

South Carolina Department of Commerce

Palmetto Sites Program

2016 Program Overview



South Carolina
Department of Commerce

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PROGRAM OVERVIEW

OVERVIEW

One of the fastest growing trends in the site location business is the demand for project-ready industrial properties. The reason is simple: companies continue to put pressure on the time allowed for making a location decision, start construction, and complete the project. As such, the location decision process demands available properties, and those properties need to be ready for development and relatively "risk free."

Communities who are seeking to recruit projects need to be prepared to market their properties with a wealth of information and data on both their properties and community. Companies are not willing to wait for a community to find an appropriate property and determine its suitability for development.

Recognizing this trend, the South Carolina Department of Commerce (SCDOC) has initiated the Palmetto Sites Program. During the Palmetto Sites Program, participants will be asked to gather data on the property's availability, developability, zoning, transportation, and utility infrastructure among other items. Having this information is critical in order to be competitive, and to quickly and accurately respond to requests for proposals. Also, by knowing any potential risks beforehand, it will allow the community to be proactive in planning and/or remediating any issues.

SCDOC has partnered with McCallum Sweeney Consulting (MSC), a site selection consulting firm based in Greenville, South Carolina since 2010 to assist with evaluating industrial properties across the state. MSC executes a number of similar programs around the country. The programs are designed to closely parallel MSC's site selection projects, with the questionnaires and requested support documentation similar to what is required on siting projects.

Both sites and industrial parks may be submitted into the program. An industrial site is intended for one single-user where as an industrial park includes multiple users. An industrial park may have some impediments such as wetlands that can be worked around in order to accommodate multiple users and maximize the developable acreage of the park.

MSC and SCDOC define a Palmetto Site as a property in which the applicant has accumulated substantial data about the property's characteristics and infrastructure in order to effectively respond to information requests for industrial projects. It should be noted that the Palmetto Sites Program does not have minimum criteria to meet and is not a certification program. Rather, it is an opportunity to recognize those properties which have had a substantial amount of research completed to make the property more marketable to potential prospects.

EVALUATION GUIDELINES

Property information regarding ownership and availability, site developability, zoning, transportation, and utility infrastructure will be evaluated throughout the process. MSC will look at all of these factors to evaluate the property's suitability for industrial uses.

For the Palmetto Sites Program, the following utility specs will be used as guidelines for evaluating existing and proposed infrastructure at the participating properties. The utility

information from the providers should reflect the ability, including cost and schedule estimates, to provide the below capacities based on the property’s total acreage.

Site Size	Electric	Natural Gas	Water	Wastewater
Up to 249 acres	2.5 MW	10,000 mcf/month	150,000 gpd	100,000 gpd
250-499 acres	5 MW	15,000 mcf/month	300,000 gpd	200,000 gpd
500-999 acres	10 MW	25,000 mcf/month	600,000 gpd	400,000 gpd
1,000+ acres	30 MW	50,000 mcf/month	1,200,000 gpd	1,000,000 gpd
Park Size	Electric	Natural Gas	Water	Wastewater
100-249 acres	5 MW	15,000 mcf/month	300,000 gpd	200,000 gpd
250-499 acres	10 MW	25,000 mcf/month	600,000 gpd	400,000 gpd
500+ acres	15 MW	32,500 mcf/month	900,000 gpd	600,000 gpd

INSTRUCTIONS FOR SUBMISSION

- All properties must be on LocateSC in order to participate in the Palmetto Sites Program. To initiate the Palmetto Sites Program application, email a copy of the completed LocateSC brochure to both Program Contacts. The email should state the applicant’s intent to enter the Palmetto Sites Program.

Beth Land
bland@mccallumsweeney.com

Jennifer deCesare
jdecasare@sccommerce.com

- After completion of the LocateSC Verification, the Palmetto Sites materials will be distributed to the applicant.
- All documents must be prepared electronically. Handwritten documents will not be accepted.
- Fill out the *Palmetto Sites Questionnaire* and complete all of the *Requested Attachments*.
- Utility Questionnaires should be distributed to all utility providers that are eligible to serve the property. When questionnaires are distributed, help guide the utility providers to know what size the property is, and whether it is being evaluated as a site or park so they can answer accordingly.
- Submit all items in the order requested in the *Requested Attachments*. **Please send one hard copy in a 3-ring binder and one electronic copy¹ (CD or jump drive; emails with attachments are not acceptable as electronic copies) of the submission to both:**

Beth Land
McCallum Sweeney Consulting
15 South Main Street, Suite 950
Greenville, SC 29601

Jennifer deCesare
South Carolina Department of Commerce
1201 Main Street, Suite 1600
Columbia, SC 29201

¹ The file name for each attachment included in the electronic copies should correspond to the same numbering as the hard copies. For example, the file name for the general transportation map (#5 on the list of *Required Attachments* should read “5 – General Transportation Map.”

- The application submitted to MSC must be accompanied by a check for **\$6,000** made payable to McCallum Sweeney Consulting.
- Upon receipt of the information, MSC and SCDOC will conduct a desktop evaluation of the questionnaire and the requested attachments.
- MSC will contact the applicant to schedule a site visit. Prior to a site visit, MSC will issue a letter to the applicant requesting additional information or clarification of certain items that will need to be discussed at the site visit. MSC and SCDOC will conduct a site visit, and additional follow-up information may be requested at that time. Follow-up documents should be provided to all Program Contacts. A hard and electronic copy is required.
- Upon completion of the Palmetto Sites Program, MSC will deliver a letter indicating that the property has successfully completed the program. A report on the property's strengths and weaknesses as well as recommendations for improving the property's readiness will also be provided.

PROGRAM SCHEDULE

2016 - Round 1	
LocateSC Verification submittals due to SCDOC	February 12, 2016
Palmetto Site submittals due to MSC and SCDOC	March 25, 2016
Site Visits	Weeks of April 25 th or May 2 nd
Applicant Receives Palmetto Sites deliverable	June 2016

2016 - Round 2	
LocateSC Verification submittals due to SCDOC	July 29, 2016
Palmetto Site submittals due to MSC and SCDOC	September 9, 2016
Site Visits	Weeks of October 10 th or October 17 th
Applicant Receives Palmetto Sites deliverable	November 2016

PALMETTO SITES EXPIRATION

There is no expiration for recognition of properties that have completed the Palmetto Sites Program; however, properties must be active and updated annually on LocateSC.

PROGRAM CONTACTS

If there are any questions regarding the materials or the application process, please contact:

Beth Land
 McCallum Sweeney Consulting
 (864) 553-7044
 bland@mccallumsweeney.com

Jennifer deCesare
 South Carolina Department of Commerce
 (803) 737-0597
 jdecesare@scommerce.com

APPENDIX – SOUTH CAROLINA CERTIFIED PROGRAM

Information in this appendix is for those participants interested in the South Carolina Certified Program.

In addition to the Palmetto Sites Program, properties may be eligible to pursue certification. A South Carolina Certified property is defined as one that has completed the Palmetto Sites Program and has met industrial certification criteria set by MSC including developability and utility standards within corresponding timelines in order to minimize development risks.

Certification invitations are issued twice a year (corresponding with the Palmetto Sites rounds), and applicants will have up to nine months to complete the requirements. The certification fee is \$11,000 per property (\$7,500 for recertifications). Contact MSC for mega site pricing.

The list below includes some of the items that would be necessary in order to complete certification. Please note that this is not a comprehensive list. Further details for each of these items will be provided upon invitation to proceed.

- Documentation that ensures that the property will be available for a period of at least three years (recommend five years in order to maximize the certification period).
- Class A or ALTA boundary survey for the property.
- Title attorney opinion or title insurance that shows clear title to the property.
- Letter of willingness from authorized personnel to consider a change to the property's zoning to allow industrial uses (if applicable).
- Plan, including itemized cost and schedule estimates, for making all necessary upgrades to the property access (if applicable).
- Plan (including the route, a cost, and a schedule) for providing rail service to the property (if marketing the property as rail-served).
- If electric, natural gas, water, or wastewater infrastructure that can provide the required capacities are not at the property line, then an engineer's detailed plan for extending the infrastructure to the property will have to be submitted. The plan(s) must include a visual indicating the proposed extension, an itemized cost estimate, and a schedule.
- Proof that rights-of-way for any transportation or utility extensions are under control with either a Letter of Intent from the owner or an option. No documentation is needed if proposed extension is within an existing public right-of-way (i.e., state or county roads).
- Current due diligence and associated documentation/concurrence letters.
- Mitigation plans and/or mitigation may be required based on the outcome of the due diligence studies.
- Site Concept Plan (sites) or Master Development Plan (parks).
- Industrial parks: draft protective covenants.

Properties that have completed certification since 2010, and are seeking recertification will need to submit the following with their Letter of Intent before eligibility for recertification can be determined.

- Updated availability information
- Updated utility template questionnaires
- Update on changes since previous certification
 - Improvements to property
 - Improvements to infrastructure
 - Parcels sold, etc.

PROGRAM SCHEDULE

Round 1 Letters of Intents are due no later than **July 15, 2016**.

Round 2 Letters of Intents are due no later than **December 9, 2016**.

The following is the timeframe once the applicant is accepted into the South Carolina Certified Program. It is recommended that the applicant get their certification application in as soon as possible. This will allow the applicant to have multiple rounds for follow-up items as needed within the allotted time. **Deadlines are firm and extensions will not be granted unless discussed and approved prior to deadline.**

Action	Timeframe (Maximum Length)
Certification Application	Nine months from invitation to proceed letter
MSC review of Certification Application	30 days
Applicant completes follow-up items	90 days
MSC reviews follow-up items	30 days
Applicant completes follow-up #2	30 days
MSC final decision	30 days
Maximum Length of Certification Phase	16 months

Note: If a certification application is submitted before the nine months allotted, then the extra time will be added to the time allotted for follow-up items, but under no circumstances will the maximum length of the certification phase be longer than 16 months

EXPIRATION

Certification is valid for a maximum of five years from the date of certification. Certification expiration will be based on the earliest expiration of the availability documentation or the approved jurisdiction determination letter from the U.S. Army Corps of Engineers.

Properties that are currently certified under the SCDOC Industrial Site Certification Program will be recognized as certified until certification expiration. There will no longer be any tier designations.

CERTIFICATION CRITERIA

The following page provides a summary chart that outlines the certification criteria based on property size that properties will have to meet in order to be recognized as a South Carolina Certified property.

SUMMARY CHART

2016 South Carolina Certified Category Criteria Guidelines									
	AVAILABLE ACREAGE	MIN. CONTIGUOUS & DEVELOPABLE ACREAGE	HIGHWAY ACCESS Availability Timeframe	RAIL REQUIRED? Availability Timeframe	ELECTRIC Availability Timeframe	NATURAL GAS (mcf/month) Availability Timeframe	WATER (gpd) Availability Timeframe	SEWER (gpd) Availability Timeframe	SITE DEVELOPMENT MITIGATION⁷ Availability Timeframe
General Industrial Site	50 - 249	80% of total	10 miles ² 6 months	No 12 months ⁴	2.5 MW 6 months	10,000 6 months	150,000 6 months	100,000 6 months	3 months
Large Site	250 - 499	80% of total	10 miles ² 9 months	No 12 months ⁴	5 MW 9 months	15,000 9 months	300,000 9 months	200,000 9 months	3 months
Super Site	500 - 999	80% of total	5 miles ² 12 months	Yes 12 months	10 MW 12 months	25,000 12 months	600,000 12 months	400,000 12 months	3 months
Mega Site	1,000 +	80% of total	5 miles ³ 18 months	Yes 18 months	30 MW ⁵ 18 months	50,000 18 months	1,200,000 18 months	1,000,000 18 months	6 months
General Industrial Park	100 - 249 with one site > 20 acres	20 acre site, 60% of remaining acreage	10 miles ² 6 months	No 12 months ⁴	5 MW ⁶ 6 months	15,000 ⁶ 6 months	300,000 ⁶ 6 months	200,000 ⁶ 6 months	3 months
Large Park	250 - 499 with one site > 50 acres	50 acre site, 60% of remaining acreage	10 miles ² 9 months	No 12 months ⁴	10 MW ⁶ 9 months	25,000 ⁶ 9 months	600,000 ⁶ 9 months	400,000 ⁶ 9 months	3 months
Super Park	500+ with one site > 100 acres	100 acre site, 60% of remaining acreage	5 miles ² 12 months	No 12 months ⁴	15 MW ⁶ 12 months	32,500 ⁶ 12 months	900,000 ⁶ 12 months	600,000 ⁶ 12 months	3 months

- 1 Contiguous and developable acreage must be at least 80% of total acreage (e.g., a 250-acre site must have at least 200 contiguous, developable acres).
- 2 Interstate or 4-lane highway.
- 3 Interstate or 4-lane limited access divided highway.
- 4 Rail: when not required these time frames must be met in order to be certified as rail served.
- 5 The first 15 MW must be able to be provided to the property within 18 months with an additional 15 MW to follow in the next 18 months. The property must also be served or be able to be served within 18 months by redundant electric service, preferably with feeds from two substations.
- 6 50% of required capacity must be able to be provided to the property within the stated timeframe with the remaining 50% capacity in the next timeframe. Ex: For Large Park, the property must be able to be served with 300,000 gpd of water within 9 months and an additional 300,000 gpd within the following 9 months.
- 7 Site mitigation requirements must be complete by these time frames.

CERTIFICATION ACCEPTABLE DOCUMENTATION TIMEFRAMES

Below is a chart showing the length of time documentation is acceptable for certification. We will not accept documentation that is older than what is shown below. The entire property being considered for certification must be included in the documentation. All concurrence letters (Army Corps of Engineers, U.S. Fish and Wildlife, etc.) must also be provided. *Please note that these acceptable documentation periods are only applicable for certification. Future end users may require updated and/or additional documentation.*

Document	Time Period ²	Notes
Phase I ESA	5 years	Phase I ESA must be conducted in accordance to current program standards.
Jurisdictional Determination Letter (Wetlands)	Active	Accurate-approved Army Corps of Engineers Jurisdictional Determination letter must be valid for duration of certification.
Threatened and Endangered Species Survey	5 years	Must include U.S. Fish and Wildlife concurrence letter.
State Historic Preservation Office Concurrence Letter (Archaeological and Historical Investigation)	5 years	Investigation must follow protocol outlined in the Memorandum of Understanding between the South Carolina Department of Commerce and the South Carolina Department of Archives and History. ³ SHPO concurrence letter must be from last five years.
Geotechnical Assessment	15 years	The geotechnical assessment must include the required number of borings/soundings to the required depths and Seismic Site Classification.
Boundary Survey	Current	Documentation of any changes since the latest boundary survey (sale of parcel, etc.) must be provided.
Title Search	5 years	We will accept title attorney opinions or insurance that has been completed in the past five years, if there have been no changes in ownership. If an attorney's opinion or insurance has been completed more than five years ago, the interim gap must be covered.

The certification expiration date will be based on the earliest date of the following items:

- The expiration of property availability documentation.
- The expiration date stated in the approved Army Corps of Engineers Jurisdictional Determination letter regarding wetlands.

² Time period is from the date of certification.

³ The process for updating the archaeological and historical investigation is outlined in the updated Memorandum of Understanding between the South Carolina Department of Commerce and the South Carolina Department of Archives and History.