



STAFF REPORT

MEETING DATE: January 10, 2024

PRESENTER: John Jansons, City Manager

SUBJECT: Contract with Cushman & Wakefield Western in the amount of \$18,500 for a Hotel Feasibility and Market Demand Study

RECOMMENDATION: Council by motion adopt a resolution approving contract with Cushman & Wakefield Western in the amount of \$18,500 for a hotel feasibility and market demand study.

EXECUTIVE SUMMARY:

The Kerman Economic Development Program has long identified the goal of a “branded” hotel property be developed in Kerman. Kerman currently suffers from lodging leakage, wherein visitors for business, leisure, special events and family gathering have extremely limited local lodging options and a small number of rooms to accommodate local needs. As a result many, if not most, visitors to Kerman requiring overnight accommodation stay in properties in the City of Fresno.

In Economic Development staff’s efforts to recruit hotel developers and operators, it has been determined that a market feasibility and demand study would assist those efforts significantly to market Kerman and demonstrate market potential and demand for room nights in Kerman.

To that end, staff solicited proposals from hospitality firms and received two responses. Among those, Cushman Wakefield Western had the more targeted approach and regional familiarity having performed a similar study for the City of Sanger in the recent past.

The Professional Services Agreement (PSA) in the amount of \$18,500 is presented as Exhibit ‘A’ to the resolution (Attachment ‘A’). Included in the PSA is the consultant’s scope of work and fee schedule.

Work will begin in January, 2024 and is anticipated to be completed by May of 2024.

ATTACHMENTS:

A. Resolution and Exhibit A, Professional Services Agreement

RESOLUTION NO. 24-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN APPROVING PROFESSIONAL SERVICES AGREEMENT WITH CUSHMAN WAKEFIELD WESTERN FOR HOTEL FEASIBILITY AND MARKET DEMAND STUDY IN THE AMOUNT OF \$18,500.

WHEREAS, the City of Kerman Economic Development program has identified hotel development as a priority; and

WHEREAS, the City requires market-driven data to support hotel recruitment efforts; and

WHEREAS, Cushman Wakefield Western is experienced and has presented a targeted proposal to conduct a hotel feasibility and market demand study; and

WHEREAS, the City and Consultant have negotiated a Professional Services Agreement in the amount of \$18,500 (Exhibit A) to perform this work; and

WHEREAS, such a study will assist the City in their hotel recruitment and development efforts.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein by reference.

Section 2. The City council approves of and ratifies Exhibit A, the Professional Services Agreement.

Section 3. Time is of the essence.

Section 4. This Resolution is effective upon adoption.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of Kerman held on the 10th day of January 2024 and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
Interim City Clerk