

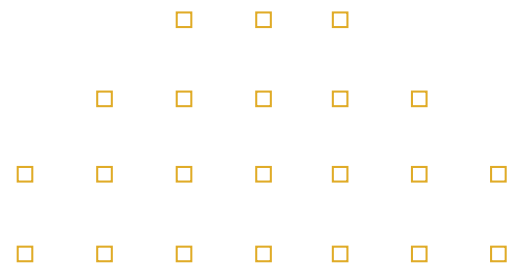


MI Sites (Statewide Site Readiness Program) Program Summary

2024 – Pilot Round



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION



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This document has been prepared exclusively for the Michigan Economic Development Corporation (MEDC) by Quest Site Solutions and should only be shared in connection with the MI Sites program.

Introduction

BACKGROUND

Economic Development Tools

In December 2021, Michigan's Governor and bi-partisan legislature collaborated to sign into law a new set of economic development tools designed to attract and retain investment in the state – including the Strategic Outreach and Attraction Reserve (SOAR) fund and the Strategic Site Readiness Program (SSRP). The SSRP is administered by the Michigan Economic Development Corporation (MEDC) on behalf of the Michigan Strategic Fund (MSF). Concurrent with the passage of these bills, the MEDC established a Real Estate Development office and recruited staff with expertise to develop and execute a strategic site readiness plan. In October 2022, there were legislative amendments made to these tools that required, among other things, the development of a Strategic Mega-Site Plan, the adoption of statewide criteria for site readiness, and inclusion of properties to a statewide inventory of sites.

Importance of Site Readiness

Site readiness is the process of documenting a property's characteristics then developing and executing plans to better position the property for development. While responding to company and site selector inquiries quickly and with detailed site information was once a competitive advantage in the site selection process, it is now a requirement to effectively compete for projects. Since site readiness efforts often require substantial time and money, proactively preparing sites for development before prospects come calling is paramount to success.

OVERVIEW OF MI SITES PROGRAM

Objective

MEDC has created the MI Sites program to address the real estate needs of companies seeking to locate or expand operations in Michigan. **The primary objective of the MI Sites program is to develop a statewide portfolio of ready sites for marketing to companies and site selectors throughout the world.** To help accomplish this objective, consistent statewide criteria for site readiness have been established.

The program is designed to position Michigan to better compete for current and future projects by identifying the strengths and weaknesses of each industrial property and providing individualized plans for enhancing readiness. Training and guidance will be provided to applicants at each step in the process to promote success.

Eligible Applicants

Eligible Applicants for the MI Sites program include:

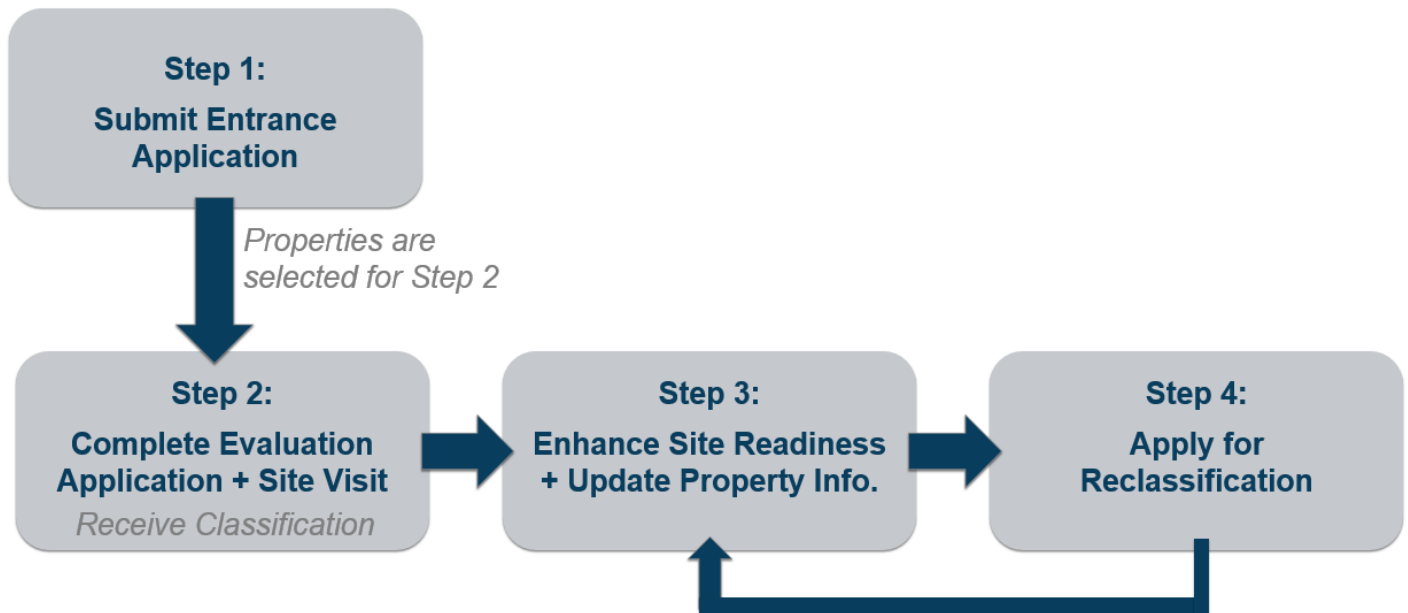
- 1) A political subdivision of Michigan, including without limitation, a county, city, village, township, charter township, or instrumentality of any of the foregoing, or a state agency not governed by the Michigan Strategic Fund;
- 2) A local or regional economic development corporation or similar authority;
- 3) The economic development division or department of a utility company.

Process and Timeline

The MI Sites program entails a 4-step process:

- Step 1: Submit Entrance Application
- Step 2: Complete Evaluation Application + Site Visit
- Step 3: Enhance Site Readiness + Update Property Information
- Step 4: Apply for Reclassification

The Pilot Round of the program will occur in 2024. **The deadline to submit an Entrance Application for participation in the Pilot Round is April 19, 2024.** Other key dates for the Pilot Round are included within the “Process” section of this Program Summary and in Appendix A. In subsequent years, MEDC plans to operate two rounds of the program per calendar year. To enable planning for participation in future rounds of the program, tentative dates are provided in Appendix B.



Key Contacts

MEDC’s Real Estate Development office is working with Quest Site Solutions (Quest) to evaluate current and future industrial sites through the MI Sites Program. If you have questions regarding the program or the application process, please contact MEDC and/or Quest.

<p>Paul O’Connell Vice President Real Estate Development Michigan Economic Development Corporation 517-290-1487 oconnellp2@michigan.org</p>	<p>Kim Williams Davis Director Quest Site Solutions 864-982-4905 kdavis@questsitesolutions.com</p>
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Criteria for Site Readiness

STEP 1 REQUIREMENTS

The requirements for submitting a Step 1 Entrance Application for inclusion in the Candidate Pool include:

- Property is at least 25 acres.
- Property availability and price are documented. Acceptable forms of documentation include an Option, Purchase Agreement, Real Estate Listing, or Letter from Property Owner.
- Current zoning is identified.
- Property is designated for future industrial use by jurisdiction in which the property is located.
- Property is located within 5 miles of a highway that is designated by MDOT as an All-Season Route.
- Existing utility infrastructure is identified.
- Status of due diligence (whether it has been completed) is known.

UTILITY REQUIREMENTS

Properties in the MI Sites program need to be able to meet the development needs of companies. Utility requirements vary considerably between projects and the criteria in the table below are truly minimums. **Since project utility needs have increased substantially in recent years, being able to demonstrate significantly higher utility capacities is advantageous for competing on projects.**

Available Acreage	Electric Availability timeframe*	Nat. Gas (mcf/hour) Availability timeframe*	Water (gpd) Availability timeframe*	Sewer (gpd) Availability timeframe*	Telecom Availability timeframe*
25-99	2.5 MW 9 months	30 MCFH 9 months	150,000 9 months	100,000 9 months	Fiber 9 months
100-249	5 MW 12 months	60 MCFH 12 months	300,000 12 months	200,000 12 months	Fiber 12 months
250-499	10 MW 18 months** (must provide 2.5 MW in 12 mo.)	90 MCFH 18 months** (must provide 22.5 MCFH in 12 mo.)	450,000 18 months** (must provide 112,500 in 12 mo.)	300,000 18 months** (must provide 75,000 in 12 mo.)	Fiber 9 months
500-999	20 MW 18 months** (must provide 5 MW in 12 mo.)	120 MCFH 18 months** (must provide 30 MCFH in 12 mo.)	600,000 18 months** (must provide 150,000 in 12 mo.)	400,000 18 months** (must provide 100,000 in 12 mo.)	Fiber 9 months
1,000+	For properties of 1,000+ acres, contact MEDC directly for guidance on potential for development as a Mega Site.				

* The timeframes assume that materials are available and normal weather conditions.

** For properties of 250+ acres, 25% of the required utility capacity must be able to be provided within 12 months and the additional capacity can be within the following 6 months such that the total capacity is available within 18 months.

READINESS CLASSIFICATION CATEGORIES

The statewide criteria for site readiness include three classification categories – Bronze, Silver, and Gold – which are outlined below. At the conclusion of Step 2, Quest will issue a deliverable for each property that indicates the current readiness classification. Detailed requirements for classification within each category and the standards for due diligence studies will be issued in May 2024.

Bronze

- Property availability and price are documented.
- Property is zoned for industrial uses or the rezoning process and timeline are documented and align with Master Plan's intended land use.
- Transportation infrastructure is documented, and improvements needed to enable all-season access from the property to a freeway have been identified.
- Utility infrastructure is documented, and improvements needed to extend service to property boundary and/or provide the minimum capacity requirements of the MI Sites program have been identified.
- Desktop assessments (FEMA FIRM, NWI Map, IPaC) have been completed.

Silver

- Property is owned or controlled (via option or purchase agreement) by an eligible applicant.
- Title Report has been completed.
- ALTA Survey has been completed.
- Topographic Survey has been completed.
- Property is zoned for industrial uses or the rezoning process is underway and/or can be completed within 90 days.
- Cost and schedule estimates have been developed for transportation improvements needed to enable all-season access from the property to a freeway.
- Cost and schedule estimates have been developed for utility improvements needed to extend utility service to property boundary and/or provide minimum capacity requirements of the MI Sites program.
- Phase I ESA has been completed
- Wetlands delineation has been completed.
- Desktop analysis/literature review by qualified Historians/Archaeologists to identify known sites and recommendations for future work has been completed.
- Impediments to development that have been identified to-date are shown on a conceptual plan (map) for property development.

Gold

- Property is owned or controlled (via option or purchase agreement) by an eligible applicant.
- Documentation of clear title to the property (title attorney opinion and/or title insurance) is completed.
- Property is zoned for industrial uses.
- Engineering plans and schedule have been developed for transportation improvements needed to enable all-season access from the property to a freeway.
- Engineering plans and schedule have been developed for utility improvements needed to extend utility service to property boundary and/or provide minimum capacity requirements of the MI Sites program.
- All environmental due diligence has been completed in accordance with program standards.
 - Phase I ESA and, if necessary, Phase II ESA
 - Level 3 Wetland Identification Program (WIP) by EGLE's Water Resources Division (WRD)
 - Threatened and Endangered Species study
 - Phase I Archaeological Survey and Architectural Reconnaissance Survey performed by qualified professionals in consultation with the State Historic Preservation Office
 - Geotechnical investigation
- Any additional impediments to development that were identified during completion of due diligence are shown on an updated conceptual plan (map) for property development.

Process

STEP 1 – SUBMIT ENTRANCE APPLICATION

The Entrance Application will be utilized to compile a Candidate Pool of industrial sites for inclusion in the MI Sites program. Each application will be reviewed to determine the properties that will move forward in the program. Key items to note:

- MEDC plans for approximately 8-10 properties to move to Step 2 during each round of the program.
- Following the Pilot Round in 2024, MEDC plans to conduct two rounds of the program each calendar year.
- Sites that are not selected to move forward in the round in which they are submitted will remain within the Candidate Pool and will be automatically considered for future rounds.
- To expedite development of a statewide portfolio of MI Sites to market to companies and site selectors, the Pilot Round will prioritize sites with due diligence already completed.
- To prepare all Prosperity Regions in the state for industrial development, MEDC plans for at least one site in each region to move forward to Step 2 in either 2024 (Pilot Round) or 2025.

Key dates for Step 1 of the Pilot Round are as follows:

Action	Date
Kick-Off Webinar	March 22, 2024
Entrance Application Period Opens	March 22, 2024
Deadline to Submit Questions	April 9, 2024
FAQ Document Posted	April 12, 2024
Deadline to Submit Entrance Application	April 19, 2024
Review of Applications	April and May 2024
Applicants Receive Notification of Status	May 13, 2024

Eligible Applicants

Eligible Applicants for the MI Sites program include:

- 1) A political subdivision of Michigan, including without limitation, a county, city, village, township, charter township, or instrumentality of any of the foregoing, or a state agency not governed by the Michigan Strategic Fund;
- 2) A local or regional economic development corporation or similar authority;
- 3) The economic development division or department of a utility company.

Application Materials and Submission Portal

The MI Sites program materials are and access to the WizeHive portal are available on the MEDC website: <https://www.michiganbusiness.org/mi-sites-program/>. Submissions must be uploaded to WizeHive.

Notification of Status

Applicants will be notified via email on May 13, 2024 of whether the property submitted was selected to move forward to Step 2 during the Pilot Round in 2024.

STEP 2 – COMPLETE EVALUATION APPLICATION + SITE VISIT

Applicants for properties selected to move forward with Step 2 will be issued an Evaluation Application. This more detailed application will be utilized to collect the information necessary for a thorough desktop analysis of site readiness. The Evaluation Application is purposely designed to closely resemble the data requests and format of an actual site selection Request for Information (RFI).

Following Quest and MEDC review of the Evaluation Application, a site visit will be conducted. The visit will be modeled after an actual site selection project visit. Quest will provide a draft agenda and guidance for the visit.

Information collected through the Evaluation Application and site visit will be used to determine the current readiness classification of each property – Bronze, Silver, or Gold. At the conclusion of Step 2, Quest will issue a deliverable for each property that indicates the current readiness classification. Applicants will receive feedback on ways to enhance site readiness, improve their RFI responses, and more effectively conduct site visits. Properties that complete Step 2 will be included in MEDC’s site-specific marketing efforts to companies and site selectors worldwide.

Key dates for Step 2 of the Pilot Round are as follows:

Action	Date
RFI Bootcamp (in-person at MEDC office)	May 20, 2024
Deadline to Submit Evaluation Application	June 14, 2024
Review of Applications	June and July 2024
Site Visits	July 15-26, 2024
Additional Analysis of Sites and Infrastructure	August 2024
Applicants Receive Notification of Classification	August 30, 2024

STEP 3 – ENHANCE SITE READINESS + UPDATE PROPERTY INFORMATION

Step 3 of the MI Sites Program is continued enhancement of site readiness. There is no specific point in time that a site is deemed “ready” and preparation efforts cease. Sites should continue to be improved until selected for a project. Successful preparation often takes several years depending on the complexities of the property.

To receive support for continued enhancement of site readiness, applicants that complete Step 2 can apply to MEDC for funding (as available) to implement the recommendations for improving site readiness.

Effective marketing of an industrial site or park requires that current and consistent information is presented by all entities (state, regional, and local) and across all platforms (e.g. websites, printed material, RFI responses). To keep the statewide portfolio of MI Sites up-to-date, applicants are required to update MEDC on an ongoing basis about any changes that occur on the property and any new information that becomes available.

STEP 4 – APPLY FOR RECLASSIFICATION

Once an applicant has completed the necessary tasks and due diligence to move a property forward in the classification system (from Bronze to Silver or from Silver to Gold), they may submit a Reclassification Form and updated Evaluation Application to be reviewed for reclassification.

Key items to note:

- Applicants that are seeking to move forward in the classification system (to Silver or Gold) can apply to do so on a rolling basis. There are no set deadlines for when to apply for reclassification.
- Applicants must notify MEDC of their intent to seek reclassification at least 30 days prior to submission of a Reclassification Form and updated Evaluation Application. A conference call will be scheduled with Quest to discuss progress towards reclassification and provide guidance for thorough completion of the submittal.
- When a Reclassification Form and updated Evaluation Application are submitted, they will be reviewed to ensure that necessary tasks and due diligence to move forward in the classification system are completed.
 - If there are items that need additional clarification or modification to achieve reclassification, the applicant will be notified, and a follow-up conference call will be scheduled with MEDC and Quest. The applicant can re-submit for review once the additional items have been addressed.

When the requirements for reclassification have been met and all required documentation submitted, Quest will issue an updated deliverable indicating the enhanced readiness classification.

To keep the statewide portfolio of MI Sites up-to-date, applicants are required to continue to update MEDC on an ongoing basis about any changes that occur on the property after reclassification and any new information that becomes available.

Appendix A

KEY DATES FOR PILOT ROUND

For the Pilot Round of the program in 2024, the **Step 1 Entrance Application is due by April 19, 2024**. Applicants will receive notification of status on May 13, 2024. Additional key dates are listed below.

2024 – Pilot Round

Action	Date
STEP 1	
Kick-Off Webinar	March 22, 2024
Entrance Application Period Opens	March 22, 2024
Deadline to Submit Questions	April 9, 2024
FAQ Document Posted	April 12, 2024
Deadline to Submit Entrance Application	April 19, 2024
Review of Applications	April and May 2024
Applicants Receive Notification of Status	May 13, 2024
STEP 2	
RFI Bootcamp (in-person at MEDC office)	May 20, 2024
Deadline to Submit Evaluation Application	June 14, 2024
Review of Applications	June and July 2024
Site Visits	July 15-26, 2024
Additional Analysis of Sites and Infrastructure	August 2024
Applicants Receive Notification of Classification	August 30, 2024
STEP 3	
Enhance Site Readiness + Update Property Information	Ongoing
STEP 4	
Apply for Reclassification	Rolling basis

Appendix B

TENTATIVE DATES FOR FUTURE ROUNDS

After the Pilot Round in 2024, MEDC plans to operate two rounds of the MI Sites program per calendar year. The **tentative dates** for future rounds are listed below.

2025 – Round I

Action	Date
STEP 1	
Entrance Application Period Opens	November 2024
Deadline to Submit Entrance Application	December 2024
Review of Applications	January 2025
Applicants Receive Notification of Status	February 2025
STEP 2	
Deadline to Submit Evaluation Application	March 2025
Review of Applications	March and April 2025
Site Visits	April and May 2025
Additional Analysis of Sites and Infrastructure	May and June 2025
Applicants Receive Notification of Classification	June 2025
STEP 3	
Enhance Site Readiness + Update Property Information	Ongoing
STEP 4	
Apply for Reclassification	Rolling basis

2025 – Round II

Action	Date
STEP 1	
Entrance Application Period Opens	May 2025
Deadline to Submit Entrance Application	June 2025
Review of Applications	July 2025
Applicants Receive Notification of Status	August 2025
STEP 2	
Deadline to Submit Evaluation Application	September 2025
Review of Applications	September and October 2025
Site Visits	October and November 2025
Additional Analysis of Sites and Infrastructure	November and December 2025
Applicants Receive Notification of Classification	December 2025
STEP 3	
Enhance Site Readiness + Update Property Information	Ongoing
STEP 4	
Apply for Reclassification	Rolling basis



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