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K Kornegor

From: K Downs
Sent: Wednesday, May 17, 2017 12:04 PM
To: Martin Bruns
Cc: K Kornegor
Subject: RE: City of Hiawatha Marketing Strategy

Good Afternoon Marty-

I did get a chance to speak with James Hoelscher from UNI he believes he can make June 21st work to further our discussions of the marketing strategy piece. I will have Kelly add it to our future agenda list.

Kim

From: Martin Bruns [mailt
Sent: Friday, May 05, 2017 1:26 PM
To
Cc:
Subject: City of Hiawatha Marketing Strategy

In December, Carl Sefl submitted an unsolicited proposal to take over and direct our City marketing strategy. Dick Olsen, Mayor Bennett, Administrator Kim Downs and I had a meeting to discuss Carl's proposal and later met with Carl about it. At that time, Carl was told that his proposal raised some interesting considerations but that we needed to review our ongoing marketing activities before we could consider his proposal. I volunteered to coordinate that review.

In the interim, I have been refreshing my memory by reviewing the 2010 and the 2015 Goal Setting reports plus reviewing the results of the recent citizen's survey. I scanned the National League of Cities report on "The Role Of Local Elected Officials in Economic Development" plus participated in a call with Administrator Kim Downs and James Hoelscher, Program Manager of the UNI Institute of Decision Making who provide economic development services throughout the state. We learned that we can use them as a sounding board or advisors at no cost as they only charge for performing specific projects or services.

Through all this I have been mulling the question "What are we selling and to whom are we selling it?" I have gradually settled on the conclusion that we are marketing through our developers and our pro-business mindset to companies located in Hiawatha and those wishing to locate in Hiawatha. We have done this without needing to spend a lot of money. In this case our reputation precedes us. Secondly, we are marketing our residential amenities and services to those companies as assurance for their employee's quality of life and thirdly, we are marketing our community image to all.

As we iterate through the marketing priorities, we need to keep investment versus return in perspective. That is, what is the benefit to the City in achieving the relocation of a viable business within the City versus a new resident? I believe this will be a factor when we focus on the question, "Does Hiawatha need professional PR firm's services?"

If the above proposed hierarchy is valid, then let us look at what our staff is currently doing in each area. In our conversation with James Hoelscher of UNI, he stressed that our primary focus should be on existing businesses, both because most growth is by existing businesses and because their opinion of the City has a strong bearing on whether regional businesses will consider relocating here.

To set a foundation for our discussions and questions with James Hoelscher, Kim outlined the current Economic activities that the City and HEDCO have underway. Briefly, they include visits by Kim and the Mayor to various businesses in town, discussing any problems they are experiencing with City offices or rules; upgrading the City website; working with Metro Alliance in setting up visits for face to face surveys and phone surveys; and the close coupling between City staff and HEDCO on plans and strategies. Kim also outlined the HEDCO efforts in upgrading their web site - which is linked to and from the City website – the (Kim provide a hard copy of this at a council meeting) electronic brochure that the City will also use, periodic meetings for local businesses such as "Morning Coffees" where networking and a topic of interest are featured. These hands on efforts are valuable in our efforts to ensure the city is there when our business community needs us.

After listening to our descriptions, James used an acronym that they use in providing their services, BRE (Business Retention and Expansion). He was very impressed and complimentary of our "Retention" activities saying we need to continue to pursue those - basically the mayor and staff visits to local businesses, the structured surveys and the activities of HEDCO. He also stated his in reaction that it was premature for us to consider engaging a marketing consultant.

James stressed that current data shows that cities benefit most from existing businesses whose growth provide the most job increases for a community. That we should focus on strengthening retention and expansion by focusing on growing existing businesses until the Tower Terrace interchange is built. If we were going to spend additional time on any one thing it would be to ensure Tower Terrace gets built. This area is the future of Hiawatha. He emphasized we should continue our current program as we are "doing the right things" and deserve high grades for that. For "Expansion" he suggested that we should not focus on an independent marketing strategy such as 'branding" or "selling Hiawatha" to a chosen market segment.

Continue to build our partnership with CR Mertro Economic Alliance and utilize them to market Hiawatha both retail and commercially.

The issues we face as a region include lack of skilled workforce even though this is an issue everywhere and the second issue is the lack of acting as a region first and then as individual cities when given the opportunity to meet with a site selector or new business entering the areas market.

To reinforce James commentary regarding the Tower Terrace Interchange, Hiawatha has 810.49 acres of developable land with 402 acres of that being to the North of Tower Terrace. Until the interchange is a reality, the market value of those North properties is not optimum as, in my opinion; the marketability of Oakbrook was marginalized until we

complete the Robins/Emmons/NCPR intersection improvement. We do have 288.92 acres of develop ready land along Tower Terrace to the South and 139.3 acres of shovel ready land to promote.

For clarity, "develop ready" land has water and sewer available but no streets while "shovel ready" land has all utilities. On the map attached, which is the one Kim shared on her monthly report; "develop ready" land is shown in yellow and the "shovel ready land is shown in green".

Our near term focus should be on the latter properties, particularly the 139.3 acres of shovel ready properties. The 288.92 acres of develop ready land is located around the proposed Tower Terrace interchange and the projected Edgewood Road expansion and is owned by three people, Rowley Hemistra, Chris Sherman and KGAN. The future upheaval from those major street projects could impact the desirability of those properties at this time.

Another aspect of "learning what is needed", particularly from the "Millennials" is to ask them. It is my understanding that Kim has been in dialogue with Go-Daddy to set up a survey of their employees on what they would want to see added in the local area. We need to also do a broader survey covering employees between East Clark and Chaffee Drive.

In seeking companies that are interested in relocating to Hiawatha, we have a challenge due to our location adjacent to Cedar Rapids and to Marion, both entities with aggressive business incentive plans. It behooves us to keep our boat in the race but to make the most of the funds we expend. We cannot "go it alone" with a competing organization to the services offered by the Economic Alliance and we are subsidizing their operation so we should maximize the benefits of the services we get from them.

There has been a shift in our relationship with Economic Alliance from one of suspicion they were just giving us lip service to that of using their survey and analysis skills. We need to further develop a "What's Hiawatha" package for them in terms of shovel ready property and establishing a "Tour Guide" team who have facts at hand and knowledge of the City to respond to the interests of visiting prospects.

In summary, my recommendations have not changed much since the January update. I believe our staff is on target with current activities and there isn't a need to substantially change our current practice. I do believe setting up an "in-town" employee survey and "Millennial" focus group to formalize a "hit list" of quality of life things we need in our near future is a worthwhile investment of staff's time. The results of the survey and panel comments coupled with the recent citizen's survey should allow us to focus on what's best to attract people to Hiawatha. I do not believe that engaging a marketing consultant will be cost effective for us at our size and current situation.

Bob Rampulla had requested that this topic be provided to the Council for discussion and vote. By copy of this e-mail, I request that this topic be added to one of our regular meetings or a special meeting. I also request that Kim contact James Hoelscher and invite him to join said meeting for consultation and comments.

Martyb