

"Is the Right Story Being Told About Your Site?"

September 26, 2011



Prepared for:
2011 OEDA Annual Conference



Harris Group Inc.

Integrity ■ Quality ■ Respect ■ Trust ■ Social Consciousness ■ Enjoyment

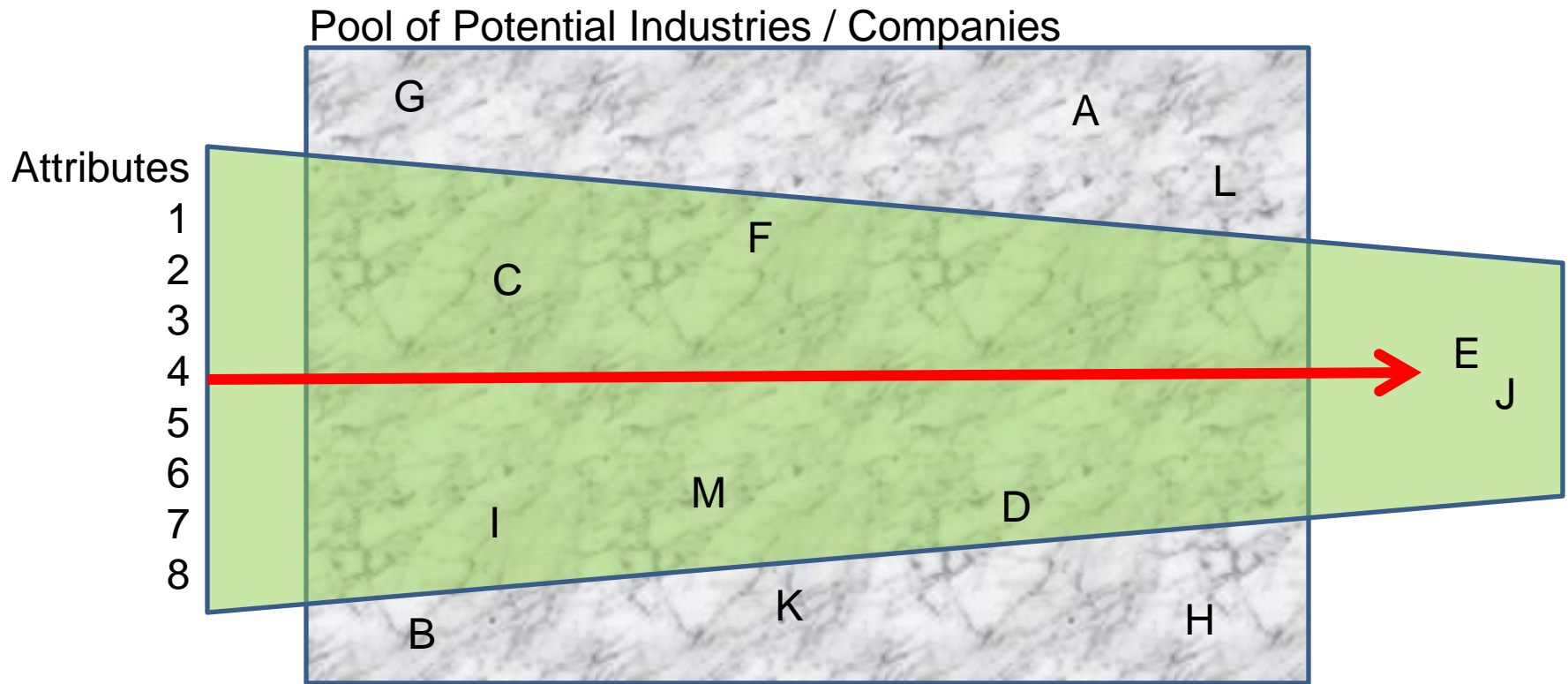


- Key Points
- 3-D Site/Building Diagrams
- Case Studies
- What Can You Do Tomorrow



1. Some sites and buildings are better suited to specific industries more than others
2. Know your properties key attributes in detail
3. Research what industries would make best use of those attributes
4. Know your targeted industry's needs
5. Target your economic development efforts toward the “right” company saving valuable resources

Basic Principal



Conceptual Site Diagrams

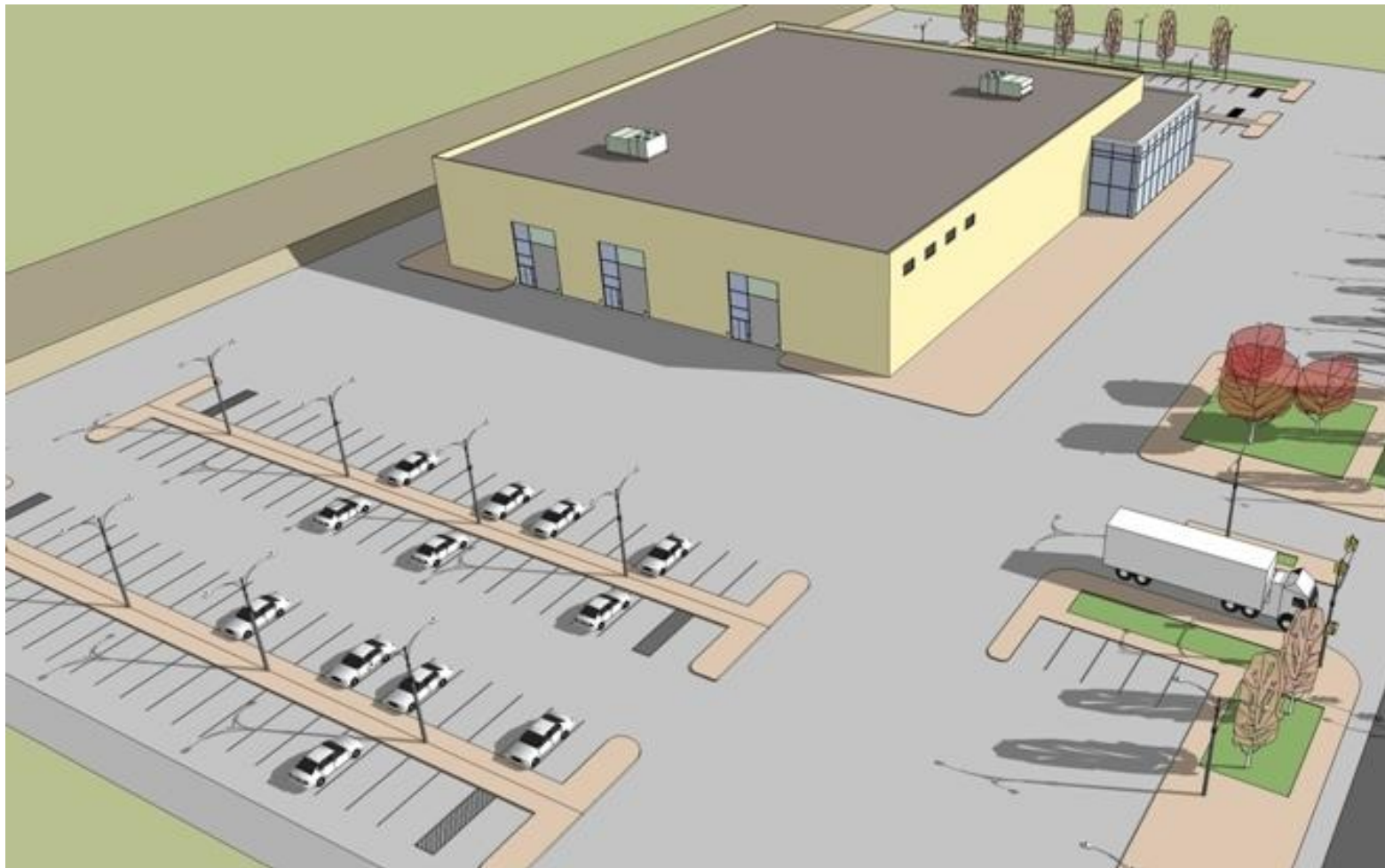


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Existing Site Conditions



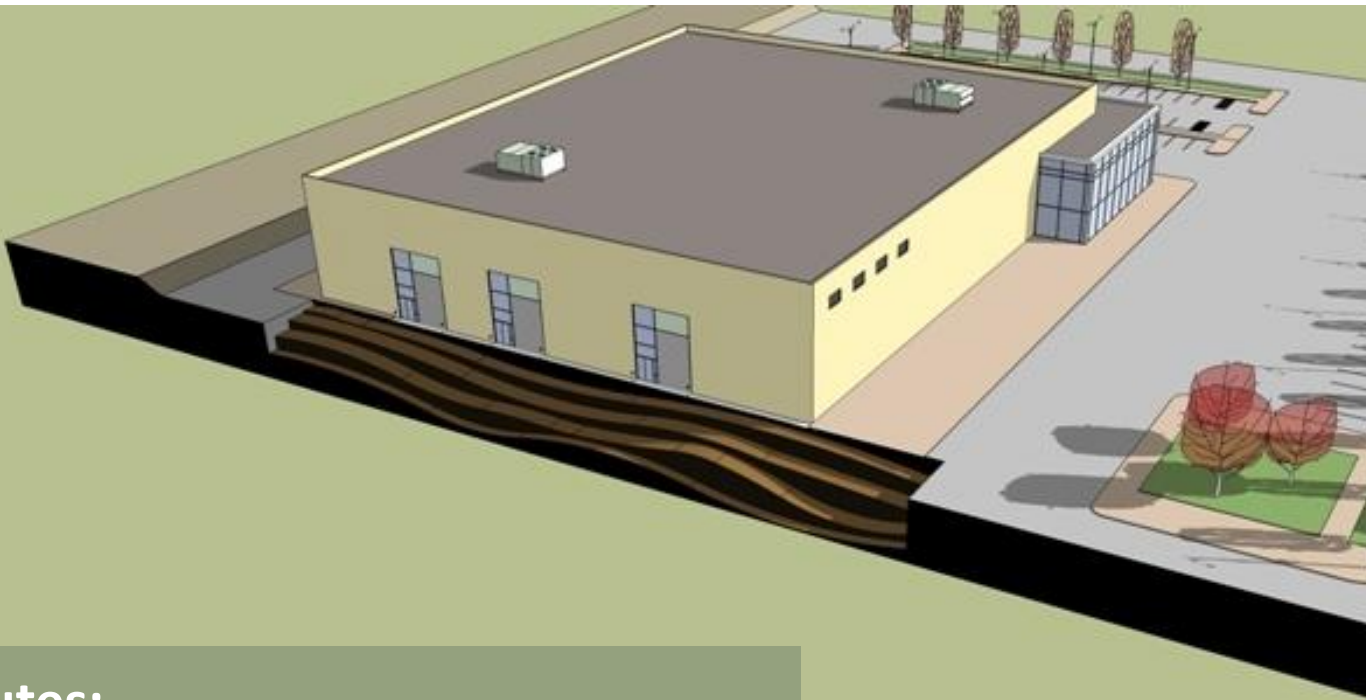
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Soil Conditions



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Attributes:

Geotechnical Report; Bearing Capacity

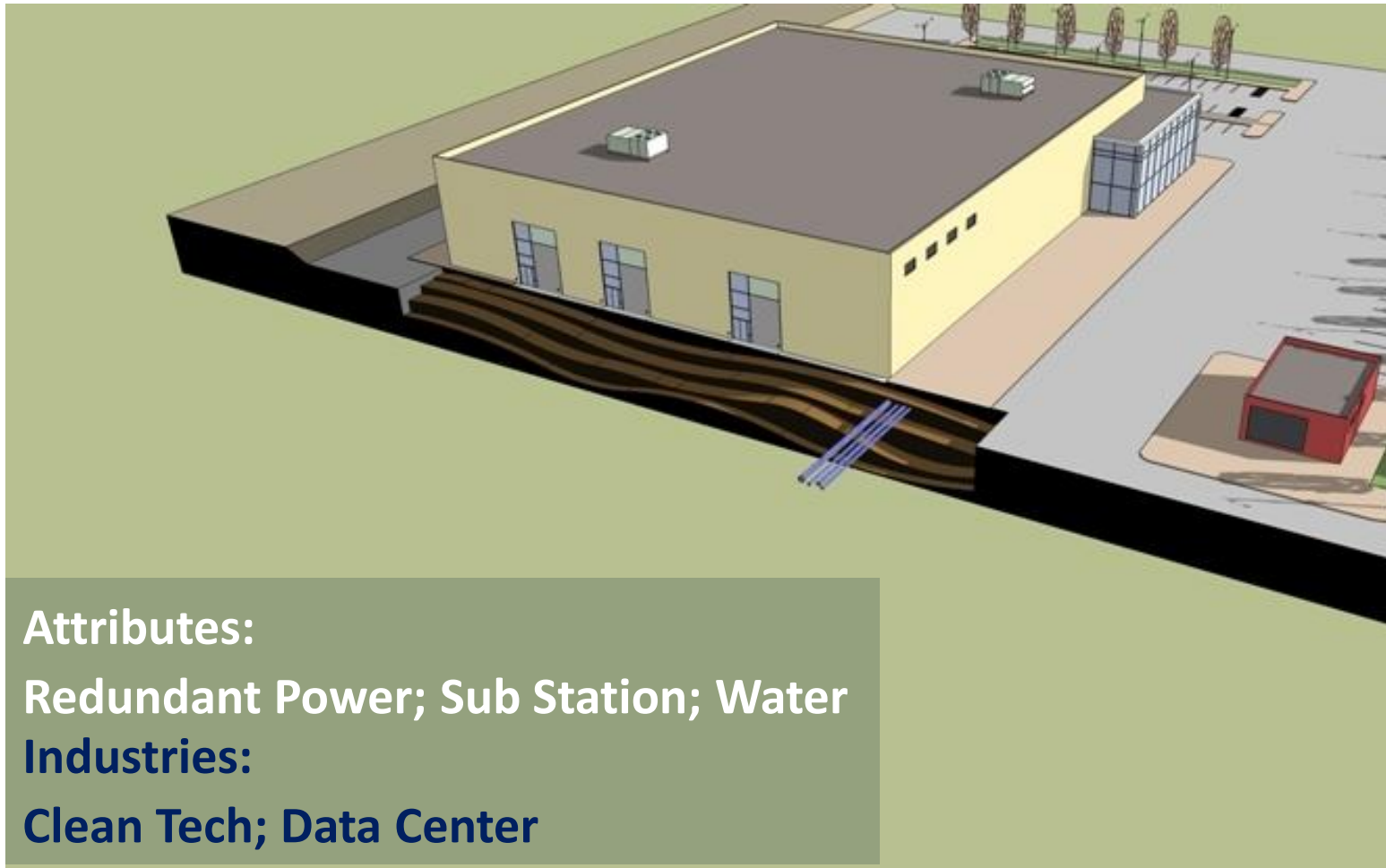
Industries:

Heavy Manufacturing

Utilities



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Attributes:

Redundant Power; Sub Station; Water

Industries:

Clean Tech; Data Center

Hazardous Chemicals



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Attributes:

Codes; Community; Waste Handling

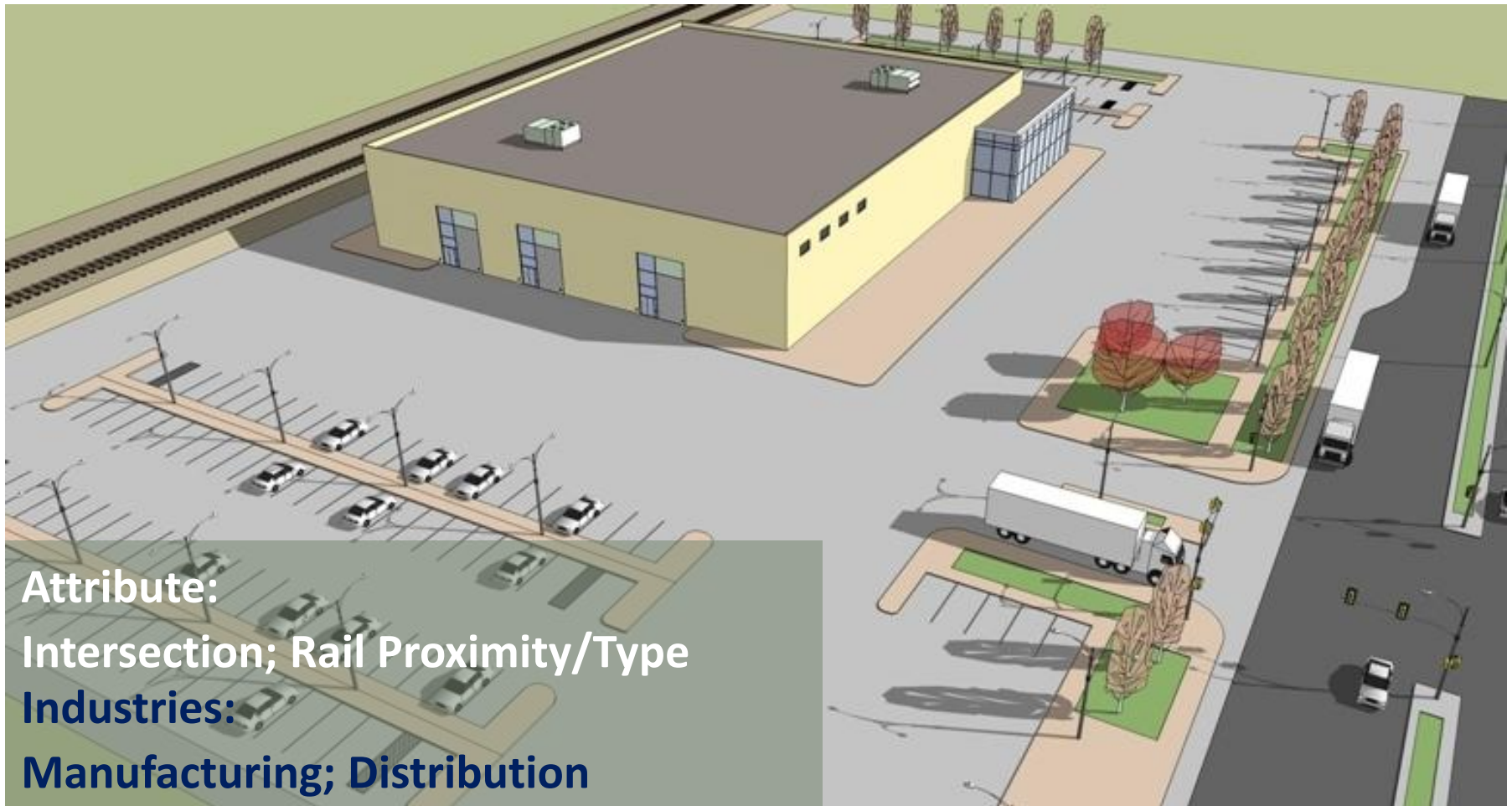
Industries:

Clean Tech; Biomanufacturing; Fuels

Site Access (Rail and Truck)



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Attribute:

Intersection; Rail Proximity/Type

Industries:

Manufacturing; Distribution

Combined Site Issues



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Conceptual Building Diagrams

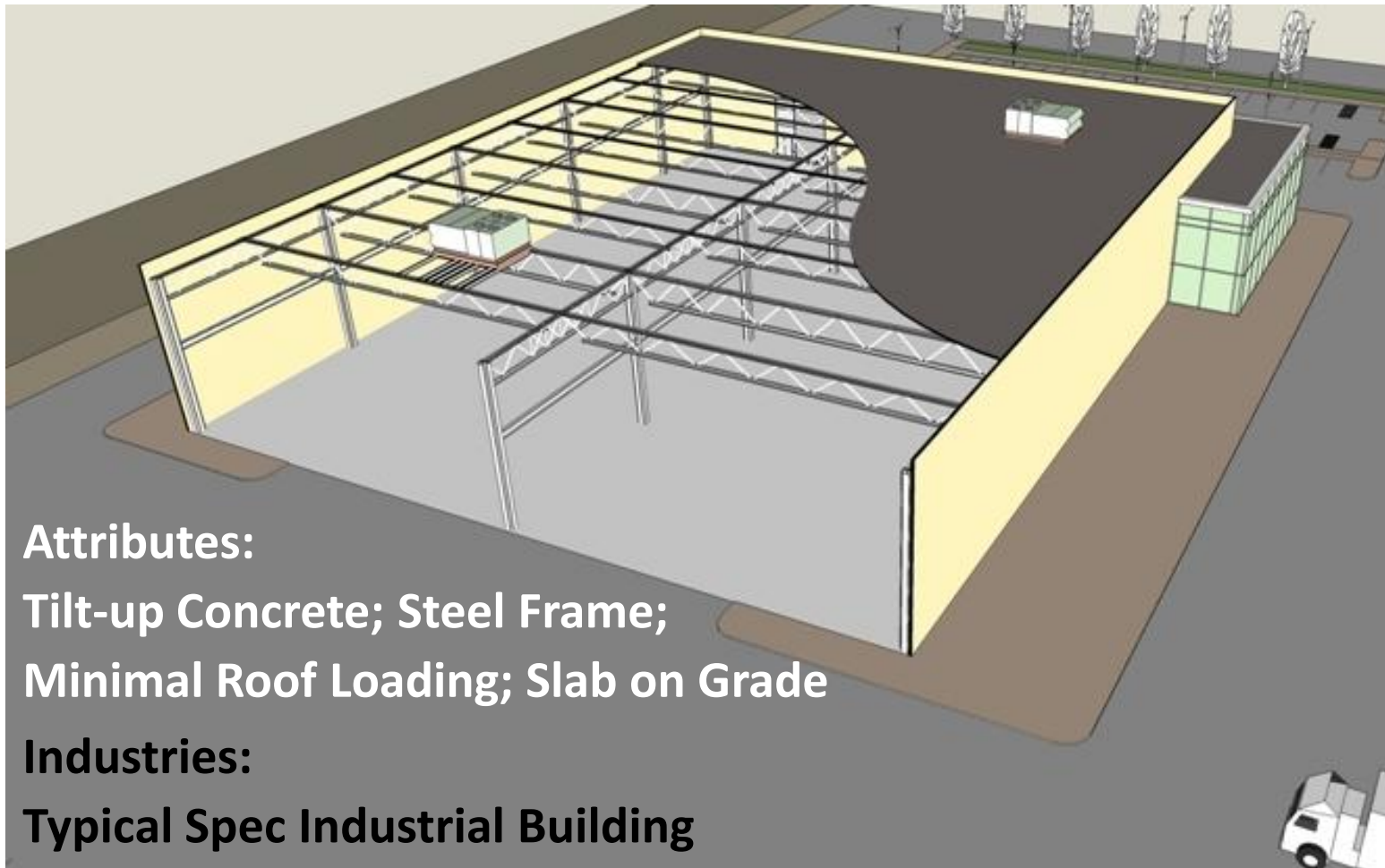


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Existing Building Conditions



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Attributes:

Tilt-up Concrete; Steel Frame;
Minimal Roof Loading; Slab on Grade

Industries:

Typical Spec Industrial Building

HVAC Equipment



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Attributes:

Roof Top Platform; Separate Structure;
Footings; Clear Height

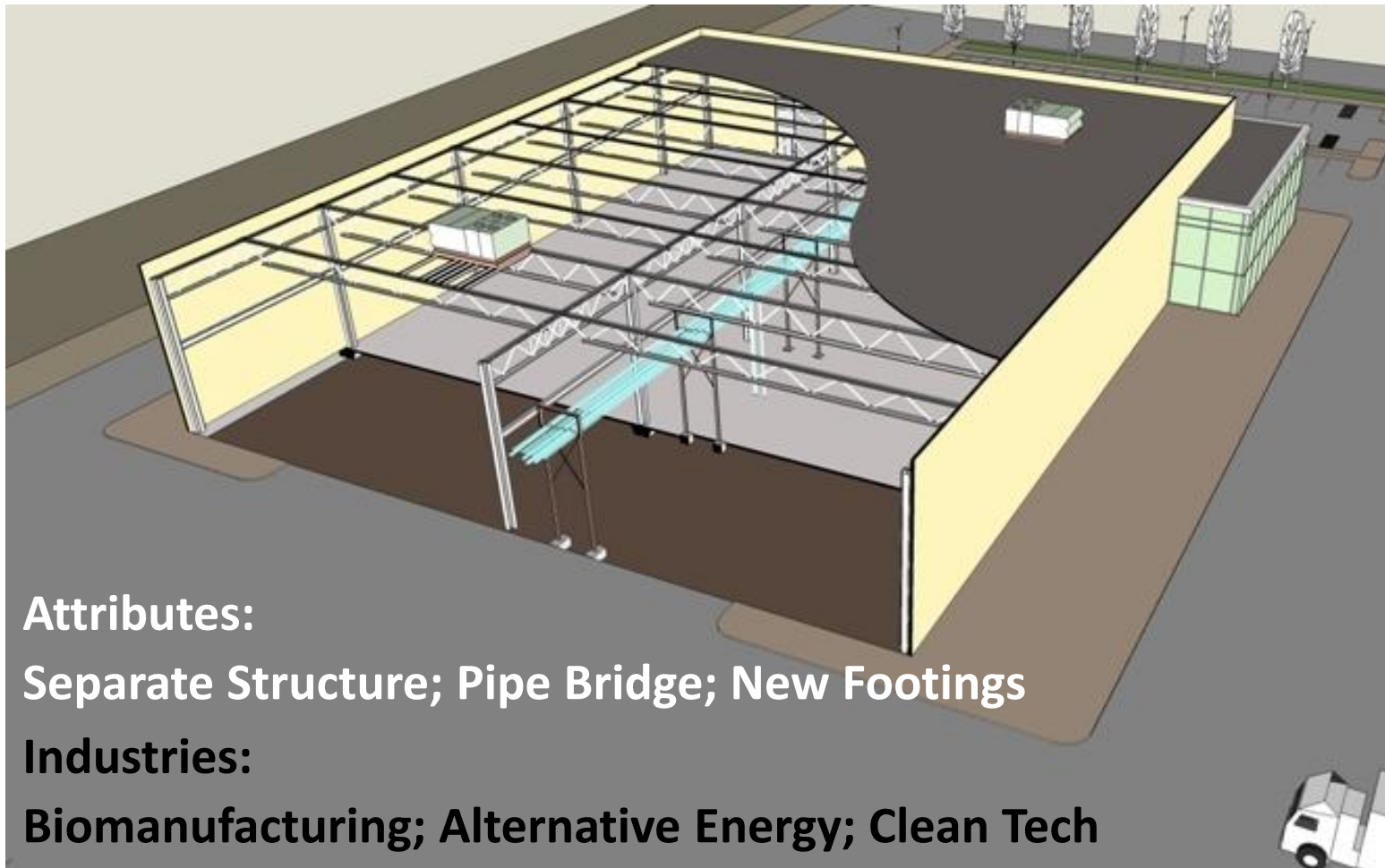
Industries:

Laboratories; Clean Rooms; Biomanufacturing; GMP

Process Piping



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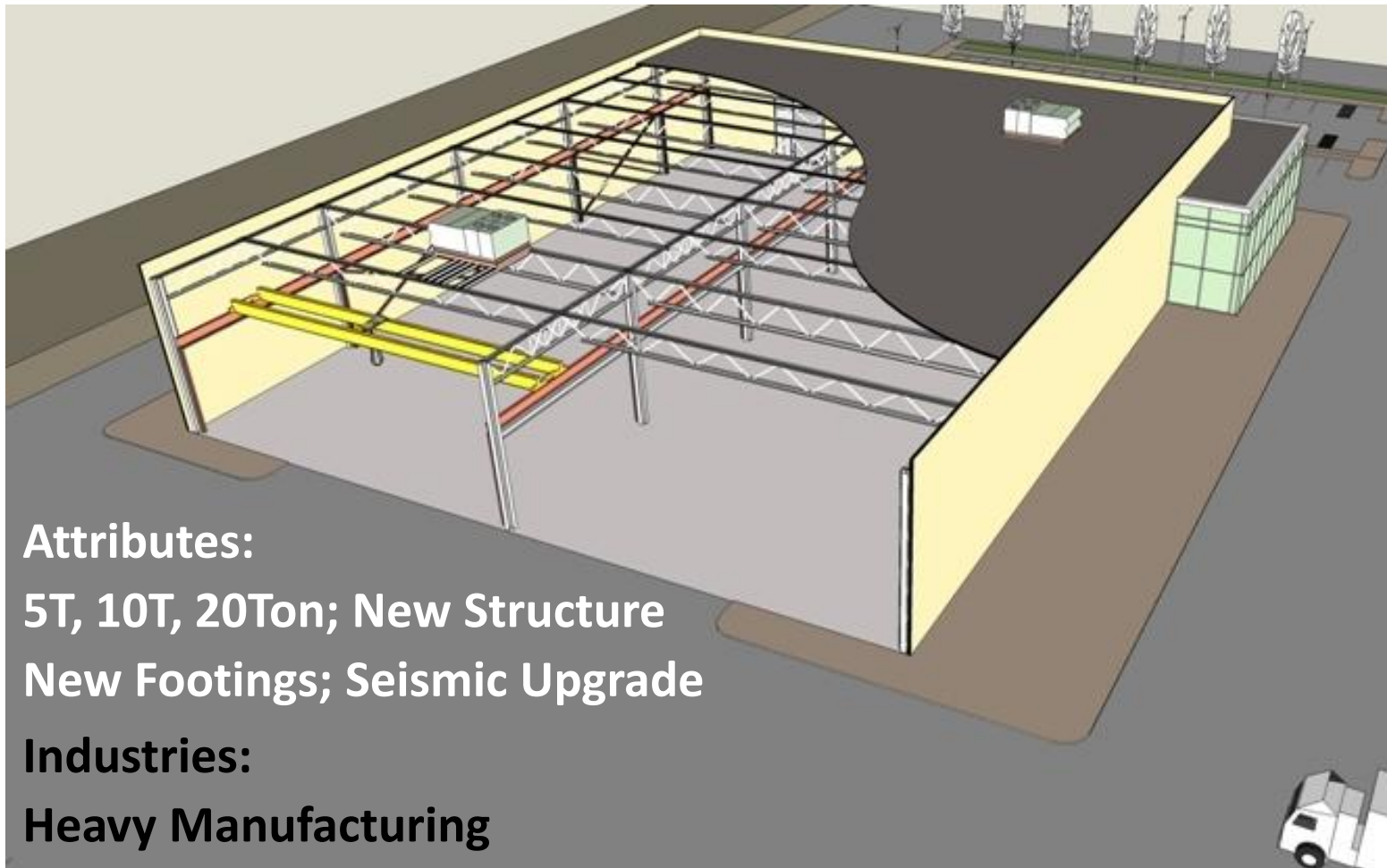
Attributes:

Separate Structure; Pipe Bridge; New Footings

Industries:

Biomanufacturing; Alternative Energy; Clean Tech

Cranes



Attributes:

5T, 10T, 20Ton; New Structure
New Footings; Seismic Upgrade

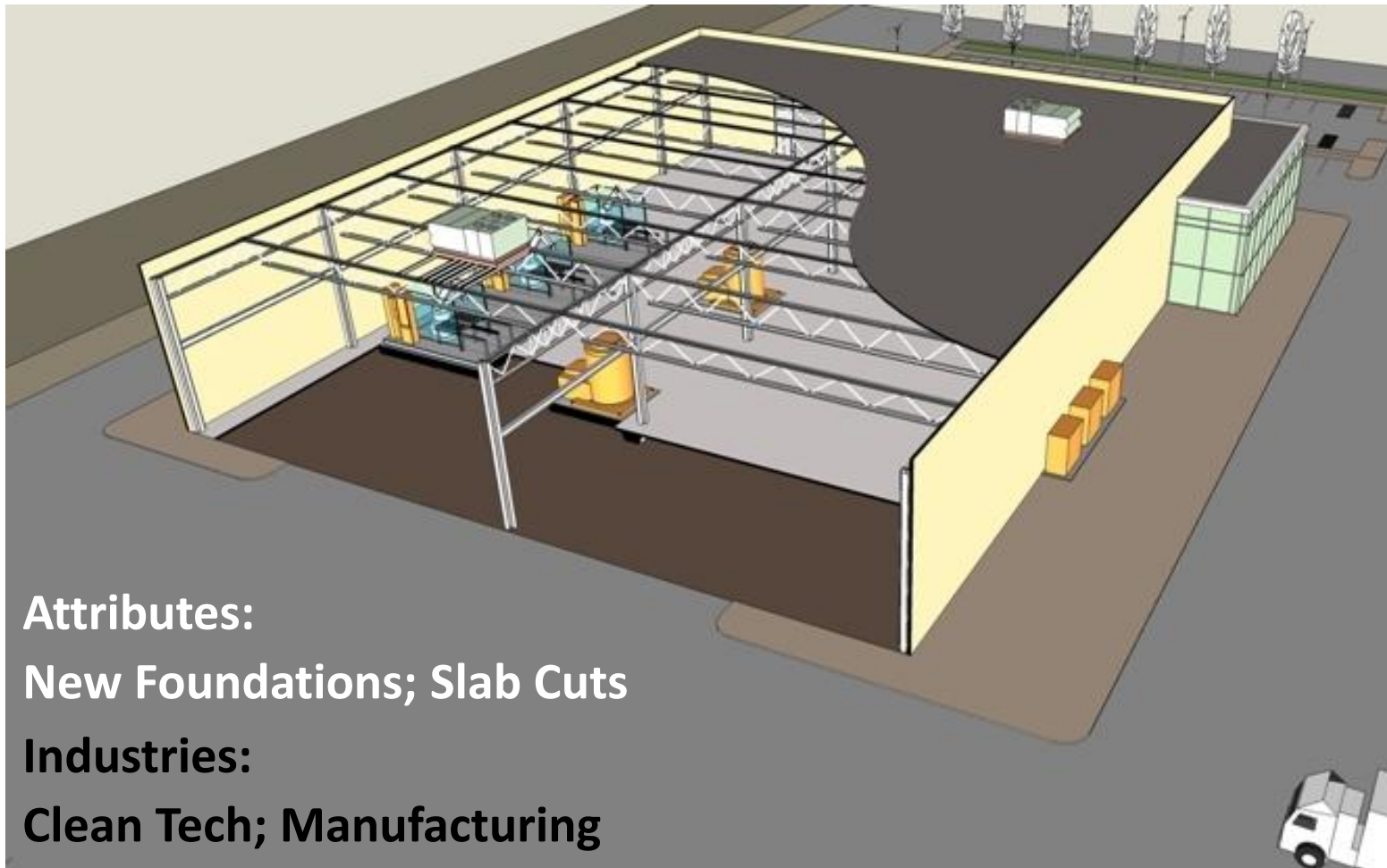
Industries:

Heavy Manufacturing

Tool Install



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Attributes:

New Foundations; Slab Cuts

Industries:

Clean Tech; Manufacturing

Combined Building Issues



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Case Studies



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Case Studies



- Bio Pharmaceutical Facility
- Resource Reclamation Facility
- Bottling and Distribution Plant
- Analytical Laboratory

Bio Pharmaceutical Company



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- Key Property Attributes

- Time to market
- Expansion
- No down time
- Corporate image
- Adjacent uses





- Facility: Drug Manufacturing Plant 80,000 ft.²
 - Site Selection: Four sites were evaluated by Harris Group:
 - Site One: Waterfront; listed Brownfield site
 - Site Two: Industrial park; over 70' of peat
 - Site Three: New industrial park; 100 year floodplain
 - Site Four: Winning site! 24 acres in business industrial park; minor wetland issues, generally suitable for use



- Lessons Learned

- Only 1 of 4 sites competing for this project was viable resulting in wasted resources, time, money
- Site assessments should evaluate soil conditions

Resource Reclamation Facility



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- Key Property Attributes
 - Proximity to resources
 - Transportation
 - Heavy Industrial Zoning





- Facility produces diesel oil and carbon black
 - Site Selection
 - Site 1 - Zoned industrial site, located in a small city - Residents ultimately objected as community had grown around industrial area, school close-by
 - Site 2 - Rural site; evaluated only after Site 1 was eliminated; close to material source with no objections
 - Plant was successfully cited and built



- Lessons Learned

- Know what your community is willing to accept before committing resources
- Make sure your zoning is up to date with the existing development patterns and community aspirations
- Consider proximity to raw material resources
- Rural/urban setting can be a positive attribute

Bottling Company



- Key Property Attributes
 - Multimodal transportation
 - Heavy structural loading
 - Pure water
 - Large site



- Bottling and Distribution Plant

243 Acre site, 1.8 mil. SF

- Site was selected prior to railroad evaluation
 - At first glance site seemed to have the right attributes
 - Ultimately site required extensive rail work
 - Rail mainline ran length of property
 - Site located on the wrong side of Industrial track
 - Mainline switches (\$2M) plus 1 mile of track needed
 - \$10M impact diminished the financial viability of the site



- Lesson Learned

- Make sure your property layout is correct, just having the right attributes might not be enough
- Go the extra mile with your analysis, a checkbox is seldom enough

Analytical Laboratory



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- Key Property Attributes
 - Clear Height
 - Structural capacity
 - Chemical waste drains
 - High HVAC requirements





- 90,000 ft. Laboratory Facility
 - Property was acquired prior to involvement
 - Existing one-story tilt-up concrete spec office space in industrial park
 - Standard site assessment was performed prior to acquisition – but not in sufficient detail
 - Discovered wood roof was designed for minimal loading
 - Insufficient building drains for waste water
 - Necessary upgrades beyond base build added over \$1.5M to engineering and construction cost plus schedule impacts



- Lessons Learned
 - Spatial assessments are seldom sufficient
 - Infrastructure modifications impact engineering, construction and schedule - increasing project costs

Ways to Increase Your Success



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Task 1



- Know your available site and building inventory in detail including additional attributes within the greater community

Task 2



- Select the industries that make best use of your available resources

Task 3



- Know your target industry
- Know their needs
- Know what it looks like

Task 4



- Develop an agreed upon comprehensive plan
- Keep zoning up to date with the aspirations of your community

Task 5



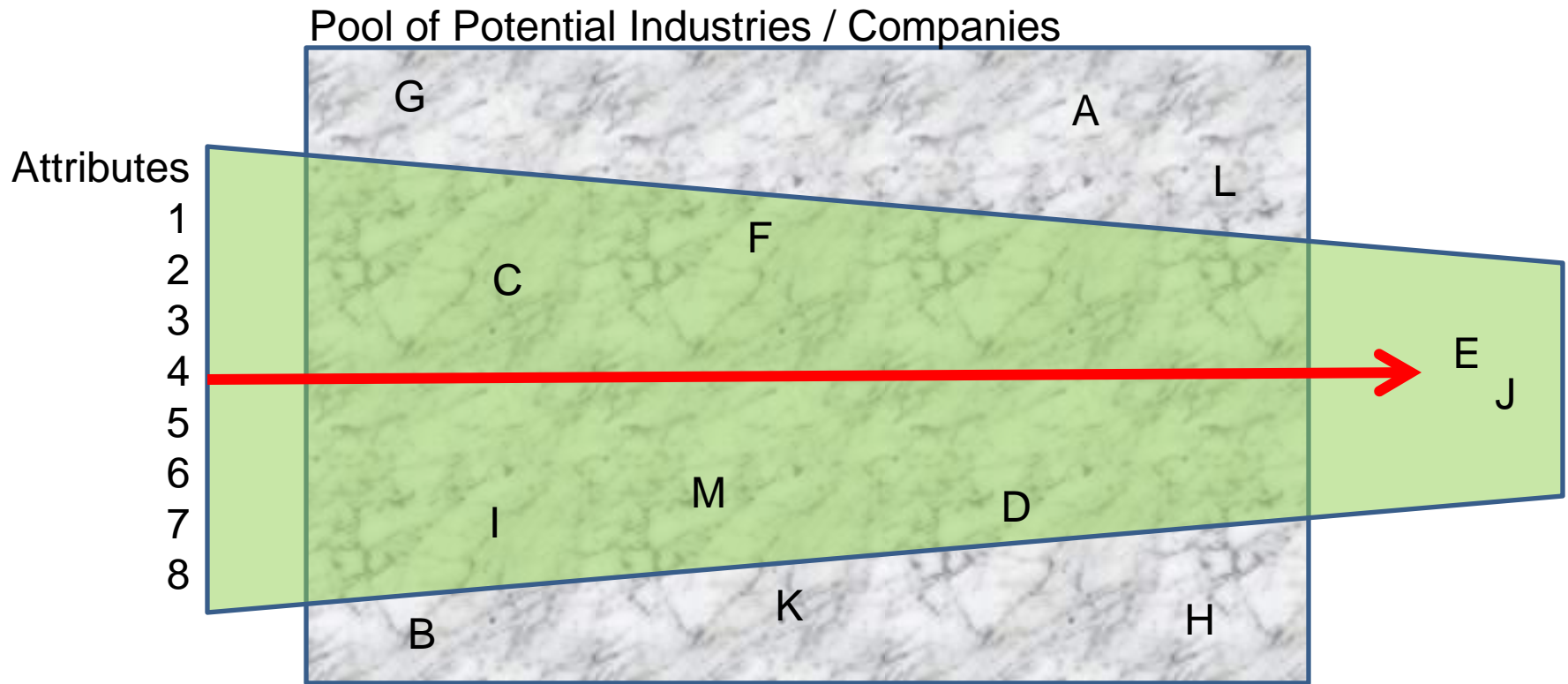
- Proactively target your economic development efforts on the “right” company as defined by your site assets
- Assess the “hot industry of the day” carefully

Task 6



- Ask for help

Basic Principal



Example



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- Oregon Bioscience Association Real Estate Portal

Bio In Oregon - New Real Estate Properties Page

BIO IN OREGON NAVIGATION

- Bio in Oregon
- Industry Reports
- Signature Research Centers
- Job Board
- Member Directory
- Industry Links
- Real Estate Facilities and Resources
- Economic Development
- Bioscience Education in Oregon

UNDERWRITING SPONSORS

K&I|GATES

Real Estate Facilities and Resources

Welcome to the OBA Bio/Real Estate and Facilities section. The goal is to provide OBA members with bioscience real estate solutions by offering fully integrated services that align bioscience real estate and space needs with business and growth planning. We do that by:

- Providing OBA member companies with representation as tenants/lease users and assisting in the delivery of fully-integrated bioscience real estate services.
- Creating visibility and accessibility to high-quality bioscience real estate assets for OBA members.
- Supporting OBA members through education and acting as a resource for all real estate and facilities issues.

Available Resources:

- Do you have real estate questions but don't know who to contact? [Click Here](#)
- Do you have unique property requirements? Please download this [property request form](#), fill it out and e-mail it back to us.
- Do you have a property you would like to list? Please download this [property intake form](#), fill it out and e-mail it back to us.
- Other questions or comments? Please let us know! [Click Here](#)

See a current list of available properties below. You may sort the list by clicking on any column title.

AVAILABLE PROPERTIES

Property Type	Sq. Feet	Location	For Sale or Lease	Description
Clean Room	7000	Seaside/ton	Lease	Realtor Listing OSA Form
Dry Lab	2000	Eugene	Sale	Realtor Listing OSA Form
Dry Lab	3500	Sand	Lease	Realtor Listing OSA Form
Manufacturing	20000	Tualatin	Sale	Realtor Listing OSA Form
Manufacturing	12000	Klamath Falls	Lease	Realtor Listing OSA Form
Wet Lab	800	Portland	Lease	Realtor Listing OSA Form

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HOME | BIO IN OREGON | BIOPRO TRAINING | EVENTS | SPONSORS | MEMBER RESOURCE | NEWS | CHAPTERS | ABOUT OBA

Example



- Real Estate Intake Form
- <C:\Users\mmarx\Documents\Real Estate Property Intake Form 060110.doc>

Questions



- www.harrisgroup.com