competition is around the corner and around the world 

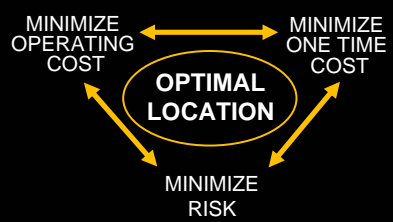
Successful ED organizations recognize and respond to constant change in the investment decision landscape

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Foundation to Good Site Selection Decisions

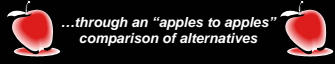
Find location that balances competing interests...



MINIMIZE OPERATING COST ↔ MINIMIZE ONE TIME COST

MINIMIZE RISK

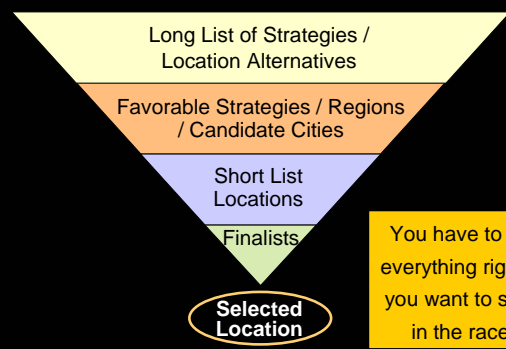
OPTIMAL LOCATION

...through an "apples to apples" comparison of alternatives 

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Location Selection is a Process of Elimination



Long List of Strategies / Location Alternatives

Favorable Strategies / Regions / Candidate Cities

Short List Locations

Finalists

Selected Location

You have to do everything right if you want to stay in the race

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Established Site Selection Drivers

- Low transportation costs, network efficiency
- Low labor costs
- Supply of workers with the right skills & work ethic
- High quality, reliable, reasonably priced utility services
- Appropriate property characteristics
 - Size and configuration / environment
 - Zoning / permitting
 - Cost of property, property development costs
 - Development incentives

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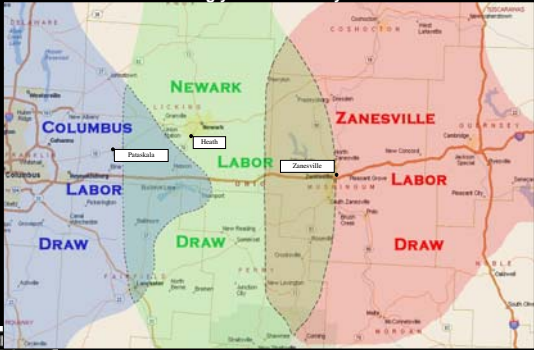
New Added Drivers to Corporate Investment

- Speed to market is increasingly important – make decisions fast
- Food safety, facility security
- Public expectations – a push to be “green”, *reduce carbon footprint*
- Sustainability from the Corporate perspective

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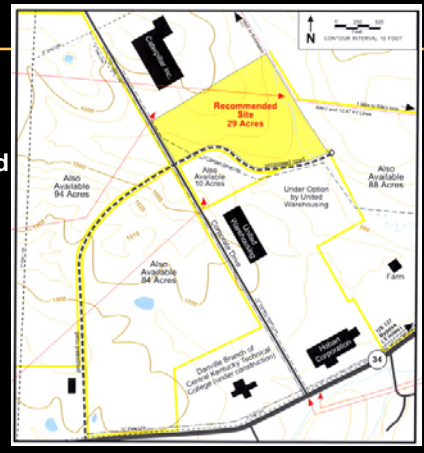
Site Selectors Want to Understand the Labor Shed

Can you define the geographic dimensions and demographic characteristics of the 85% labor draw area for different workforce skills serving your community?



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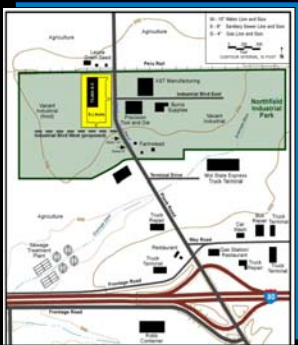
Sites Must be Ready for Development and Have the Documentation to Prove It



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Attributes Defined:

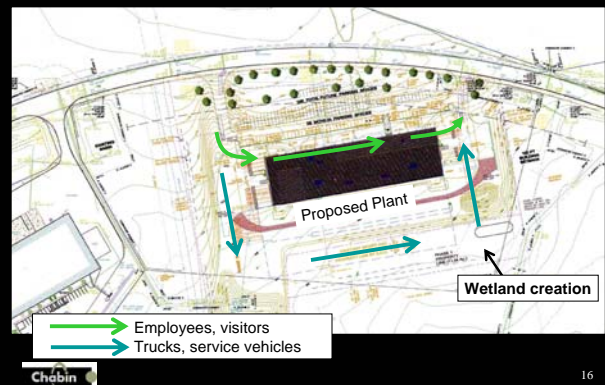
- Access
- Surrounding land uses
- Utility services
- Soil conditions
- Environmental
- Development trends



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Circulation – Early Planning Supports Selection of Best Site



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Design Standards Make for Good Sites

- ✓ Ingress/egress – Sight lines, acceleration/ decelerations lanes
- ✓ Roads - All season industrial quality road
- ✓ Drainage - Centralized storm water system
- ✓ Water Service - Looped water lines reduces insurance rates, avoids need for on-site water tank
- ✓ Design - Landscaping, architectural standards
- ✓ Safety - Fire fighting capability and distance/routing to station, fire fighter training and equipment
- ✓ Buffers - Minimize neighborhood impact (odor, dust, noise, traffic, light pollution, litter)



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Electric Power Service

- ✓ Distance to sub-station(s)
- ✓ System capacity (reserve capacity)
- ✓ Condition of infrastructure
- ✓ Feasibility of dual feed
- ✓ Cost of infrastructure improvements
- ✓ Surrounding power users
- ✓ Service history
- ✓ Incentives (rates, infrastructure)
- ✓ Quality rating of service provider



Site Selector's **Worst Nightmare** – Consequences of a Poor Site Recommendation

- Can't start trucks at night – noise ordinance
- Odors, traffic congestion from plant causes community complaints
- Trucks are caught in traffic – delays and added costs + the carbon "footprint trap"
- Dirty neighbors – odor and air quality contaminate product
- Waste water plant capacity limitations
- Water quality and capacity issues
- Poor quality workers, high turnover



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BREAK



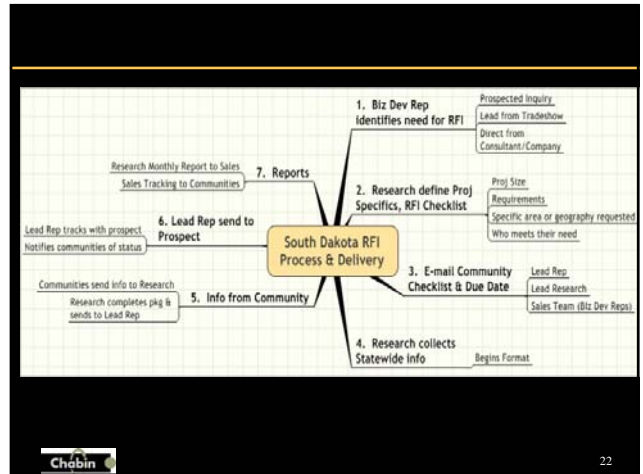
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The State's Role & Process

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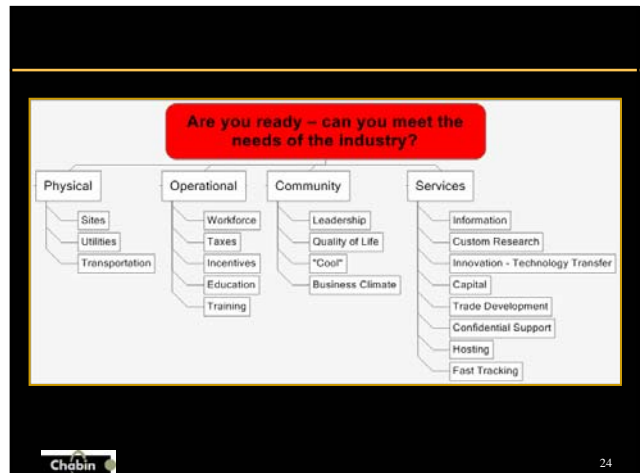
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Competitive Responses – *with little or no time or money*

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Methods to be prepared for a State RFI

1. Be prepared keep your community profile up-to-date (or at least complete) – *will save you 50% of your time*
2. Ensure your key sites and buildings are in State database – *save you another 25% of your time*
3. Responding to the RFI – *keep from being eliminated*
 - The checklist is based on client's request
 - Respond in order and format – so client can review "apples to apples"
 - Complete as possible to the requested info
 - Always provide a cover letter that overviews your offer

At a minimum,

1. **Good site/bldg info** – *demo property is shovel-ready*
 - Location, topography, zoning
 - Site size, price
 - Access, distance from hwy
 - Surrounding land uses – previous use
 - Utility services lines
2. **Utilities**
 - Providers
 - Rates
3. **Local Incentives**
 - Not an laundry list, but what would be available to this user

Making the Response Competitive

- **Maps, maps, maps**
 - They say a thousand words
 - Use Google maps if necessary
 - Overlay info on aerial, use multiple maps if necessary, location, access to hwy, site dimensions, utility sources, labor draw
- **Present as a Business Case**
 - Why this business should be in your community and no where else!
 - Do in a two page letter – supported by the documentation.

Case Study

Industry PROFILE
Industrial Loan Corporations

Toyota Financial Services Bank
President and CEO
Ray Specht
Makes Henderson his Address for Success.



Henderson
NEVADA
The Las Vegas Valley Address For Business Success

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Henderson
NEVADA
The Las Vegas Valley Address For Business Success

Henderson: The new business hub of the Southwest

Located adjacent to Las Vegas in booming Clark County, Nevada, Henderson is conveniently located between five major Southwest markets (Los Angeles, Phoenix, Salt Lake City, San Diego and San Francisco).

Because of its location, easy access and business-friendly environment, Henderson is becoming a hub for business in the Southwest. In fact, some are viewing Henderson as a complement to the Southern California marketplace because of its close proximity to the ports of Los Angeles and Long Beach.

Henderson is located 1.5 minutes from the world famous Las Vegas Strip. Stretching 98 square miles from Lake Las Vegas to the west and Interstate 15 on the east, Henderson forms the southern edge of the Las Vegas Valley.

Industrial Loan Corporations

Industrial loan corporations have a wide variety of banking services and may be owned by nonfinancial firms including retailers and department stores. ILCs can serve an array of clients and offer most financial products available from commercial banks.

These include:

- Credit cards
- Loans secured by brokerage accounts
- Consumer loans
- Commercial lending
- Sub-prime lending
- Construction lending
- Equipment leasing

ILCs have been around for nearly 100 years and are chartered by state governments under state law and are regulated by state bank authorities. Due to uniform legislation in 1987 (Commerce Equality Banking Act), assets in ILCs have grown from \$4 billion to nearly \$130 billion.

Most ILCs are owned by holding companies and are not retail-offline banks. These holding companies are primarily commercial giants such as American Express, Toyota or Citigroup.


There are 61 FDIC-member ILCs in the United States. Seven states including Nevada charter industrial banks.

Why Henderson, Nevada?

With an ILC including Toyota Motor Corporation already operating in the state, Nevada offers potential ILCs the most business-friendly climate in the country.

- No state corporate tax
- No state income tax
- Low property taxes
- Low sales tax
- Unlike California and Colorado, Nevada allows non-financial firms to own and operate ILCs in the state.
- Nevada places no cap on interest rates, so ILCs have no limits on the interest rates they charge borrowers
- Clear consumer credit code


The Las Vegas Valley Address For Business Success



More Questions/Comments????

Here to answer specific questions after the session...

Thank You,



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economic development experts **Solutions**



EDToolBox

Manage Your Facts

Reporting Community Center Suite

SO YOU WANT TO MAKE A COMPANY'S SHORT LIST, HUHT?

Creating Competitive Communities

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