

The Quest for the Right Site



Kim Davis and Lindsey Cannon lead Quest Site Solutions, an O'Neal affiliate. Davis and Cannon were involved in site selection and incentive negotiation for the Mitsubishi Electric facility delivered by O'Neal.

In 2011, O'Neal provided EPC delivery of a \$235 million grassroots facility for Mitsubishi Electric Power Products (MEPPI). Leading site selection and incentive negotiation services were two principals from McCallum Sweeney Consulting, Kim Davis and Lindsey Cannon. Their efforts led to a site that met MEPPI's criteria and netted a reported \$34 million in incentives.

Today, Davis and Cannon lead O'Neal's newest affiliate, Quest Site Solutions, a full-service site consulting firm providing site selection, incentive negotiation and a menu of services that allow facility owners to make fully informed



The Mitsubishi site in Memphis received a reported \$34 million in incentives.

decisions and realize the total range of benefits that can be gained from their investment.

Kevin Bean, O'Neal President and CEO, knew the addition of the Quest team would bring O'Neal clients benefits not being realized in many cases. "We knew many of our clients were missing out on opportunities to optimize site location selection and to get maximum value from statutory and discretionary incentives. Kim and Lindsey and their team generate a superior return on investment through their extensive knowledge of site-selection processes, data sources and incentive capture."

INCENTIVES GET THE HEADLINES

Incentives get the headlines and bolster the facility owner's business case for new investment. The Quest team has in-depth experience negotiating incentives for both grassroots and expansion projects. Incentives can come from a number of areas for both types of projects.

The following are the areas where quantifiable savings or avoidable costs may be achieved.

- Real estate purchase price
- Real estate lease rate + terms
- Purchase option agreements
- Site preparation assistance
- Temporary building space
- Utility infrastructure improvements
- Utility rate concessions
- Transportation infrastructure enhancements
- Tax abatements/credits/exemptions
- Tax increment financing
- Recruiting, screening + training assistance
- Accelerated in-state tuition
- Fast-track permitting
- Permit fee reductions/waivers
- Employee relocation assistance
- Special tax rating
- Custom apportionment
- In-kind services
- Supplier incentives

MUCH MORE THAN INCENTIVES

Site searches are much more than incentives, with factors that impact everything from initial selection through life-time operating conditions and costs. Quest provides comprehensive site searches, but also can provide individual services as needed:

Property Investigations—In-depth data analysis and field visits to analyze every aspect of potential sites' suitability. Based on minimum criteria established with the client, Quest evaluates the building/site characteristics (size, shape, development issues, transportation infrastructure, and utility infrastructure), operating conditions (labor, costs, etc.), and community conditions (leadership, education, etc.).

Workforce Analysis—Quest compiles secondary data from a variety of resources while gathering primary data, such as existing industry labor interviews, directly from prospective project locations. Quest works strategically with clients to identify workforce needs and evaluate how prospective locations measure up against the criteria.

Incentive Negotiations + Cost Comparison—Capitalizing on Quest's incentive negotiations experience enables the client to utilize the full range of incentive opportunities. The incentives negotiation process is tedious and requires an experienced professional team to successfully navigate.

Logistics Analysis—The logistical benefits or disadvantages of a selected location will have a long-lasting impact on the project's operating costs. Logistics analysis can be available as part of the site-selection process in determining the search region or benchmarking finalist locations.

Permitting Assistance—Quest evaluates the permitting requirements, including the approval authority, timeline, and process for obtaining all applicable permits throughout the siting process. Permitting can have great implications on the start-up schedule of a project and requires focus, especially for projects with intensive processes or located in more stringent permitting locations.

SCOPE®

SCOPE® is a proprietary tool available to Quest clients that provides instant feedback on potential properties regarding location cost, layout, and cut and fill. With this macro Building Information Modeling (BIM) tool, the project team can visualize and analyze the project to make informed decisions quickly.

The SCOPE® process combines the visual verification and data capturing capabilities in a single model and therefore provides a major breakthrough in predictability. Formulas drive costs on each system based on the specific design, materials, site conditions, and other parameters that produce much more accurate information in a given time period.

