



Site Selection Fundamentals

Freight Week STL

05.22.18

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What is
Economic
Development?





Missouri Economic Development Council

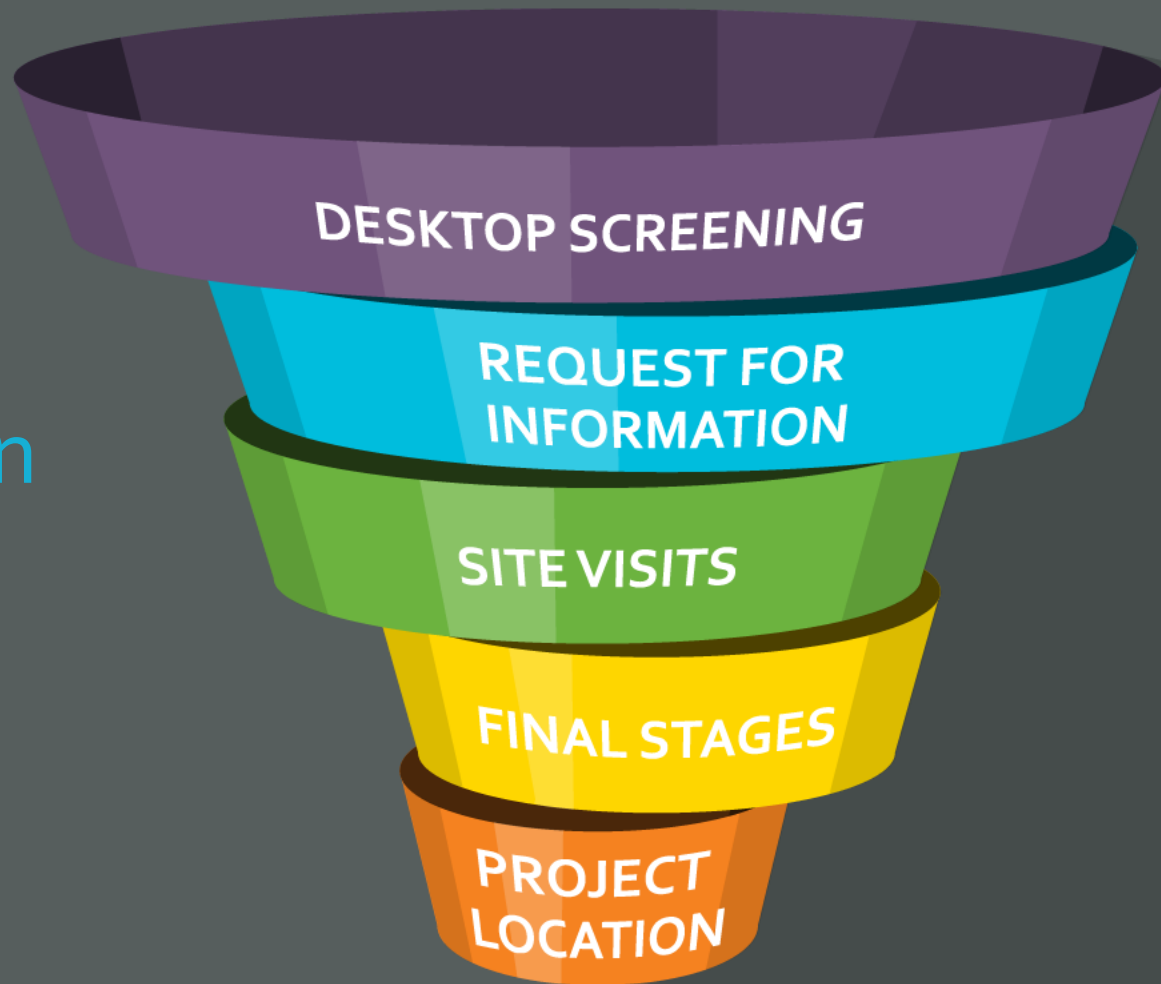


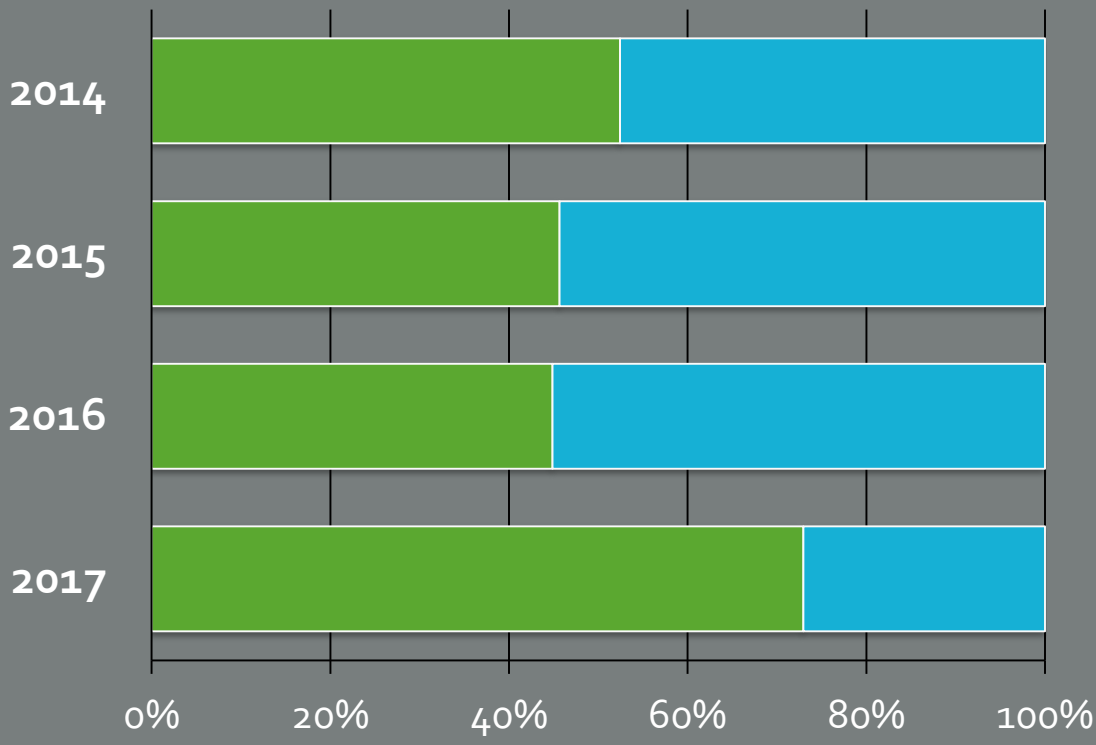
Department of Economic Development



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Elimination Process





Active Projects by Source

- Consultant
- Company



1st

Highway accessibility

2nd

Labor costs

3rd

Skilled labor

4th

Quality of life

5th

Tax exemptions

2018 Area
Development
Survey:
*What matters to
companies?*



1st

Skilled labor



**2nd
tied**

Labor costs



**2nd
tied**

Proximity to markets



4th

Incentives




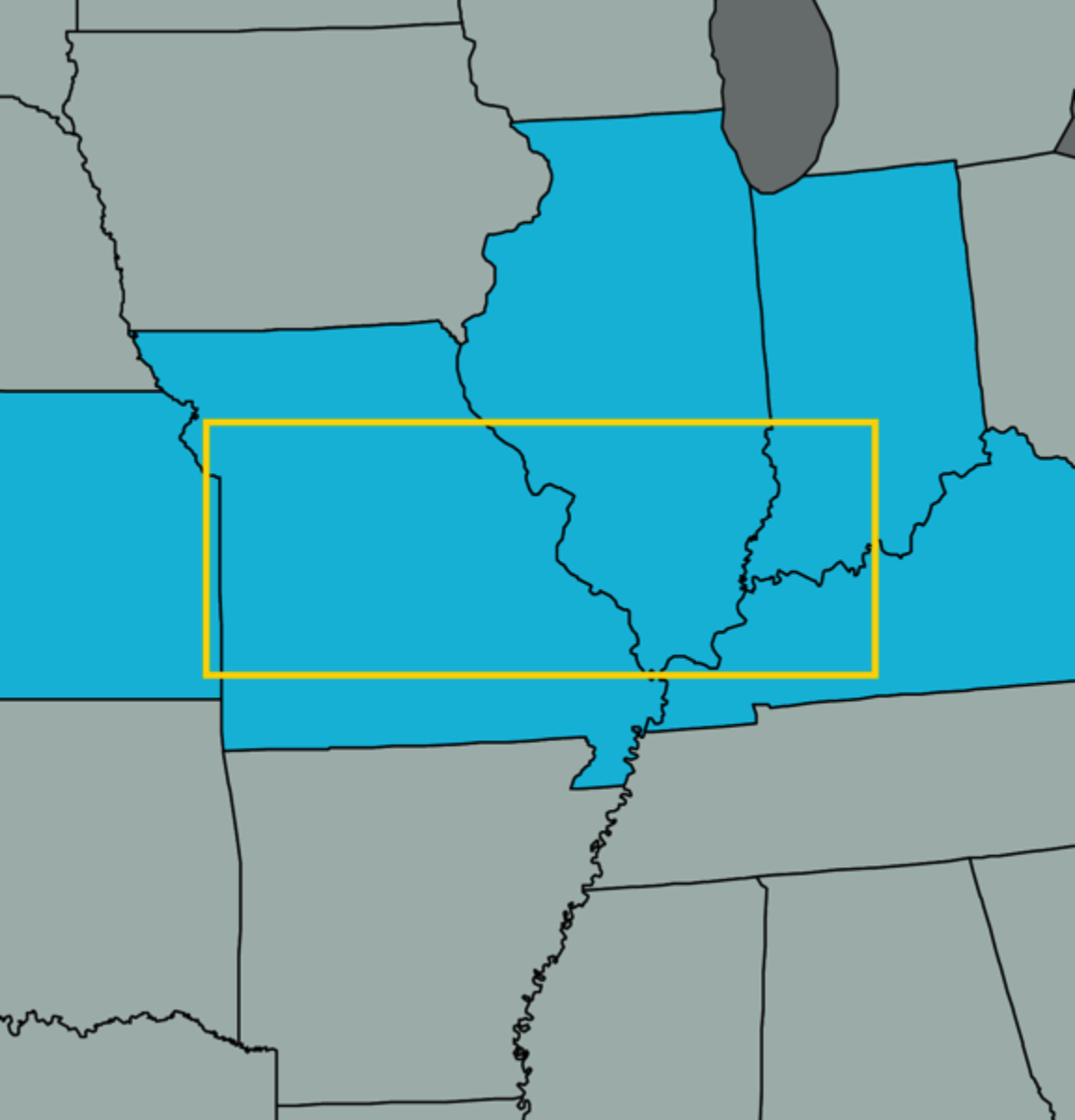
**5th
tied**

**Highway accessibility
Available land/buildings
Airport accessibility**



2018 Area
Development
Survey:
*What matters to
consultants?*





90 miles to metro

375,000 sq. ft.

22' ceilings

30 acres

Labor Characteristics

- Managerial: 3
- Professional/Technical: 12
- Craftsmen/Laborers: 110
- Total 125 for steady state operation
- 24x7 operation with 4 shifts of 12 hours each
- Very little seasonal labor
- Area with tranquil labor management relations

Transportation – Accessibility and Freight

- Good interstate highway access
- Local access via 4-lane highway
- Within 2 hours of tier 1 or tier 2 airport
- Within Midwest close to significant egg production (end customers)

Project Schedule and Investment

- Site Visits, Short List Finalist Sites
- Approval from BOD
- Option on Real Estate and Incentives Negotiations Production Dry Run
- Steady state production
- Approx \$38-40 million for machinery and equipment investment
- Building acquisition and improvement approx.

Facility

- 25 acres of land
- Preferred site configuration is rectangular, 250 ft wide x 1,500 ft long
- Facility size: 350,000 sq ft to 400,000 sq ft
- Clear height > 22 ft
- Flat topography
- Location within industrial zoning

Infrastructure

- Electric Power
- Demand 1.4MM kWhr (monthly)
- Dual feed substation
- Peak capacity of 4 MW
- Natural Gas
- Approx usage 700,000 cubic meter per year for dryers and steam generators
- Peak capacity of 1200 m3/hr
- Water
- Avg 350 cubic meters per day for process and others usage with peak requirement at 400 cubic meters per day
- Peak capacity of 35 m3/hr
- 50 psi min @ 2,000 gpm
- Dual Feed – fire vs process
- Sewer
- Standard (6 inch line minimum)

Raw Material Supply Base

- Within 4 hours of recycled newspaper suppliers (ONP grade 7/8)
- Expected usage 20,000 metric tons per year

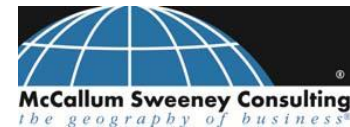
Importance	Main Criteria	Importance	Sub-Criteria
20%	Proximity to Market & Raw Materials	50%	Proximity to Significant Egg Production: 2 to 3 Days Transit Time
		40%	Proximity to Raw Materials: Recycled Paper Materials (Within 4 Hours)
		10%	Proximity to Raw Materials: Wheat Farming (Within 4 Hours)
10%	Infrastructure	10%	Major Highways
		45%	Size and Configuration of Site & Facility
		40%	Reliable and Quality Utility Service: Landfill or Waste Water
		5%	2 Hour Access to Tier 1 or Tier 2 Airport
60%	Total Project & Operating Costs	45%	Utility Costs
		45%	Labor Costs
		10%	Real Estate & Operating Costs
10%	Sustainable Business Operation	40%	Labor Availability
		20%	Labor Markets
		20%	Cost & Quality of Living
		20%	Close Proximity of Workforce to Plant



Prepared Communities Win

Central Ohio NAIOP Meeting
Columbus, OH

Thursday, January 24, 2013
Mark M. Sweeney





Thanks

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