

# HICKEYGLOBAL

ECONOMIC DEVELOPMENT CONSULTING



## Site Readiness & Positioning

August 10  
2023

XXX

XXX

*the importance of these investments from a site consultant perspective. The topic for this one is 'Site Readiness and Positioning' to drive the conversation on the need for state investment in public infrastructure and we will have the right people plugged in to listen, some legislators included.*

*3 p.m. - arrival, networking (maybe some light refreshments and wine and beer)*

*3:30 p.m. - Program starts, Welcome Comments*

*3:40 p.m. - AREA President's Organizational Update, recent announcements, tee up the topic (ie, all the other states that are investing in site readiness)*

*4 p.m. - guest speaker/site selector via zoom or in person, plus Q&A time – YOU!!!!*

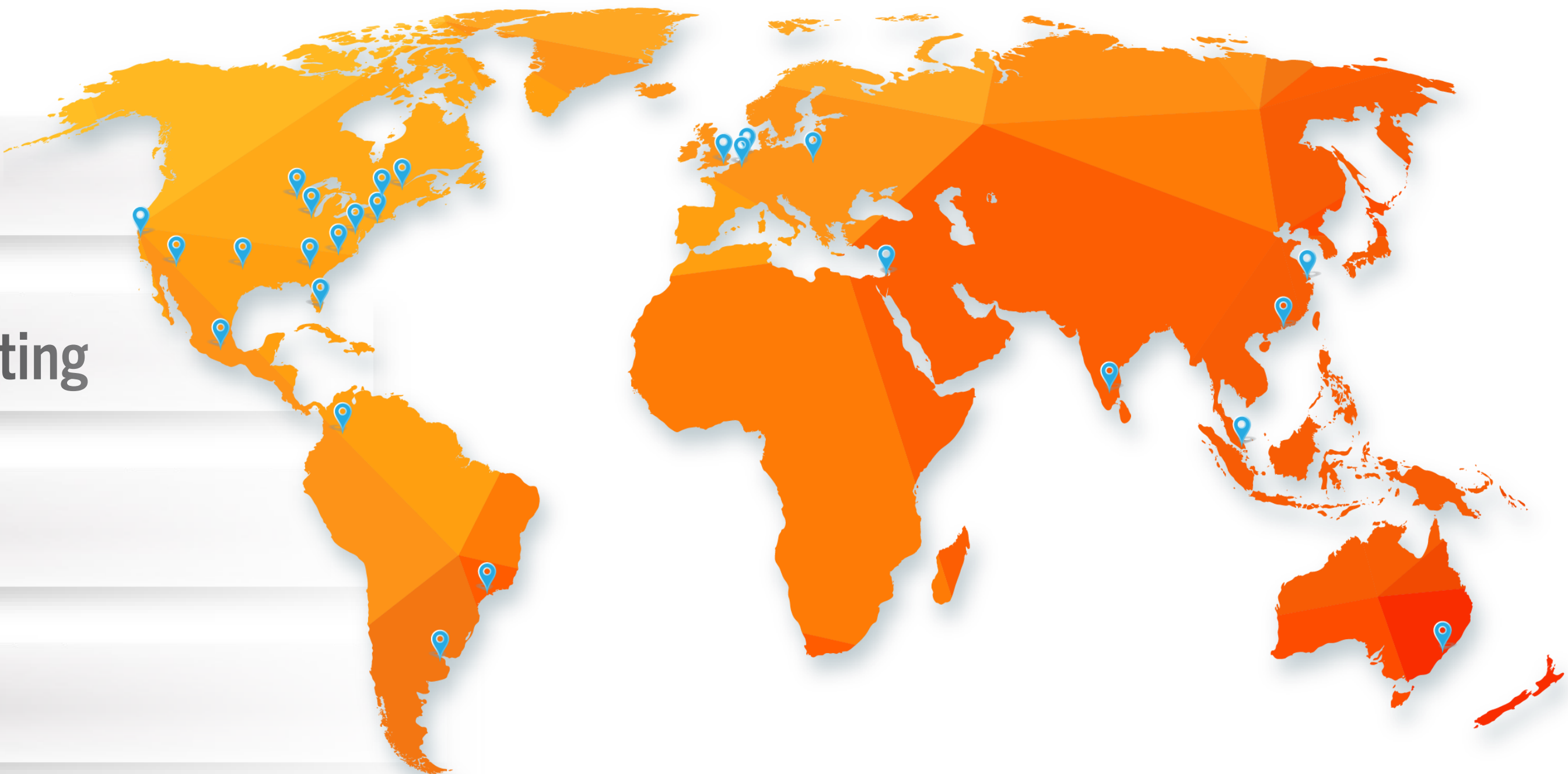
*4:30 p.m. - casual panel discussion on topic, 2-3 folks max (legislator, developer, and government)*

# About Hickey

Decades of Success

We combine the largest independent site selection firm in the world, an international think tank, a foundation, and an economic development consulting practice into an integrated team to assist you.

## HICKEY OFFICES AROUND THE WORLD



*You work in a globally connected environment;  
you need a global firm – Hickey.*

# Hickey & Associates

A Global Leader in Site Selection

Founded in 1986 as one of the first companies to offer integrated footprint, site selection and workforce services.

Today, as the global leader, HICKEY has active projects in every corner of the world utilizing our more than 80 professionals, and additional Subject Matter Experts in key global markets.

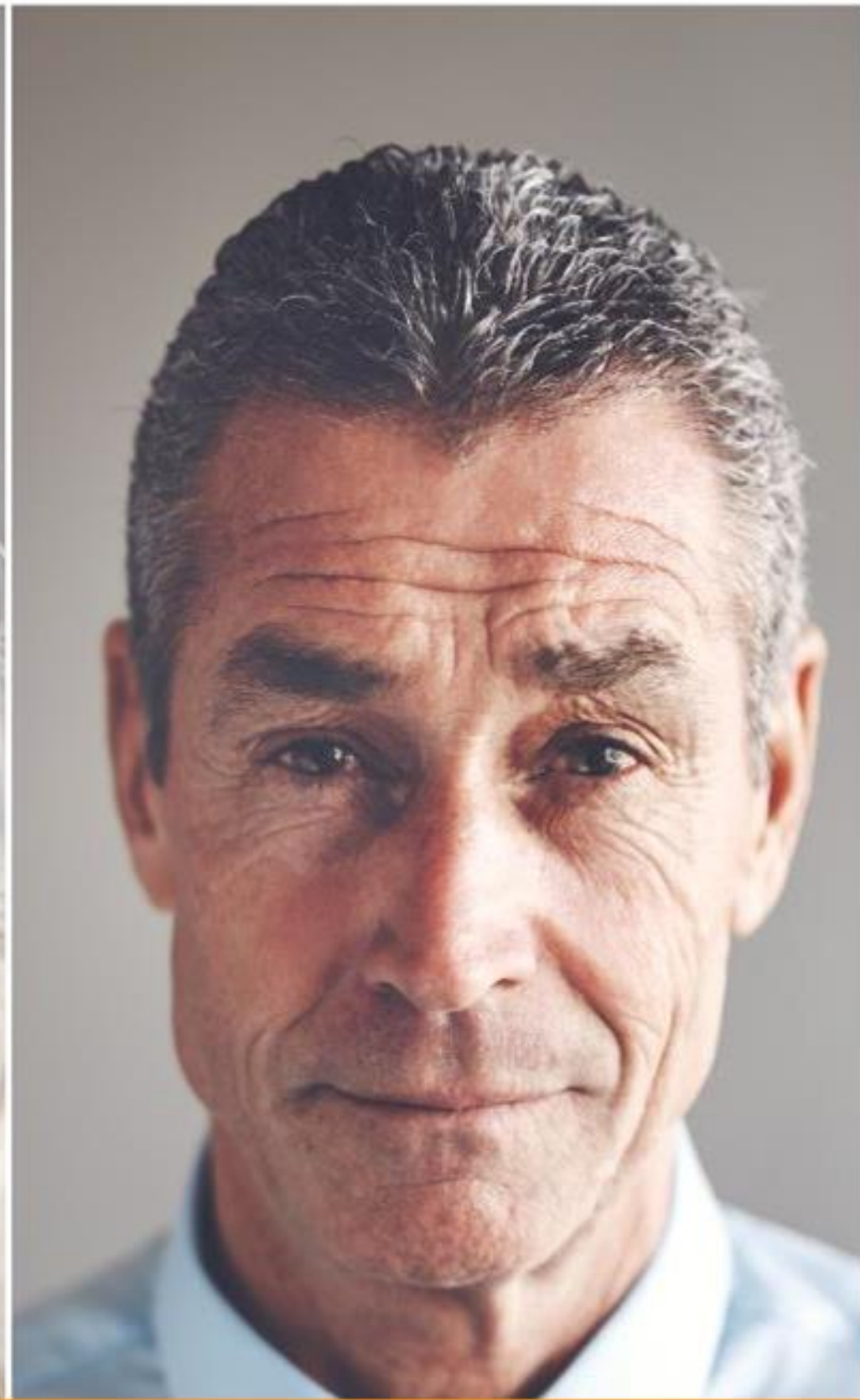
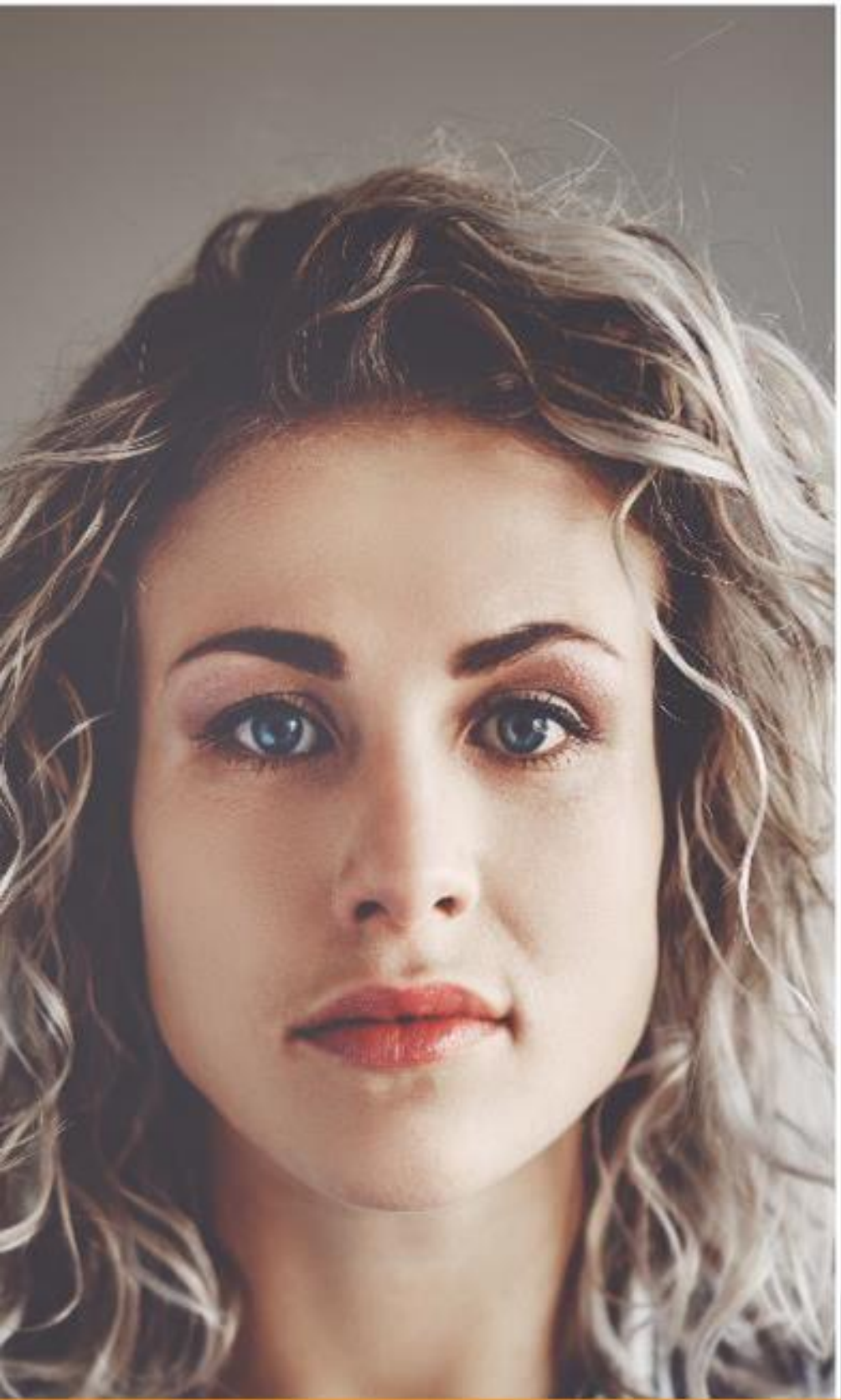
## EXTENSIVE EXPERIENCE AROUND THE WORLD



### Representative Selection of Global Clients:



LOCATION STRATEGY & SITE SELECTION  
WORKFORCE BENCHMARKING & ANALYTICS  
GOVERNMENT INCENTIVES



What are our clients thinking when they  
select a location?



# Considerations Driving an Informed Location Decision

Our **best-practice approach** to location strategy captures **detailed evaluation of tradeoffs** that exist between the Business Case and operating conditions across candidate locations



# Approach to Location Strategy

## Driven by analytics and modeling

### Discover

- Evaluate Portfolio
- Develop Strategy / Business KPIs
- Stakeholder Engagement

### Assess

- Macro Location Evaluation
- Micro Location Assessment
- Incentives Valuation
- Labor Analytics
- Logistics

### Validate/ Negotiate

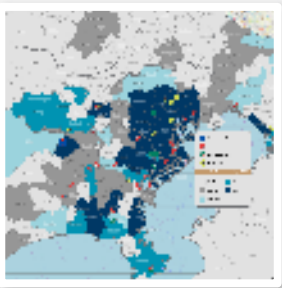
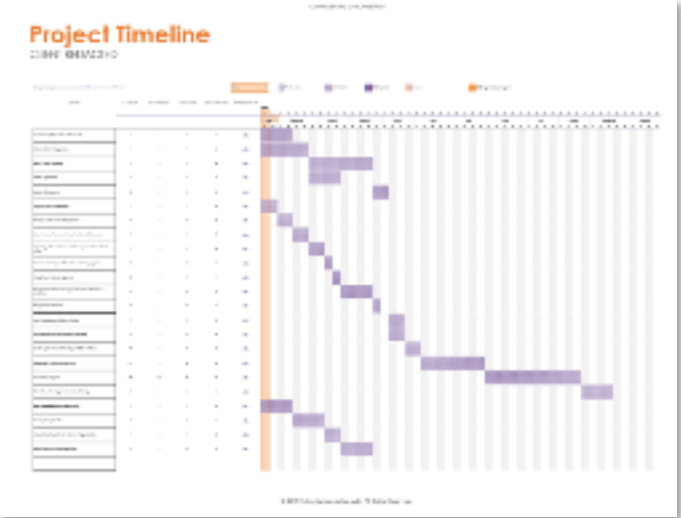
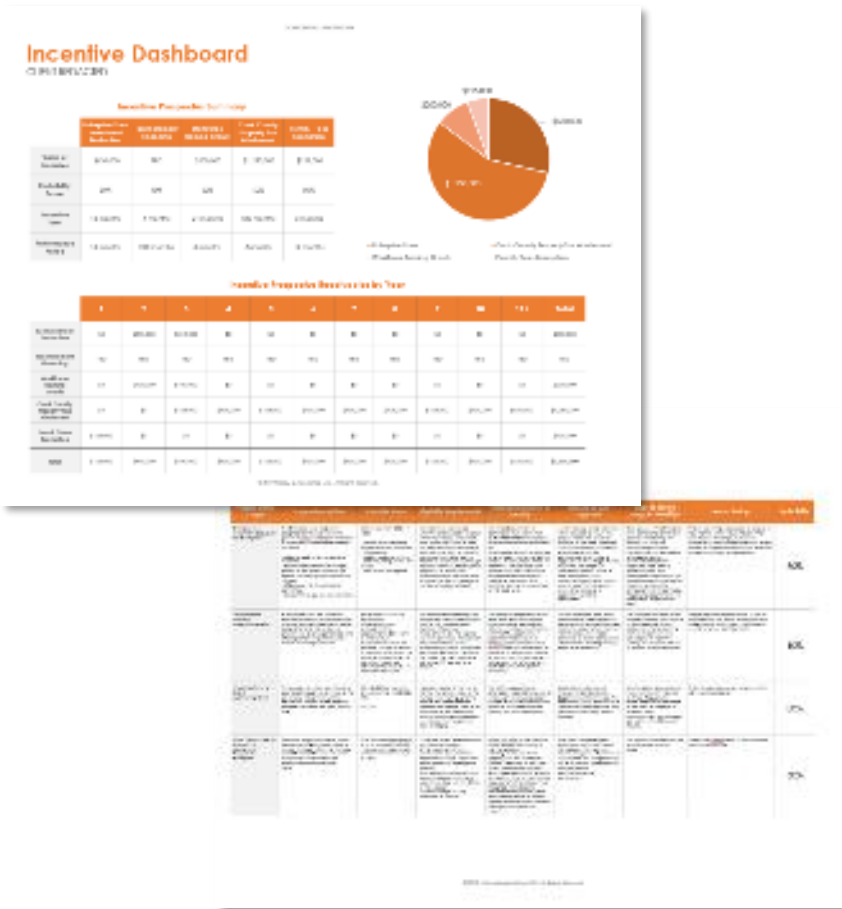
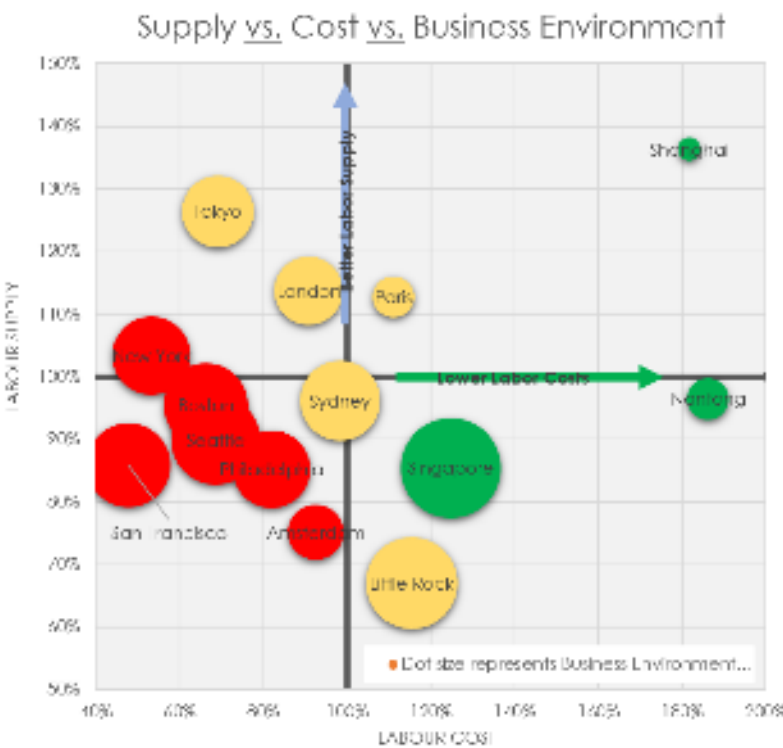
- Predictive Analytics
- Field Due Diligence
- Real Estate Opportunity
- Incentive Negotiation/ Legal Construct

### Compliance

- Data Construction & Reporting
- Audit Support
- Legislative Tracking

### Assessing data to lead location strategy

- Primary Objective – to provide a comprehensive site selection strategy that delivers optimal locations based on business drivers
- To do so, Hickey captures, analyzes, and visualizes datasets to assess:
  1. Labor Availability / Talent Pipeline
  2. Workforce Costs & Attrition by Role
  3. Sustainable Infrastructure
  4. Connectivity / Accessibility
  5. Real Estate Availability / Costs
  6. Risk – Environmental / Political / Regulatory / Economic
  7. Availability of Incentives



Talent & Demographics



Infrastructure & Transport



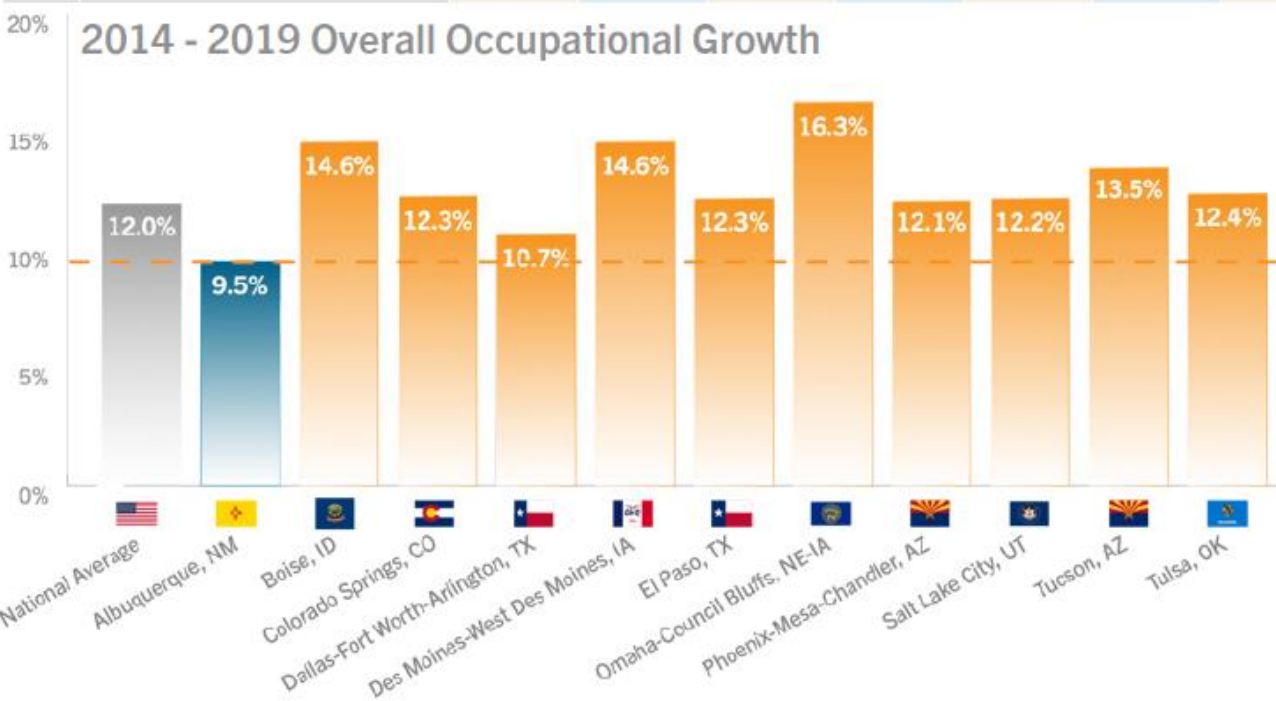
Modeled Costs & Risk

# Location Strategy

## Evaluating Trended & Forecasted Data

- Benchmarking markets on key location metrics
- Leveraging proprietary algorithms to develop predictive analytics

CBSA NAME	Architect / Engineering	Arts, Design, Media	Building & Maint Operations	Business & Financial	Community & Social Service	Computer & Mathematic	Construct. & Extraction	Education, Training & Library	Farming, Fishing & Forestry	Food Preparation & Service	Healthcare Practitioner & Technical	Healthcare Support	Installation, Maintenance & Repair	Legal	Life, Physical & Social Science	Mgmt.	Office & Admin	Personal Care & Service	Production	Protective Service	Sales	Transport & Material Moving
US National Average	7.5%	13.2%	21.7%	7.8%	11.6%	11.2%	14.6%	8.9%	34.2%	26.6%	10.5%	7.7%	10.7%	6.5%	10.9%	8.7%	15.5%	23.4%	13.5%	11.8%	16.8%	9.9%
Albuquerque, NM	25.2%	20.9%	19%	7.1%	27.4%	4.5%	10.5%	10.1%	19.8%	11%	15.8%	-6.9%	4.5%	17%	10.9%	8.8%	10.4%	20.3%	9.4%	8.6%	9.8%	7%
Boise, ID	7.1%	11%	12.7%	8.7%	12.5%	11.9%	12.8%	6.1%	25.9%	11.7%	13.3%	2.2%	13.7%	10.7%	20.5%	7.7%	19.1%	25.9%	14.8%	3.5%	13.4%	9.5%
Colorado Springs, CO	13.4%	13.6%	24.4%	4%	9.7%	14.3%	18.6%	14.3%	10%	28.9%	11.3%	11.1%	7.9%	1.3%	3.6%	8.4%	14.8%	21.5%	12.4%	4.9%	14.5%	11.7%
Dallas-Fort Worth-Arlington, TX	11.2%	1.8%	30.7%	5.8%	12.9%	13.7%	20.7%	6.7%	32.2%	9.9%	4.6%	-6.5%	15.7%	6.1%	20.9%	1.8%	11.9%	28.2%	18.6%	18.5%	5.2%	28.5%
Des Moines-West Des Moines, IA	8.1%	12.7%	13.7%	10.8%	13.2%	12.2%	9.1%	6.2%	10.3%	24%	8.3%	13.5%	9.6%	-2.2%	3.1%	14.6%	17.2%	18.7%	15.8%	-3.3%	6.5%	18.7%
El Paso, TX	1.1%	6.8%	11.4%	7.3%	12.2%	26.2%	9.9%	13.3%	27.1%	5.7%	6.1%	-12%	12.2%	8.7%	17.5%	3.5%	13.5%	14.8%	8.6%	12.7%	15.1%	15.2%
Omaha-Council Bluffs, NE	12.3%	6.1%	23.7%	6.2%	18.6%	11.3%	16.7%	23.5%	13.8%	27.9%	15.5%	9.2%	14.5%	27.8%	7.5%	4.4%	19.5%	14.1%	14.7%	15%	14.3%	14.9%
Phoenix-Mesa-Chandler, AZ	5%	21.6%	25.9%	5.1%	8.5%	10%	17.5%	8%	39.9%	35.4%	9.6%	-4.6%	8.5%	-0.9%	-1.7%	7.5%	13.6%	21.6%	11.7%	0.6%	14.1%	5.7%
Salt Lake City, UT	2%	11.5%	26.9%	1.3%	15.9%	7.8%	23.8%	-3.7%	40.8%	13%	8.3%	15.8%	5.1%	-2.9%	-4.5%	-0.1%	15.4%	11.3%	8.5%	7.3%	10%	11.8%
Tucson, AZ	10.6%	14.9%	19.3%	18%	5.9%	16.2%	10.4%	12%	17.3%	31.7%	16.1%	-3.9%	2.9%	-0.8%	8.4%	7.7%	13.8%	36.6%	8.7%	2.4%	10.9%	18.7%
Tulsa, OK	9.6%	-1.9%	18%	12.1%	14.4%	8.6%	15.7%	4.7%	-2.8%	6.4%	13.6%	3.7%	11.8%	4.4%	19.3%	14.2%	18.4%	15.6%	6.8%	12.5%	16.6%	-2%



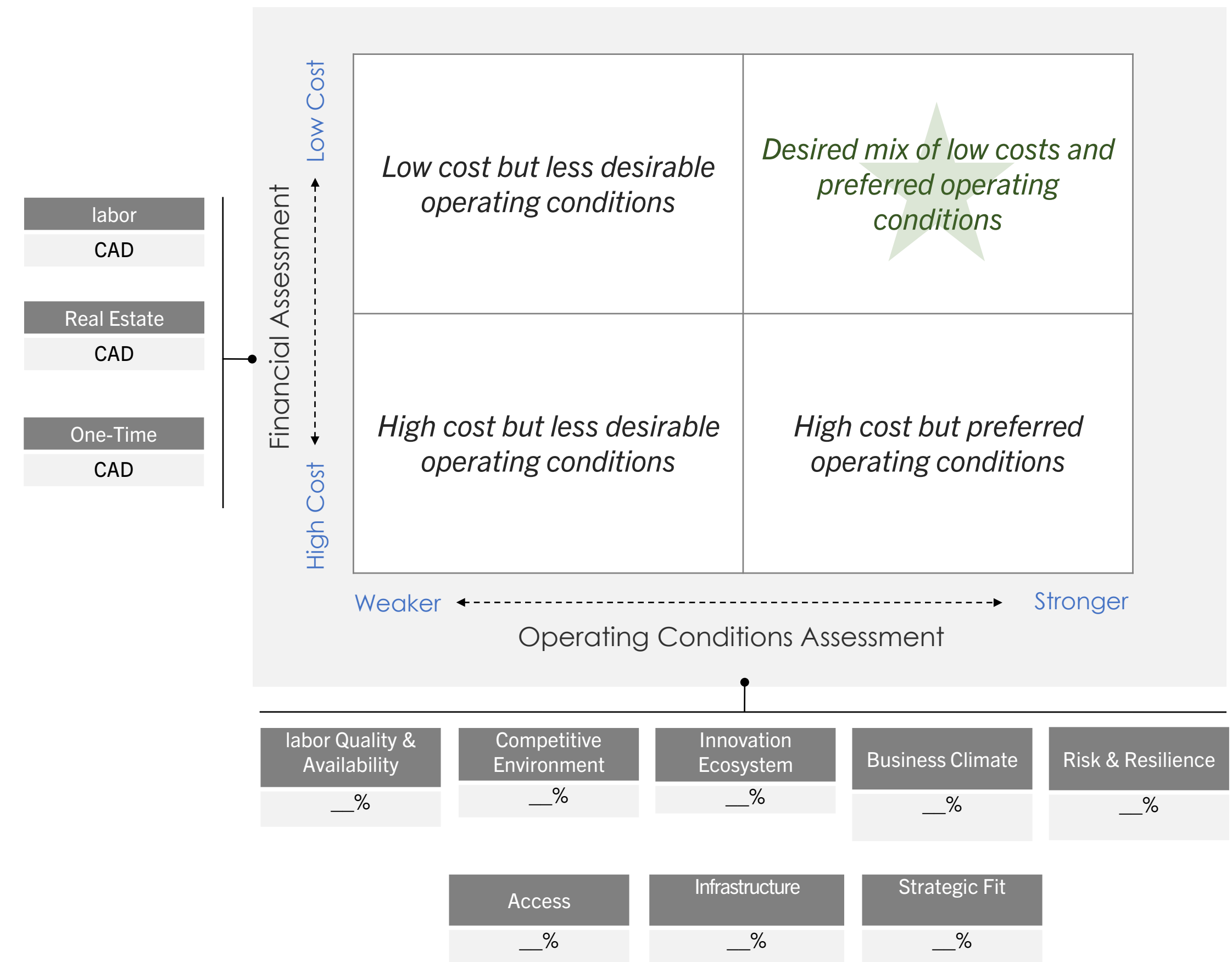
# Location Strategy

Identifying and evaluating key considerations for location strategy

## Key Location Considerations for geographic deployment

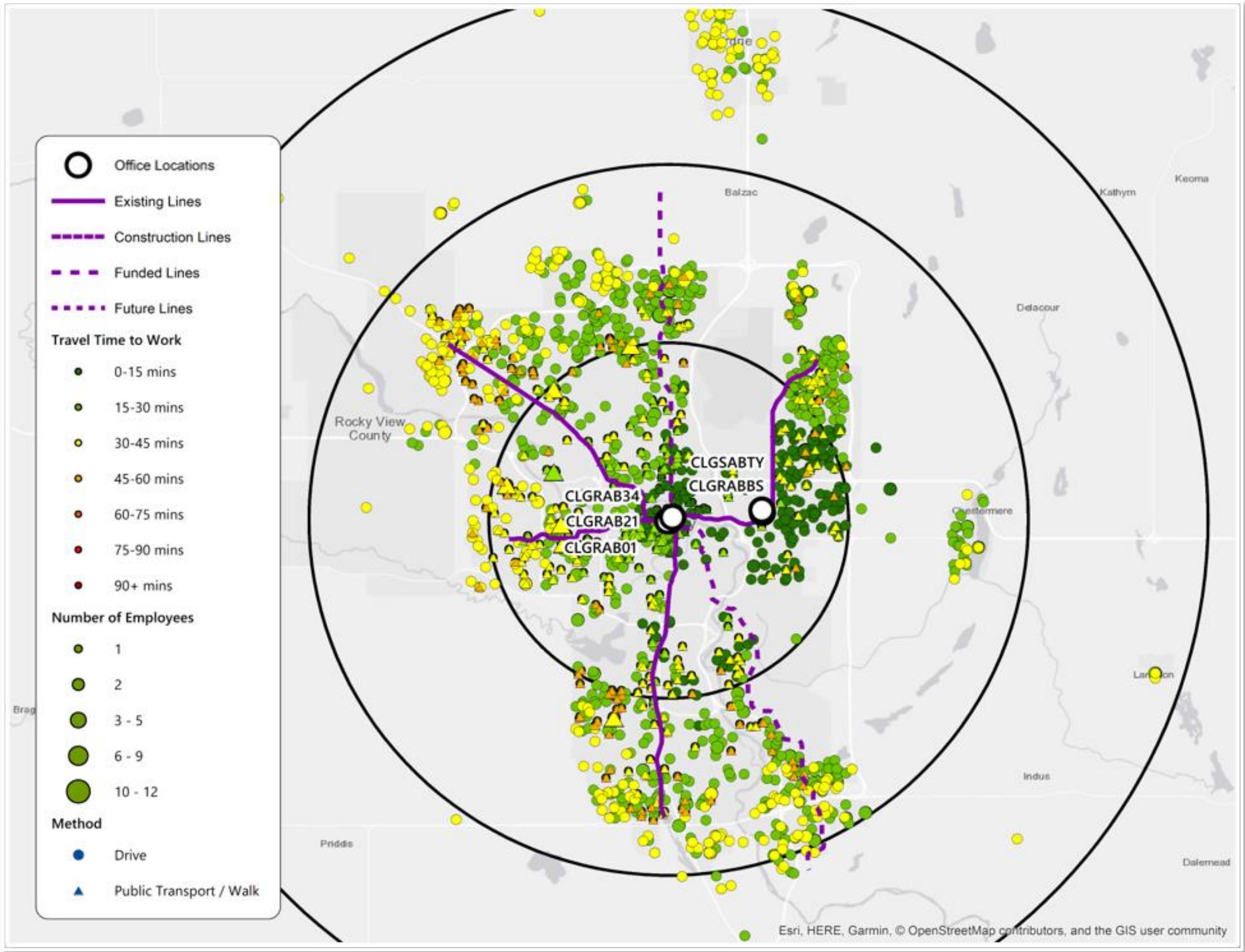
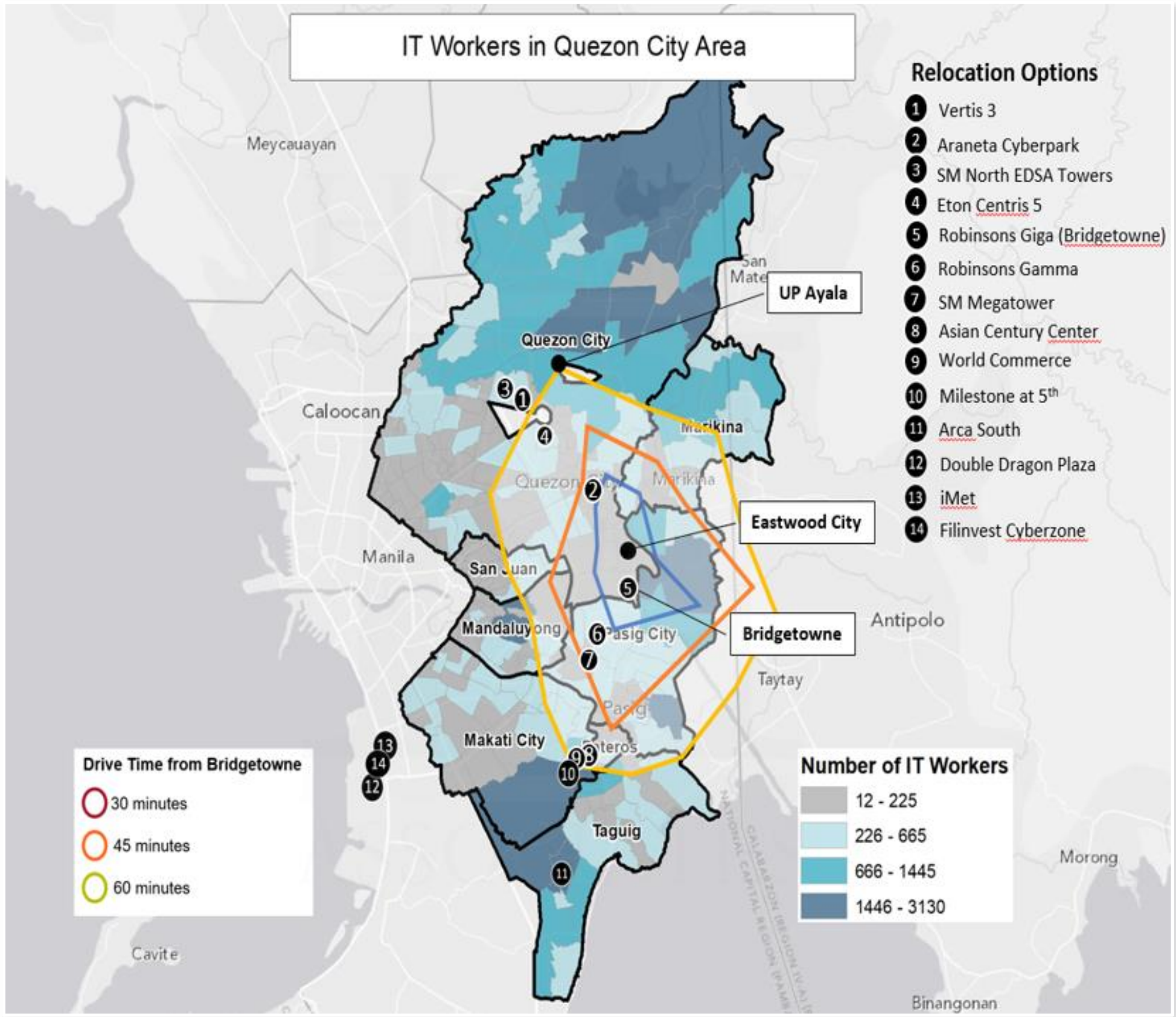
Considerations	Illustrative Indicators and Metrics
Labor Availability & Quality	Ability to scale/sustain, university pipeline, competencies, languages, attrition, labor regulations, costs, relocation acceptance
Competitive Environment	Established precedent for similar operations, incl. functions and scale, market maturity and trajectory
Business Climate	Ease of doing business, level of government support incl. incentives, bureaucracy, corruption, regulations, quality of life
Risk & Resilience	Climate, natural disaster incl. pandemics, security, politics, macroeconomics, financial, IP, regulation
Access	Travel access to key sites, time-zone compatibility, work-from-home readiness
Infrastructure	Capacity/quality/resilience of power, telco, data; real estate availability and flexibility; work-from-home readiness
Innovation Ecosystem	Caliber/presence of universities, and other educational & research institutions, IP creation (patents, etc.)
Strategic Fit	Alignment with corporate strategy for region and presence of existing operations and infrastructure
Operating Costs	labor, benefits, shift premiums, inflation, real estate
One-Time Costs	Severance, relocation, recruitment, training, dual staffing, real estate fit-out, other equipment, restructuring charges

## Illustrative Location Evaluation Framework

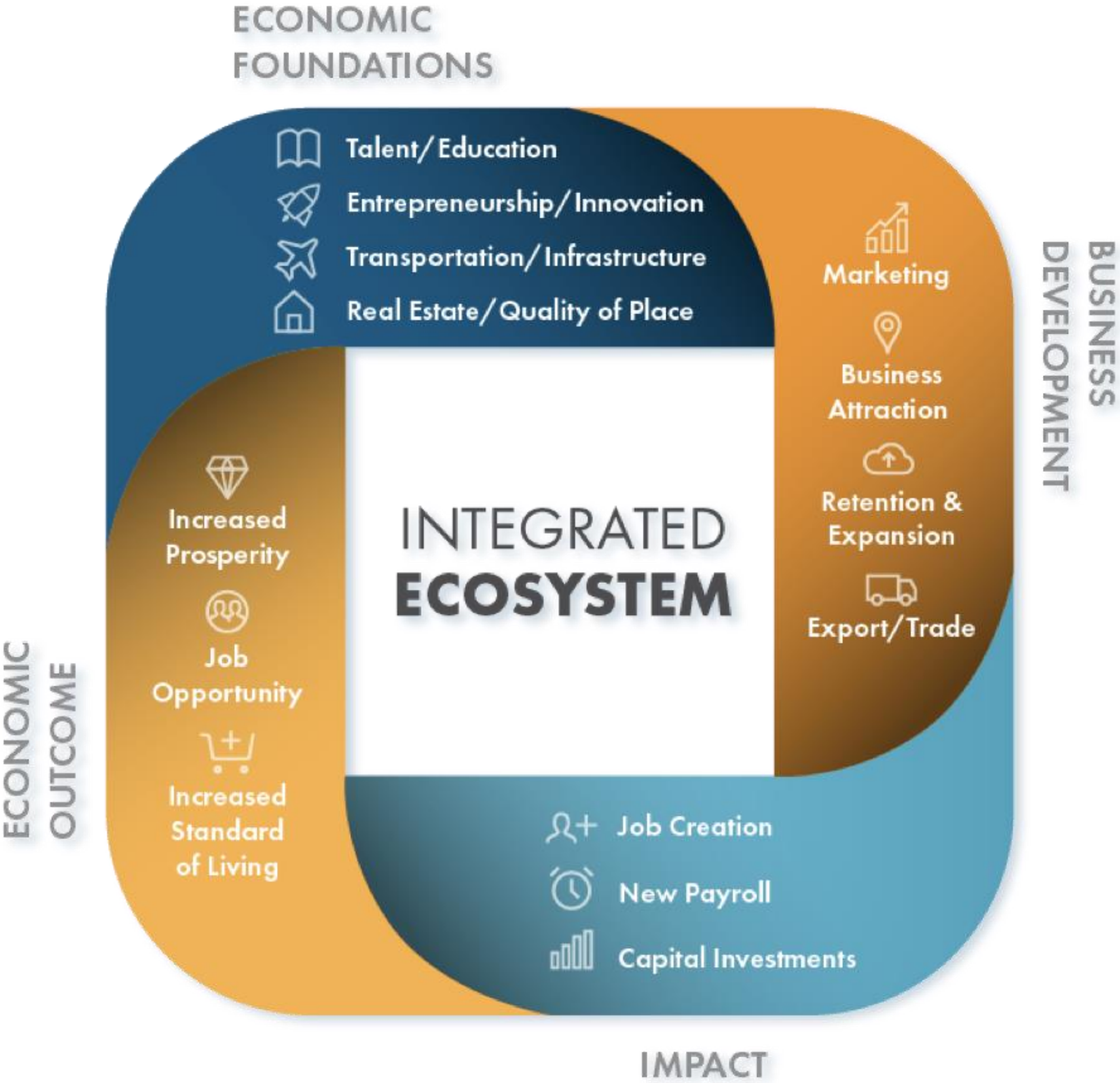


# Location Strategy – Micro Assessment

## Select Preferred and Back-Up Locations and Sites



# An Integrated Ecosystem



# Ecosystem Benefits

The ecosystem will support direct activities and provide a collaborative platform to improve economic foundations that are the focus of external partners.

As economic development issues arise, an established Ecosystem will address constraints and opportunities



Having a collaborative Ecosystem will improve the area and therefore **improve our economic development success rate**

# Location Decision Timeline

Area Development Magazine survey of corporate executives

## THE LOCATION DECISION PROCESS

### Time needed for information-gathering:

3–6 months	10%
6-12 months	16%
1–2 years	41%
More than 2 years	33%

### Contact with the locations of interest is made within:

Within a month	13%
Within 3 months	28%
Within 6 months	36%
After 6 months	23%

### Number of locations/economic development organizations making the “short list”:

1-5	90%
5–10	10%

### After the initial contact, location decision is made within:

1–6 months	30%
6-12 months	42%
1–2 years	22%
More than 2 years	6%

### Company uses outside site selection or business consultants when site selecting:

Yes	32%
No	68%

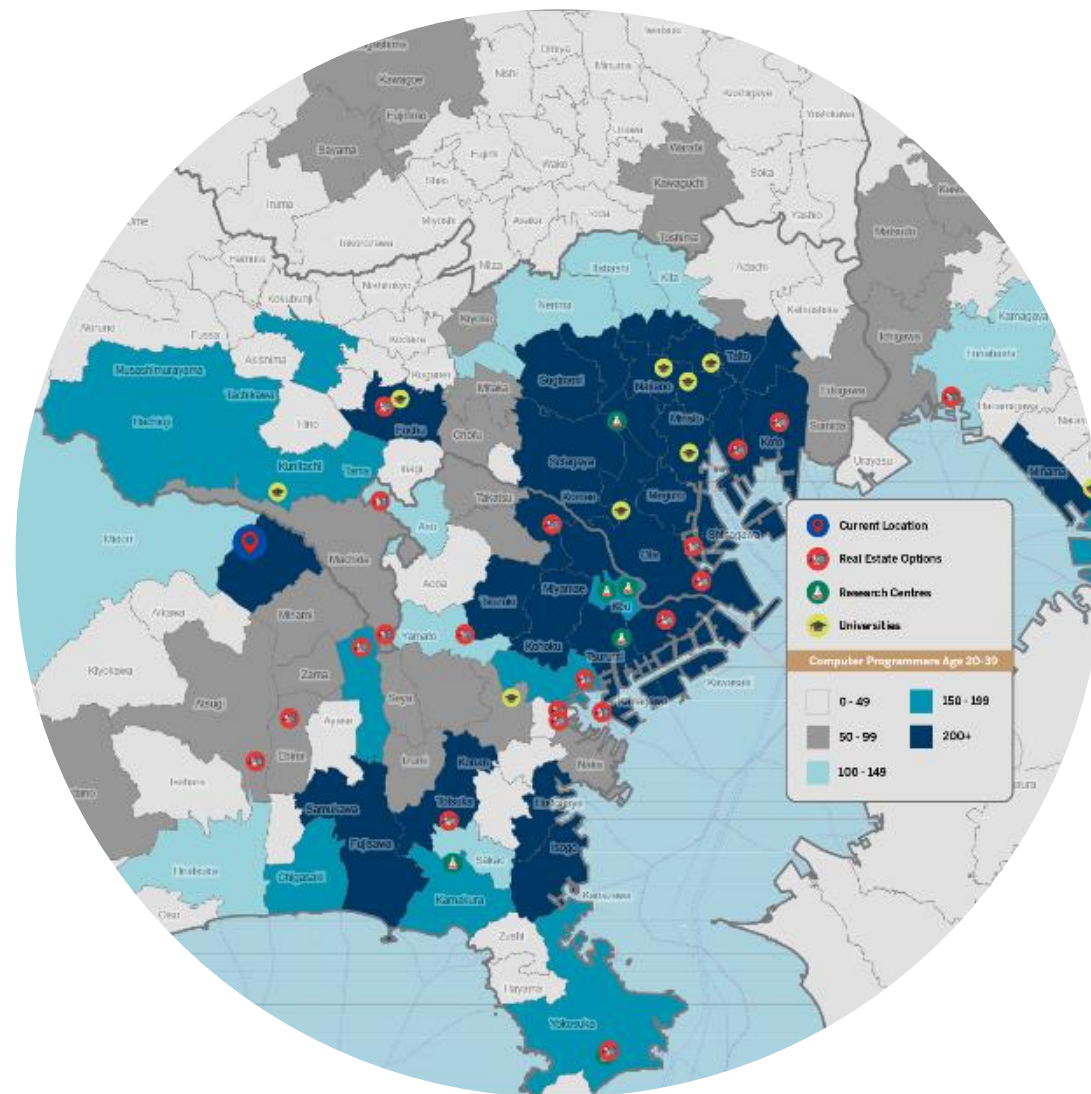
### If yes, consultants are providing:

Feasibility studies	52%
Global asset positioning	10%
Location studies/comparative analyses	66%
Incentives negotiations/management	48%
Location decision	24%
Real estate transaction	48%
Other (environmental assessments, compliance services, etc.)	10%

AREA  
DEVELOPMENT

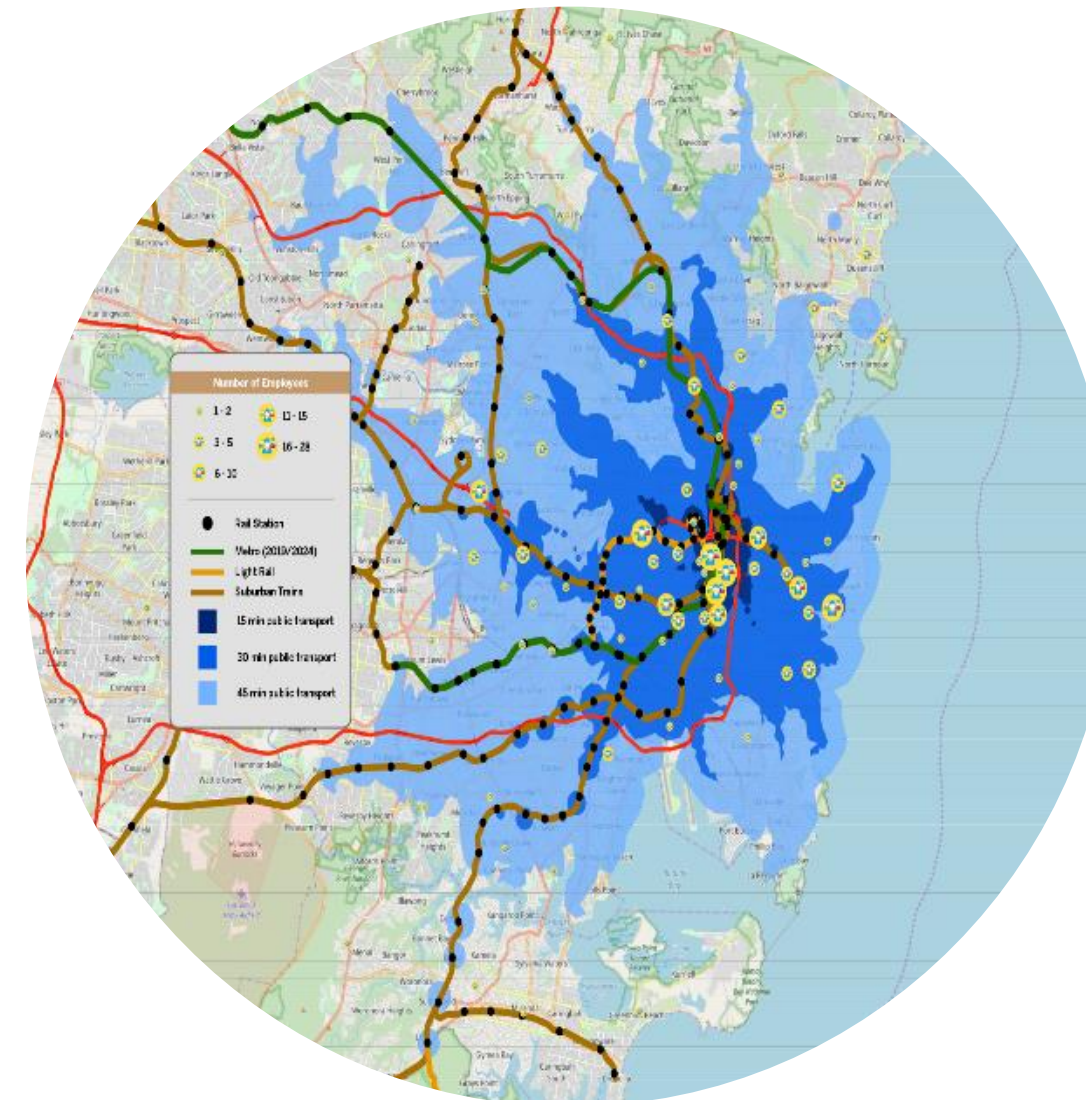
# Location Strategy

## Mitigating Risk & Creating Competitive Advantages



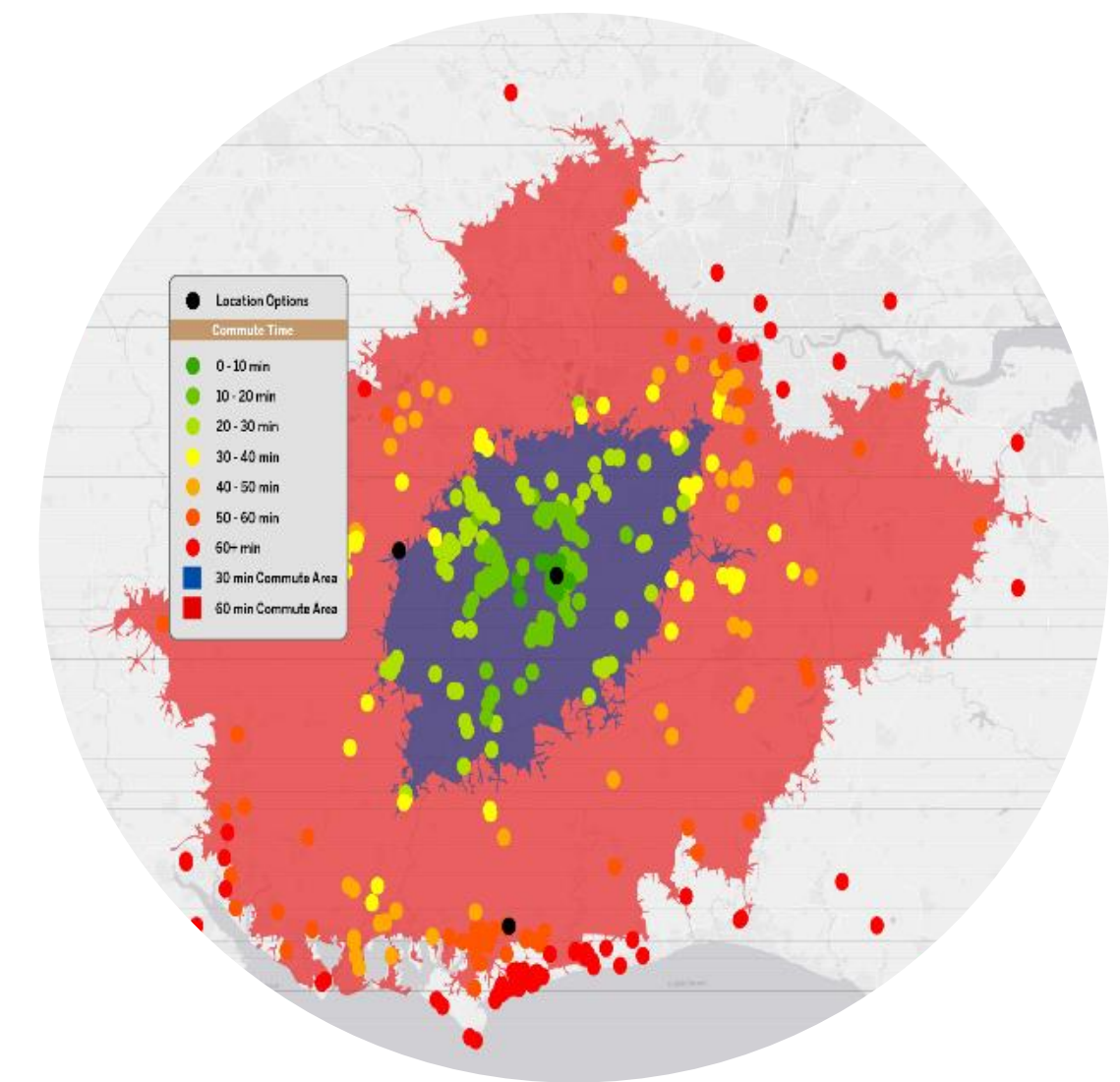
### Talent & Demographics

Labor Pool  
Labor Demographics  
Competitor Analysis



### Transport & Infrastructure

Accessibility  
Infrastructure  
Supply Chain



### Cost & Risk

Operational Costs  
Risk Assessment  
Grants & Incentives

# Industrial and Business Park Development

## Industrial Park Factors for Success

### SUCCESS FACTORS

- Believe in park concept
- Partner with landowner
- Partner with community
- Purchase or use Exclusive Options
- Create a long-term funding stream
- Create a development team
- Create a Shell Building Program
- Create a Build-to-Suit Program
- Have a vision BUT be realistic
- Create a master plan BUT be flexible
- Have covenants
- Create owners' association
- Be prepared to act - fast

# Industrial and Business Parks

## What Developers Look For

They will consider the following:

### IN A COMMUNITY

- Favorable political climate for economic development
- Good quality of life
- Willing to invest in infrastructure
- Streamlined permitting
- Willing to incentivize spec development for the ultimate prospective tenant/purchaser
- Willing to help carry or in some way subsidize spec building costs for the developer
- Reasonable tax rate

### IN A SITE

- Reasonable land cost
- Good topography
- Protective Covenants
- Quality infrastructure
- Standardized Signage
- Common area landscaping

# Site Readiness

## DESKTOP DUE DILIGENCE

- Site Location
- Acreage
- Zoning Identification
- Marketing Flyer
- Property Description
- Image Gallery
- Map and 360 Site View
- Basic Site Condition Analysis
- Nearby Transportation Report
- Executive Summary of Site Details
- Detailed Site Condition Analysis
- Utility Providers, Capacity and Upgrades
- Interactive GIS Map
- Comprehensive Report on Site Details

## CONCEPTUAL SITE PLANNING

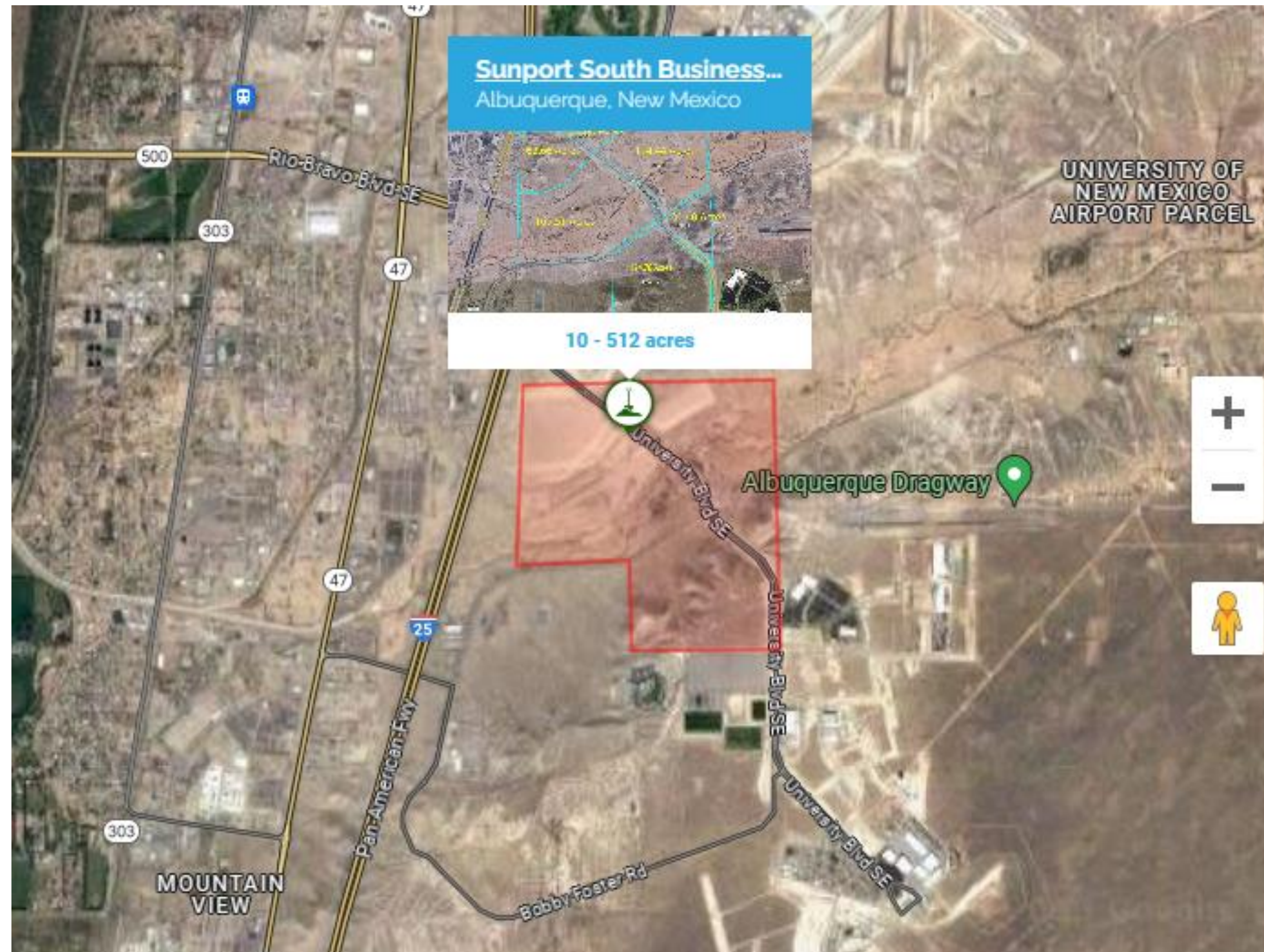
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- Interactive GIS Map
- Comprehensive Report on Site Details
- Master Planning
- Renderings of 1-3 Different Plans

## PHYSICAL SITE STUDIES

- Site Location
- Acreage
- Zoning Identification
- Marketing Flyer
- Property Description
- Image Gallery
- Map and 360 Site View
- Basic Site Condition Analysis
- Nearby Transportation Report
- Executive Summary of Site Details
- Detailed Site Condition Analysis
- Utility Providers, Capacity and Upgrades
- Interactive GIS Map
- Comprehensive Report on Site Details
- Master Planning
- Renderings of 1-3 Different Plans
- Physical Site Studies
- Geotechnical Report
- Archaeological Study
- Wetland Delineation
- T&E Species Investigation
- Traffic Study
- Phase 1 Environmental Site Assessment

# Site Positioning

Consider the Neighborhood – create a site personality

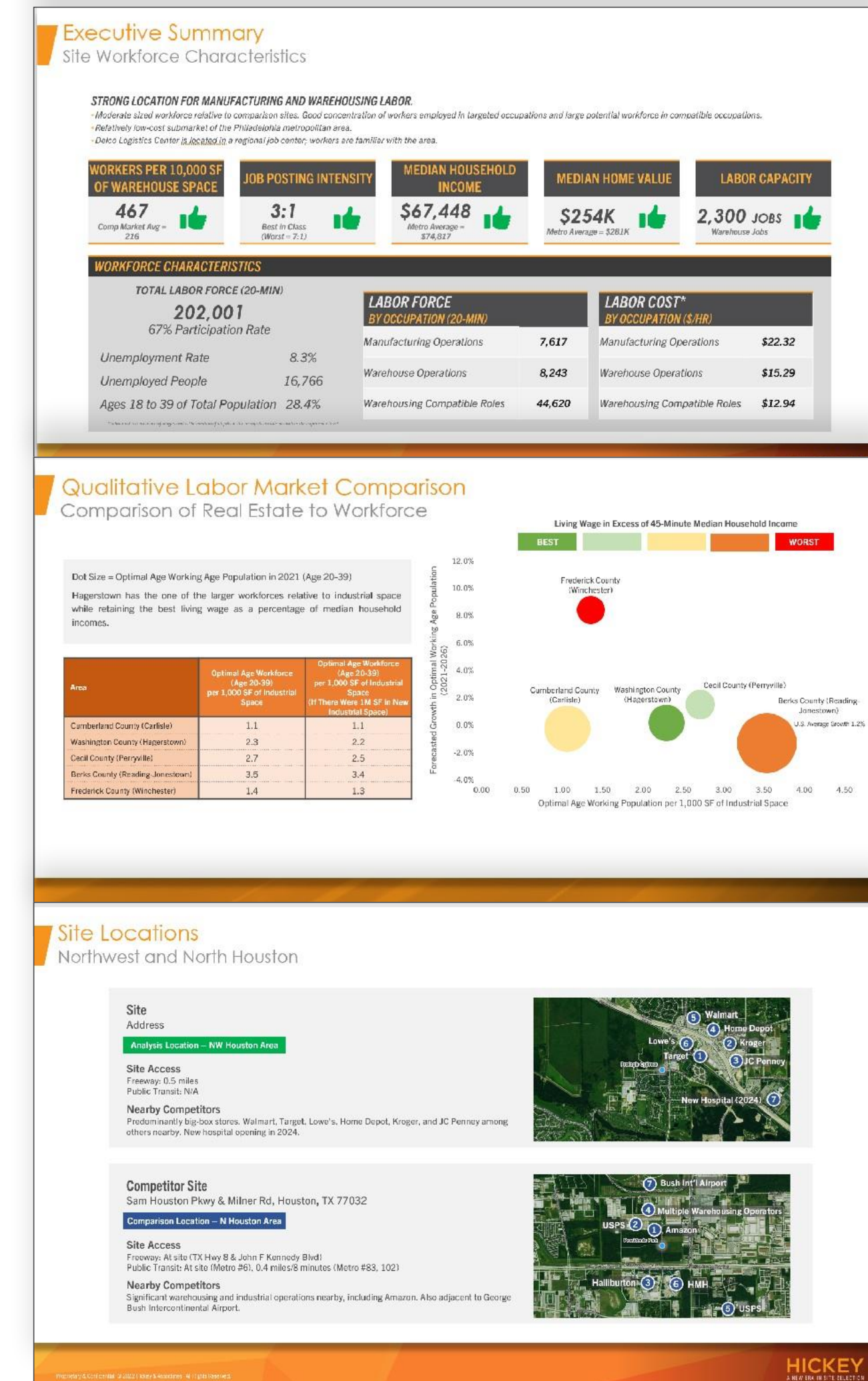


# Site Positioning

## Site Benchmarking – Labor Analytics

### ANALYSIS

1. Labor Supply - analysis of historical, current, and forecasted labor supply
  - Current demographic profile
  - Targeted employment profile
2. Labor Quality – evaluation of knowledge, entitlement, and retention
  - Occupation composition and wage pressure
  - Educational attainment
  - Average wages
3. Labor Demand – analysis of current and forecasted labor demand
  - Nearby competition establishments
  - Occupational demand analysis
  - Historical and current unemployment rates
4. Labor Cost – analysis of current labor costs and wage stability
5. Unionization – review of unionization, elections, and trends
6. Workforce Mapping - visualize the geospatial relationship between workforce, competitive locations, interstates, etc.
7. Real Estate – analysis of historical, current, and forecasted real estate trends relative to the workforce

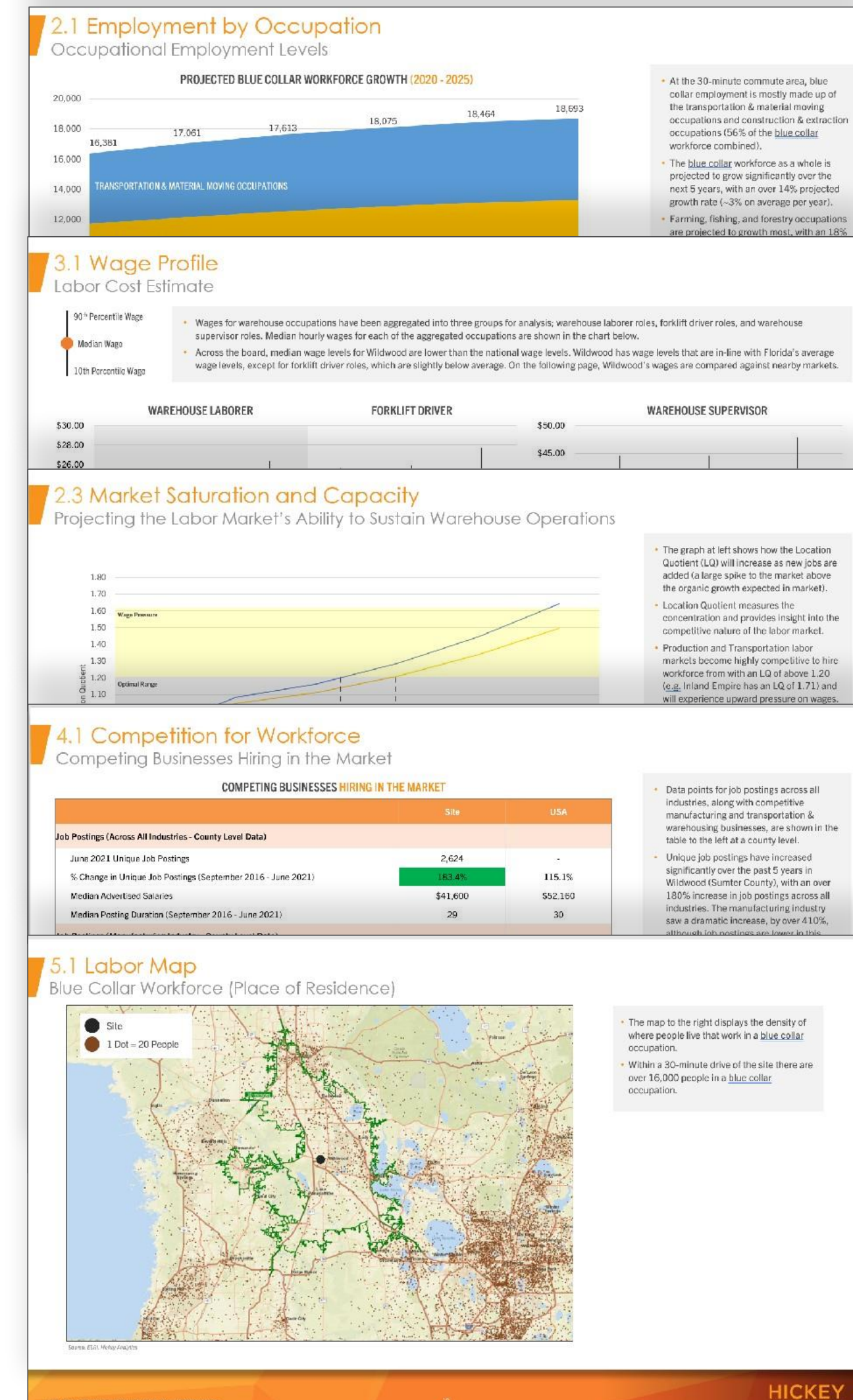


# Site Positioning

## Site Benchmarking – Labor Analytics

### DATA

1. Workforce Data (20, 30, or 45-minute commute-based labor shed)
  - Occupation total workforce
  - Occupation historic and/or projected growth
  - Occupation concentration (location quotient)
  - Market Saturation and Capacity
2. Workforce Dynamics (at a metro level)
  - General unemployment rates
  - Wage / Salary Rates
3. Industry Intelligence
  - Key employers in the immediate vicinity that could compete for same labor force.
  - Job posting activity
  - Posted hiring wages / salaries
4. GIS Analysis (Geostatistics & Cartography)
  - Map illustrating labor availability (30 & 45-minute commute times)



ESG

The Basics.



ENVIRONMENTAL

Example Issues

Greenhouse Gas Emissions      Energy Efficiency

Example Metrics

CO2 Emissions per Unit Produced      Energy Use per Square Foot



SOCIAL

Example Issues

Human + Safety      Labor Rights

Example Metrics

Employee Accident Rate      Number of Active Controversies



GOVERNANCE

Example Issues

Board Independence      Executive Pay

Example Metrics

Independent Members Ratio      Executive Pay + Disclosures

ESG

Corporate Location Decision Factors

Category	Factors	Sub-Factors
<div>E</div> <div>Environmental</div>	Greenhouse Gas Emissions	CO2 Emissions per Unit Produced
	Energy Efficiency	Energy Use per Square Foot
	Clean Energy Options	Is the Site Part of a 10 -Year Green Hydrogen Access Plan?
	Water Discharge	Increasing Standards Effecting Operations
	Sustainable Transportation	Accessibility to E-Charging Stations for Trucks
	Environmental Construction	Local zoning ordinances allow for latest in green construction materials and techniques
	Force Majeure Events	Impacts on Premiums for Property Insurance
<div>S</div> <div>Social</div>	Human Safety	Employee Accidents Relative to Total Hours Worked
	Labor Rights	Number of Active Controversies
	Diversity	Inward Migration of Diverse Communities
	Inclusion	Alignment of Policies and State and Local Level with Corporate Objectives
	Community Engagement	Opportunities for the business to engage the Community
	Social Stability	Rising discrimination against groups of people could lead to civil conflict
	Political Stability	Shifting fiscal and social policies more than twice in a decade
	Childcare	Availability for populations not able to participate in the workforce
	Public Transportation	Disadvantaged residents can access the site through affordable public transportation
<div>G</div> <div>Governance</div>	Board Independence	Independent Members Relative to Affiliated Members
	Executive Pay	Executive Pay Ratio and Disclosures
	Salary Disclosures	Regulatory environment for disclosure
	Government Transparency	Policies in-place that facilitate transparent debate, discussion, and discourse
	Regional CSR Business Culture	Alignment of Corporate Social Responsibility with other like sized businesses in a particular region

# Questions?



May  
2023

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# HICKEYGLOBAL

ECONOMIC DEVELOPMENT CONSULTING

LOCATION STRATEGY | LABOR BENCHMARKING & ANALYTICS | GRANTS & INCENTIVES ADVISORY  
SUPPLY CHAIN & LOGISTICS | WORKFORCE SOLUTIONS