



Colliers
Site Selection Services

SUCCESS STORY

AUTOZONE



PROJECT

Distribution center site selection, incentive negotiation and facility development.

LOCATION

Hazleton, PA



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OBJECTIVE

Select the optimal location for a 600,000 square foot auto parts distribution center from which AutoZone's retail stores in the Northeast could be served; negotiate a strong financial incentive package; coordinate design and construction of the facility.

CHALLENGES

Accessing a large supply of high-quality workers; achieving the client-defined labor union profile; withholding the client's identity until AutoZone was ready to begin recruiting; finding good site options with low labor costs in a region with historically high-cost workers.

SOLUTION

Colliers' site selection optimization model, Indsite®, quickly identified optimal labor union, low-cost locations with large labor pools in close proximity to the centroid identified in a network optimization analysis.

A conceptual facility design was prepared and used to assess the development feasibility and cost of each site identified. A detailed

investment and operating cost analysis was performed on the finalist locations to document site development and facility construction costs, wages and benefits, property taxes and utility costs.

VALUE ADDED



Lowered building cost by 15% using state funding source



Development and project management of new 600,000 square foot distribution center



Negotiated incentive and expense reduction of \$9 million: cash grant for equipment, job creation tax credit, recruiting and training funds, site development grant, property tax abatement, and infrastructure grant for road and utility construction



Incentives and expense reduction equaled 15% of total project investment