

Best Practices in Site Readiness

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Phil Schneider
President
Schneider Strategy
Consulting



Leslie Wagner
Senior Principal
Ginovus



Sarah White
Principal + VP
Global Location Strategies



Gary Yates
Vice President
Stream Realty Partners

Site Readiness



WHY

Why are ready sites more important now than ever?



WHAT

The evolving landscape of site readiness



WHO

Different end users incorporate ready sites into their decision-making processes in various ways



HOW

Matching your property/community with target markets and economic development strategy

Why Ready Sites Are Important



History of Site Readiness

Programs have been in existence for over 25 years – Build Now-NY began in 1998

Today, over 75% of states have some type of site readiness program



With proliferation came variety...and confusion

As programs became more common, debate increased regarding effectiveness and even meaning

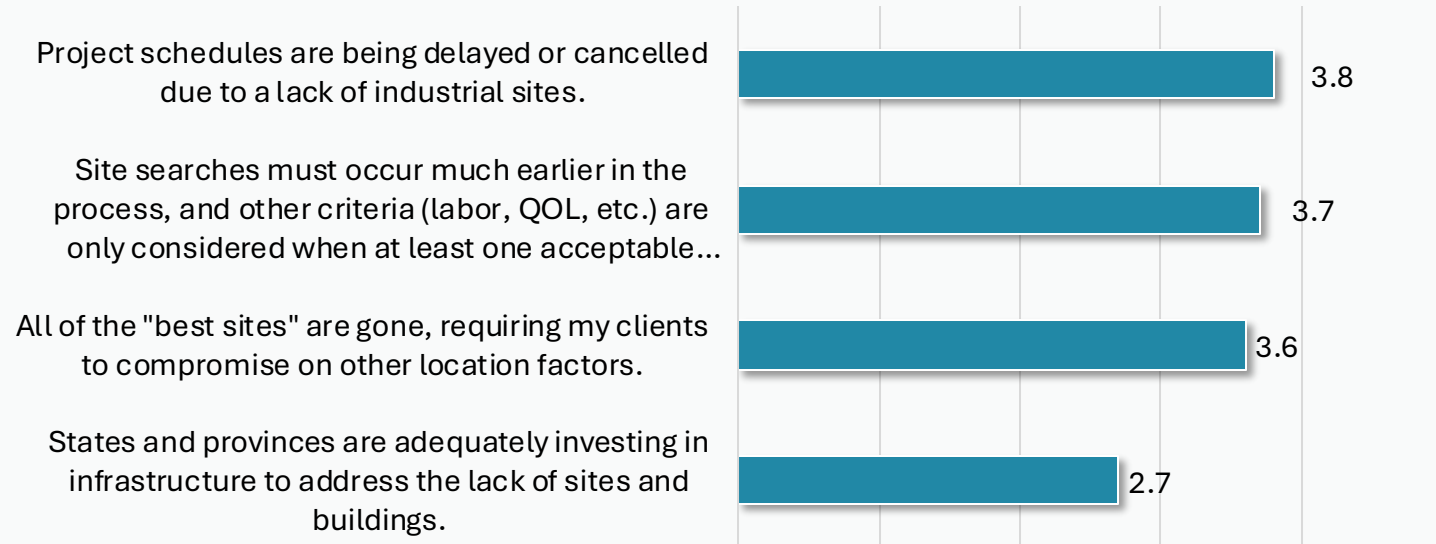
What do the common program names “certified” or “shovel-ready” actually mean to site selectors? (spoiler alert: not much)





But consultants do agree that ready sites are extremely valuable to the site selection process

Industrial Projects: Agreement with Statements on Real Estate, Sites & Buildings
(1 = Don't Agree at All, 5 = Completely Agree)





Why are Site Readiness programs valued?





Site selection phases are now a matter of weeks, not months or years

RFIs need answers within days, not weeks

Sites with little completed due diligence require an unacceptable amount of time, effort, and expense in the site selection process

Well-run programs reduce the time required to review site data and determine suitability





Full site data transparency reduces time and effort for all involved

Projects have no tolerance for EDOs withholding site information – flaws will be discovered



Clients have low tolerance for risk and uncertainty

Well-run programs produce complete and transparent site data which can greatly reduce site selection risk and uncertainty



The heart and soul of readiness programs is site data integrity



Well-run programs remove subjectivity and provide “just-the-facts” information

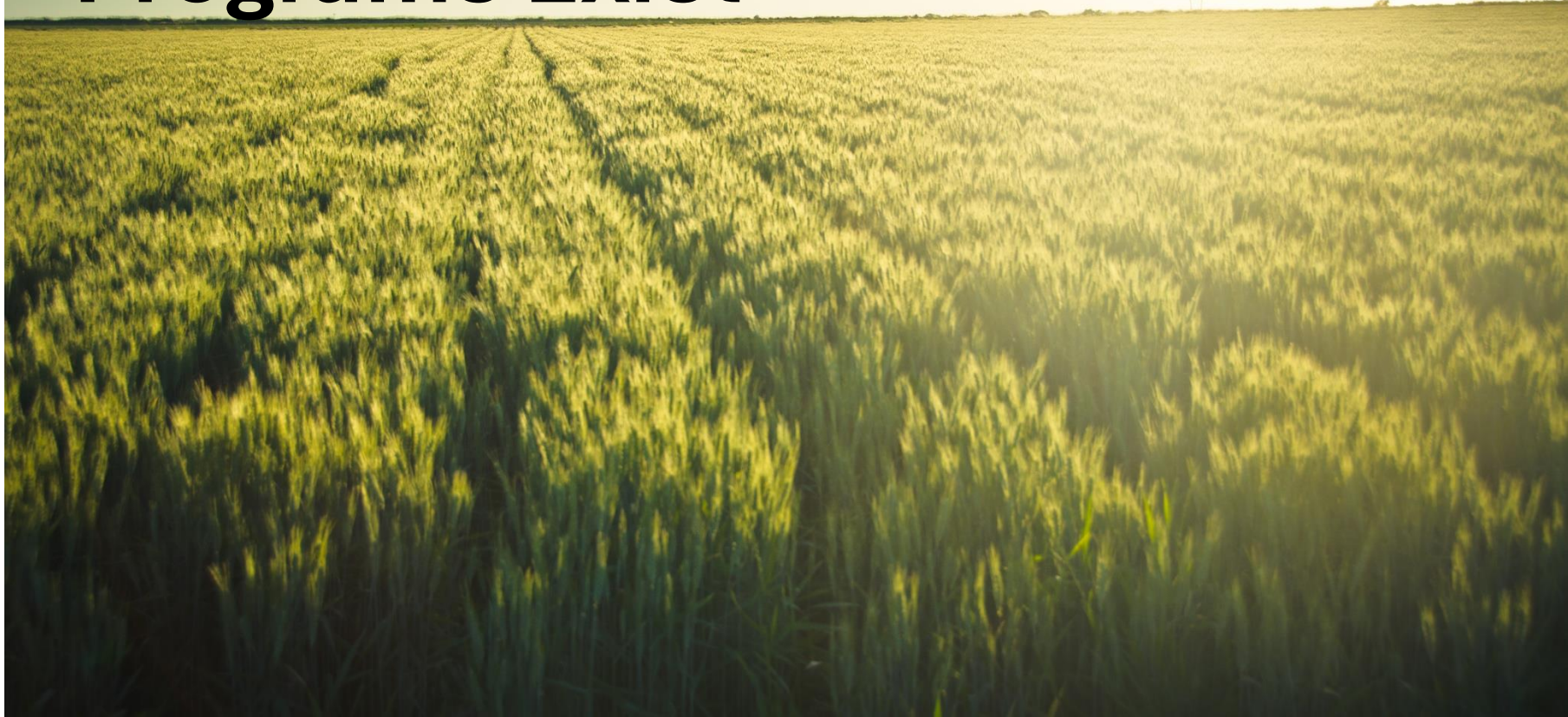


Inconsistency across the many types of readiness programs remains a confounding problem



Without consistent, objective data points and methods across EDO's, otherwise excellent programs have reduced value in the site selection marketplace

What Types of Readiness Programs Exist



What does it all mean?!



Shovel-ready

Evaluated

Premier

Validated

Certified

Select

Vetted

Platinum

Gold

Silver

Bronze

Traditionally There's Been No National Standard



Varying levels of detail

Checklist

Minimum criteria

- Acreage
- Utility capacities
- Etc.

Depth of detail ranges from a few data points to 100s of data points

Site Development Program Elements



SITE IDENTIFICATION

Research and mapping of available land for new potential sites with specific parameters, i.e., location, acreage, zoning.



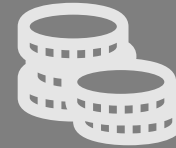
SITE EVALUATION

Assessment of identified sites to determine development suitability, i.e., soil quality, environmental impact, availability of infrastructure.



SITE CERTIFICATION

Formalized process by which a site is verified to meet certain pre-established criteria for certification designation.



SITE READINESS FUND

Allocation of financial resources to prepare a site for development, i.e., infrastructure improvements, environmental remediation.



MARKETING

Promoting identified, evaluated, and certified sites to potential developers and investors, i.e., collateral, sites and buildings database listing.

What - Site Identification



SITE IDENTIFICATION

Research and mapping of available land for new potential sites with specific parameters, i.e., location, acreage, zoning.

- Replenishing property portfolios
- “Good sites” are gone
- Strategically filling gaps
 - Variety of site sizes
 - Rail-served vs non-rail
 - Heavy versus lighter uses
 - Etc.



Landowner engagement is a key element of site identification



What - Site Evaluation



SITE EVALUATION

Assessment of identified sites to determine development suitability, i.e., soil quality, environmental impact, availability of infrastructure.

- Further exploration into the site's:
 - Developability characteristics (typically desktop resources)
 - Availability of utilities and capacities
- Delve into site's strengths and weaknesses, highlighting potential (or lack of) for development



What - Site Certification

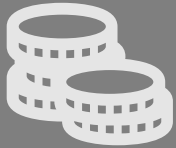


SITE CERTIFICATION

Formalized process by which a site is verified to meet certain pre-established criteria for certification designation.

- Typically a minimum criteria for meeting a designated standard
- Can be industry-specific or industry agnostic
- Environmental due diligence studies usually required
 - Phase I ESA, wetlands, geotechnical, protected species, and archaeological/cultural

What - Site Readiness Funds



SITE READINESS FUND

Allocation of financial resources to prepare a site for development, i.e., infrastructure improvements, environmental remediation.

- Trending initiative
- Takes sites further than just an evaluation or certification
- **Examples:** site work, completing due diligence, infrastructure improvements
- In more aggressive programs, can even include public acquisition of properties



What - Marketing



MARKETING

Promoting identified, evaluated, and certified sites to potential developers and investors, i.e., collateral, sites and buildings data base listing.

- Publicly searchable site databases
- Individual site marketing or program marketing

The screenshot shows a web-based site database interface. At the top, there are tabs for 'BUILDINGS', 'SITES', and 'MY FOLDERS'. Below the tabs, it says 'Showing 150 of 12213 sites by Acres High'. On the left side, there is a list of site details, including:

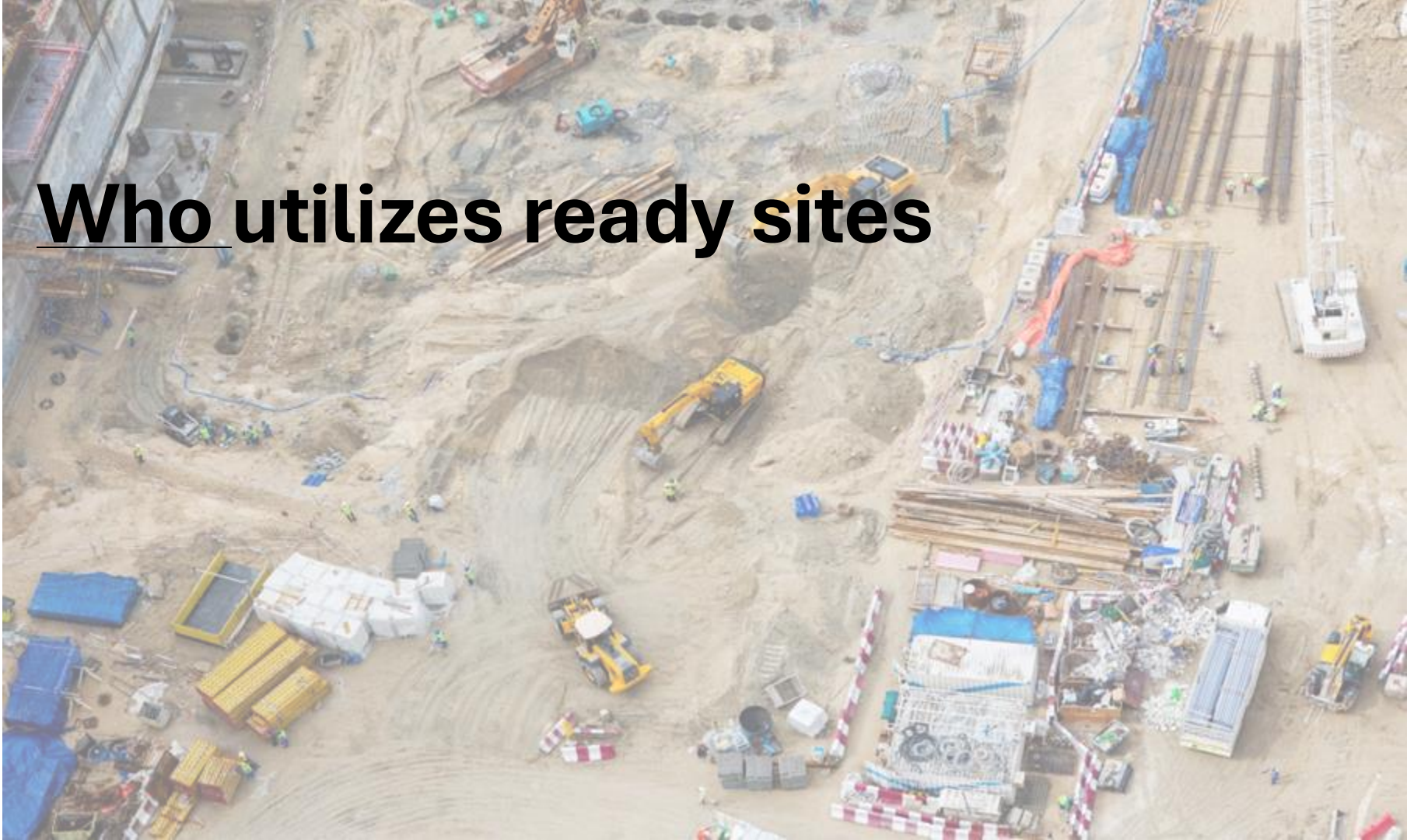
- 1020 Sugar Ln, Piquette, TX, 376,446 Acres
- Road Walters Properties - Wildmart Anchor, Dodge City, KS, 348,480 Acres
- Leased 14.84 Acres of Yard with 30,000 SF Dock High Building, Houston, TX, 210,950 Acres
- TBD-27 - 328 Fire Monument - Hinckley MN, Hinckley, MN, 200,003 Acres
- Tbd-2 - Savage Mn, Savage, MN, 197,620 Acres

 The main area is a map of Kansas with several red pins indicating site locations. The map includes labels for various cities and counties. At the bottom of the map, there are links for 'Privacy Statement', 'Terms Of Use', and 'Copyright ©2024 LocationOne Inform'.

The screenshot shows a detailed site listing for 'Rogersville Business Park - Alabama Advantage Site'. At the top, there is a logo for 'TVA Economic Development'. Below the logo is a map of the site. The listing includes the following information:

- Property Details:** Property Ownership: Public; County Tax Rates: 28.5 mills; City Tax Rates: 6 mills; Topography: Flat; Wetlands: Flat.
- SALE/LEASE:** For Lease: No; For Sale: Yes; Sale Price/Tract: Acre; Negotiable: Yes.
- DETAILS:** Business/Industrial: Rogersville Parks; Most Recent Use: Business Park; Of Spaces: Agricultural; Min. Subdivide: 2; SqFt: 2.
- DESCRIPTION:** Welcome to the Gateway to the Shoals! The Rogersville Business Park is Lauderdale County's closest industrial park to Interstate 65 and only minutes from Red Stone Jewel in Huntsville. This is one of the premier parks of The Shoals, as it bears an Alabama Advantage Site designation and an AT&T Fiber Ready certification. Contact the Shoals Economic Development Authority today for more information.
- WHO WE ARE:** Tennessee Valley Authority (TVA) is a large economic development organization and public power company representing seven states in the southeastern United States: Tennessee, part of Alabama, Mississippi, Kentucky, Georgia, Virginia, and North Carolina. The service area of TVA is commonly referred to as "the Valley".
- HOW WE ASSIST COMPANIES:** In addition to competitively priced and reliable power, companies considering the valley have access to a host of resources to aid their location decision including market analysis and research, real estate services, conceptual engineering, site evaluation, project management, and incentive programs.
- ABOUT TVA:** Nation's largest public power provider; Among lowest industrial rates of peer utilities; 53.99% power reliability; Diverse generation mix of nuclear, hydro, fossil, renewables; Nearly 60% carbon-free generation; Renewable programs and resources available.
- FOR MORE INFORMATION ABOUT THIS SITE, CONTACT:** Warren Hicks, Regional Consultant, C: (256) 479-1335, E: whicks@tva.com, www.tva.com

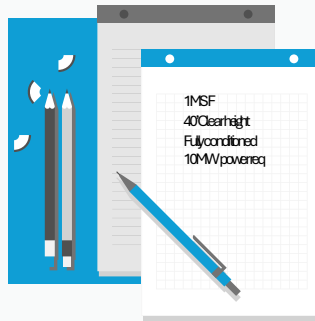
Who utilizes ready sites



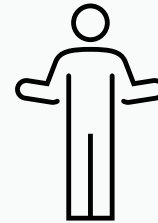
Who Utilizes Ready Sites?



Who or What directs the Site Selection Process?



**When the type of PROJECT
directs Site Selection**



**When the type of LEADERSHIP
directs Site Selection**

Who Utilizes Ready Sites?



When the type of PROJECT directs Site Selection

When the site comes FIRST in the Site Selection process

Very large land requirement

Heavy / unique infrastructure requirement

Train / transportation emphasis

When the site does NOT come FIRST in the Site Selection process

Specialty labor requirement

Logistics / Supply Chain

No unique site requirements



Who Utilizes Ready Sites?

When the type of LEADERSHIP directs Site Selection

- Who professionally:

Consultant	Broker	End User
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- Who work style:

On-line	Networking	Overwhelmed
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Who Utilizes Ready Sites?



Who is the target audience and how to reach them?

Discovery Method	Consultant	Real Estate Broker	Company / End User
RFI process	●	●	●
Website	●	●	●
Guild database	●	●	●
Costar, Loopnet, Etc.	●	●	●
Broker network	●	●	●

Who Utilizes Ready Sites?



What is important to each audience and make/break your site's chance?

	Consultant / Good Broker	Average Real Estate Broker	Company / End User
Timing Factors	Ability to meet required timeline	Risks that would delay or complicate deal closing	Little or No understanding of preparation and development timing
Cost Factors	Purchase and development cost	How to get paid	Purchase price
First Risk Factor	Infrastructure	Ownership structure	Curb appeal

How ready sites are used



The Local Reality of Site Readiness



The Value of Community Readiness



If economic development is the goal,
whether existing business expansion
or attracting new companies,
community readiness must be a priority.



The Value of Community Readiness



Activity in manufacturing, technology, agribusiness, office, and logistics projects is strong which results in opportunities for those who are prepared. Opportunity is available for communities that:



- invest in workforce
- enhance infrastructure
- prepare sites
- leverage incentive tools

This is an important approach because the availability of infrastructure, ready real estate, a skilled workforce, and quality of place are fundamental to all site location decisions.

Have your Economic/Community Development House In Order



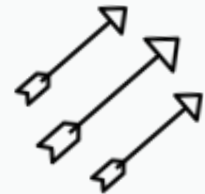
- **KNOW THE PROJECTS/INDUSTRIES YOU WANT TO ATTRACT**

- How will you market to these industries?
- What is the action plan to secure a project once an opportunity presents itself?



- **CONSIDER A MULTI-PRONGED MARKETING APPROACH**

- Have an informative, engaging website
- Attend industry trade shows
- Direct outreach to companies
- Build relationships with site selection consultants



Have your Economic/Community Development House In Order



- **ENSURE ALIGNMENT AMONG COMMUNITY LEADERSHIP ON**

- Site readiness and building approval processes
- Talent attraction, workforce readiness, and housing availability
- Utilization of creative economic development tools to foster business attraction and retention



How Communities Can Compete



- The locations that are prepared to move forward quickly and competently will be best positioned for short and long-term success.
- Economic development professionals and government officials need to strongly advocate the importance of investing in job training, infrastructure, access to capital and other strategic areas when pressured to cut funding in response to short-term declines in tax revenue.
- Do not try to be all things to all people—focus on your existing businesses and assets that can be leveraged to drive economic growth. For example, not every community needs or should have a mega site.
- Bold and aggressive leadership is needed now more than ever.



Top 10 Site Selection Factors

AREA DEVELOPMENT 38TH ANNUAL CORPORATE SURVEY RESULTS

- Commentary on standings



COMBINED RATINGS* CORPORATE SURVEY

Site Selection Factors	2023	2022
Ranking		
1. Labor costs	92.5	89.1 (1)**
2. Availability of skilled labor	87.2	85.8 (3)
3. Environmental regulations	81.5	79.0 (9)
4. Tax exemptions	79.5	73.0 (13T)
5. ICT/broadband	79.0	80.7 (6)
6. Right-to-work state	78.4	66.7 (18)
7T. Quality-of-life	78.3	87.1 (2)
7T. Energy costs	78.3	79.4 (8)
9T. Corporate tax rate	76.9	79.7 (7)
9T. Highway accessibility	76.9	77.8 (11)

Source: Area Development Magazine 2024

Real Estate Evaluation Criteria for Sites



OWNERSHIP & ENTITLEMENTS

- **Control of Property** - What are the conditions of sale or lease of property?
- **Selling/ Leasing Price and Terms** - Indicate terms of availability of site.
- **Clear Title to Property** - Describe the Title of the property
- **Property Survey** - Provide an ALTA OR a standard Metes and Bounds survey.
- **Zoning** - Would rezoning be required for intended/proposed use of property?



Real Estate Evaluation Criteria for Sites



LOGISTICS

- **Highway Accessibility** - Description of access to the public highway system.
- **Site Ingress/Egress** - Description of access to the public road system.
- **Rail Access** – Description of access to rail and rail service provider.
- **Airport Access** – Description of access to airport and air cargo service providers.



Real Estate Evaluation Criteria for Sites



UTILITIES

- **Treated Water Supply**
- **Wastewater Services**
- **Electric Supply**
- **Natural Gas Distribution**
- **Telecommunications**



Real Estate Evaluation Criteria for Sites



BUSINESS CLIMATE

- Property Taxes
- Corporate Income Tax Rate
- Unemployment Insurance
- Workers Compensation
- Political Stability
- Regulatory Environment



REDI Sites



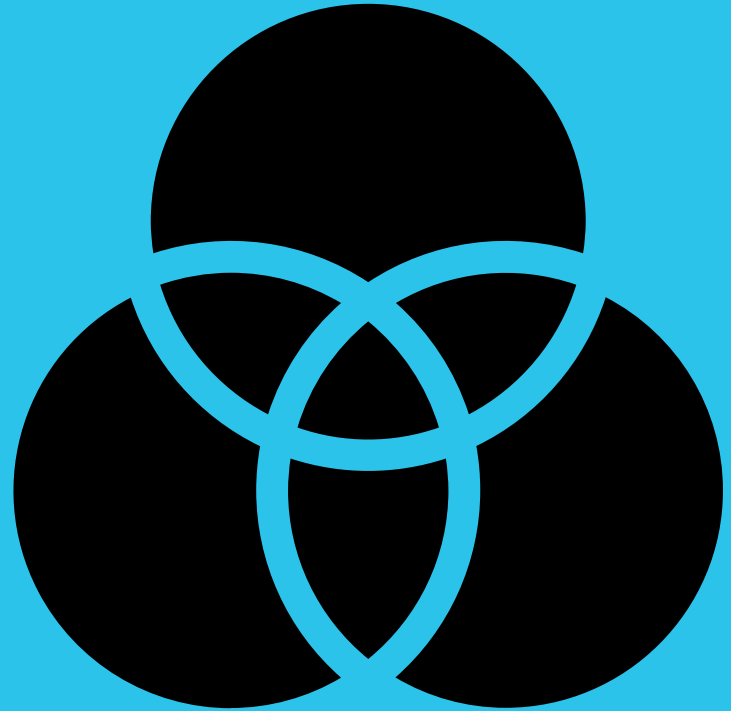
National Standard

**REDI
SITES**

Site Selectors Guild
Readiness Evaluation
for Development
and Investment

Standardized Measuring

- Industry and use agnostic
- Ability to compare sites across jurisdictions
- Easily understood tiered scoring system developed by credentialed industry professionals



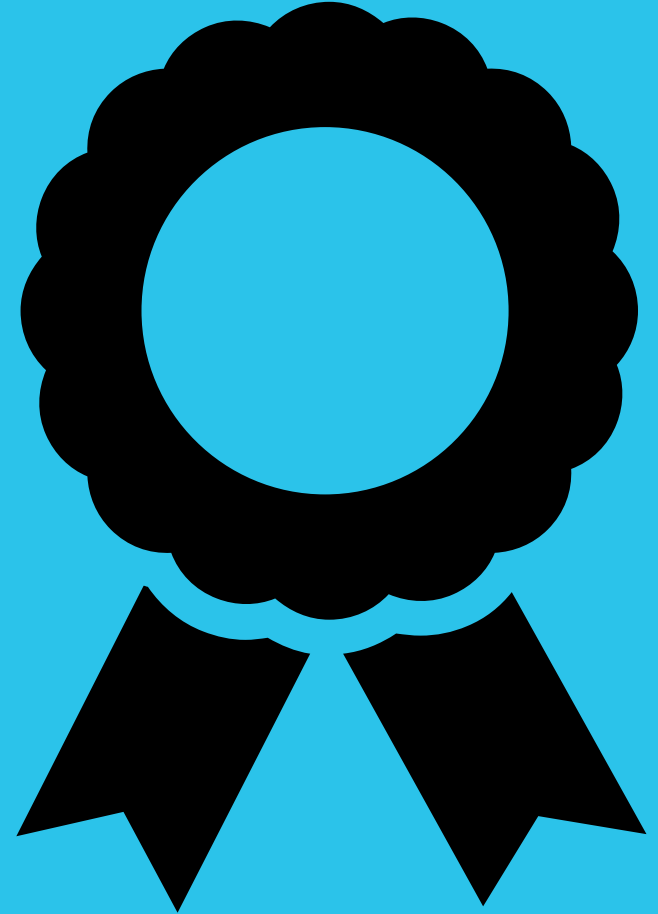
Searchable Database

- Guild members can find qualified sites to meet technical requirements
- Database is updated at least annually by site representatives



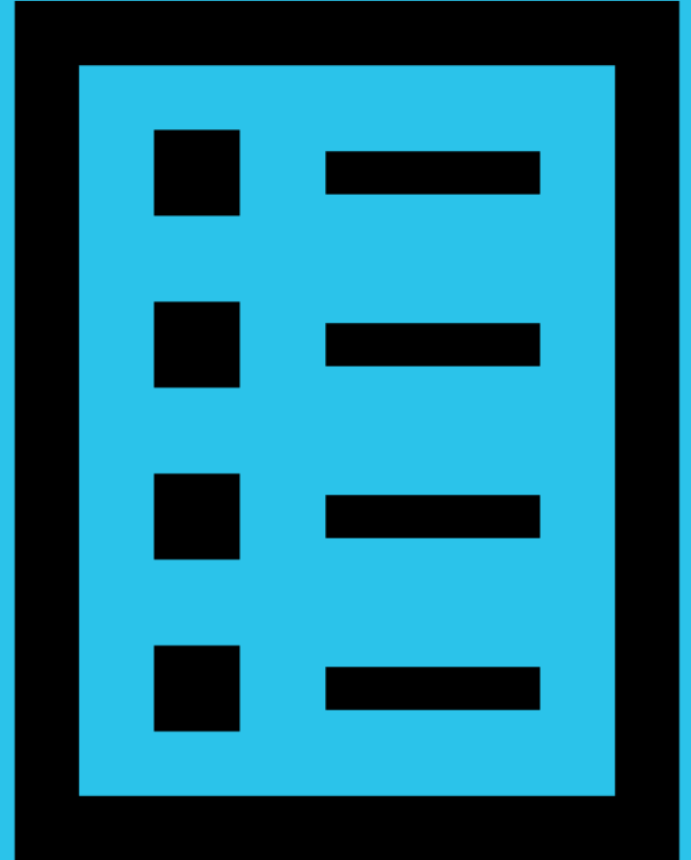
Investment Feedback

- Sites can receive recognition for their stage on the site readiness journey
- Provided feedback on what could be done to improve readiness



Site Designation

- EDOs can use to market sites in their own marketing programs and materials
- Leverages due diligence work already done and compliments existing programs



Questions

