

**State
of
New York**



**Andrew Cuomo
Governor**

**Development Profile
for
Multi-Tenant Business and
Technology Park Sites**



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BUILD NOW–NY CURRENT PROGRAM / Round 4

Program Overview

To foster economic growth, New York has developed the Build Now–NY initiative that will strategically market an inventory of pre-approved, “shovel ready” sites to a wide range of fast growing, job-creating companies.

Empire State Development (ESD) will coordinate this effort and focus on selecting, developing, permitting, and marketing selected sites.

The state will continue to develop its inventory of sites that have undergone the intensive state and local government reviews necessary to accelerate future investment and development. The program has two elements. Periodically, rounds of Build Now-NY funding have been announced that aid applicants in “pre-permitting” their site. Shovel Ready certification is an ongoing component of the Build Now-NY program that gives official recognition to sites which have completed this advance work and are truly prepared to offer businesses the opportunity break ground on a new facility in a greatly expedited process.

The development profiles are designed to allow local governments to decide on the appropriate type of development for their individual communities. Municipalities will be able to demonstrate to prospective businesses that their communities support and are prepared for new development, new jobs, and economic growth.

Eligible applicants for Build Now-NY funding and Shovel Ready certification include municipalities, local economic development organizations, industrial development agencies, and public authorities. Private sector developers and landowners must partner with one of the above entities to apply on their behalf. Application instruction and forms can be found at: www.esd.ny.gov/BuildNow.

Development Profiles

ESD has prepared development profiles for three types of economic development projects:

- ◆ High Tech Manufacturing
- ◆ Warehouse/Distribution/Logistics Centers
- ◆ Multi Tenant Business and Technology Park

The profiles describe features typical for each of the business types. Intended to serve as “roadmaps”, the profiles include essential information for each business sector, such as: Development Profiles, Project Requirements, Project Profile & Impacts, and a list of “musts” and “wants” that describe site characteristics either necessary or highly desirable for each project type. Prior to nominating sites, applicants should use these profiles to identify the development type most appropriate for their community.

Multi-Tenant Business and Technology Park Sites

Introduction

In 1999, the State of New York, Empire State Development, and the Governor's Office of Regulatory Reform successfully implemented **Build Now-NY**, a program that provides the State's communities and economic developers with an important competitive edge in the highly competitive corporate site selection process. By offering companies shovel ready sites, communities and regions throughout New York are benefiting from economic growth, new development, and new jobs.

Currently, three development types are being promoted and marketed through Build Now-NY/ Shovel Ready Certification: High Technology Manufacturing, Warehouse/Distribution/Logistics Centers, and Multi-Tenant Business and Technology Parks. All of these are eligible for participation in the Build Now-NY program.

This booklet is a guide for multi-tenant business and technology park site development. Included is generic information for business and technology park development that will be needed to complete State Environmental Quality Review (SEQR), possible zoning changes, and other necessary permitting and site approval requirements. It includes:

- **Generic Site Profile** – Defines and describes the purpose and function of business and technology park sites and identifies relevant infrastructure, traffic, and construction schedule data. Communities, economic development organizations, and local stakeholders may use this information to determine if business and technology park development is appropriate for their community. The data will also be useful while completing the SEQR process.
- **Must and Wants** – Lists criteria and features that are either essential or highly desirable for site development.

Multi-Tenant Business and Technology Park Sites

Generic Site Profile

General Description

Multi-tenant business and technology parks contain a variety of uses, ranging from light industrial to R&D, warehouse/distribution to commercial offices, and incubators for start-ups and growing companies to data centers, call centers, and back office operations. Many business and technology (tech) parks are also home to other support-related activities and services, such as retail centers, banks, hotels or lodging facilities, health clubs, day care centers, and other types of amenities. These other activities and amenities typically cater to the needs of the tenants located in the park and to businesses, employees and residents in the surrounding area. They also can be a good marketing tool for attracting users to the business and technology park. Although these parks have a number of tenants, one owner or one agency representing the owners has control of the entire park.

Aside from the variety of uses found in the park, contemporary business and technology parks differ in a number of ways from industrial parks. They typically have higher quality environments; more sophisticated land use planning; higher quality architectural and landscape design; more building flexibility; and additional design, environmental and land use controls and restrictions.

The developers of business and technology parks usually are responsible for transportation and utility improvements inside the park, and, oftentimes, outside the park, too. Some of these costs may be passed on to the tenants through higher land costs or rental rates. Since low investment costs are critical for companies or businesses located in the park, infrastructure improvement costs need to be kept at reasonable levels.

To be considered for the Build Now-NY program, sites with a minimum of **40 contiguous developable acres outside the FEMA 100-year flood plain** are necessary to accommodate the site development plan of a multi-tenant business and technology park. The site must be capable of being subdivided into parcels for individual users of 5 to 20 acres. Available land for expansion purposes should also be considered when identifying appropriate sites. (Please note - in metropolitan areas, sites with less acreage will be considered if all other Build Now-NY criteria are satisfied.)

Market Analysis

Multi-tenant business and technology parks can be important contributors to the economic viability of a community. This is especially true for sites that are selected for business and technology park use under the Build-Now NY program for a number of the following reasons.

Business and Technology Parks:

- Have a variety of uses and activities that are “clean” and have limited negative impact on surrounding uses and their neighbors.
- Provide a conducive, supportive and sometimes innovative environment because of the multitude of tenants and amenities in the park.
- Provide homes to small and medium sized companies on improved, shovel ready sites.

- Reduce the risks of the location decision for the tenant, enabling companies to operate in an environment that is much more controlled than a freestanding, single use industrial or commercial site.
- Enable businesses and investors to only purchase the land needed for their operations or facilities.
- Provide the opportunity for companies to start construction and the start-up of their operations quicker since uncertainty and site costs are reduced.

The state has a business environment that is very conducive for supporting new manufacturing projects and expansions. Evidence of this is its consecutive second place rankings in *Site Selection* magazine's Governor's Cup competition for ***New and Expanded Facilities in the State in 2002 and 2003***. According to the March 2004 issue of *Site Selection*, New York experienced a gain of 552 new and expanded corporate facilities.

There are a number of key factors that provide business and technology parks with a competitive location advantage. These include vehicular (automobile and truck), airport, and, if appropriate, public transportation access; good visibility, quality image and attractive, compatible surrounding uses; the availability of a productive, qualified, skilled workforce; labor cost; utility and telecommunications (telecom) infrastructure; quality educational institutions with relevant courses, degrees, programs and training; links to a research university if R&D is a focus of the park; and quality of life.

Minimum Site Acreage

The site must have a minimum of 40 contiguous developable acres, but in metropolitan areas, the acreage may be less. The site must be capable of being subdivided into 5 to 20 acre parcels for individual users.

Appropriate Topography and Configuration

The topography of the site can be rolling or somewhat sloped from side to side. Individual parcels should generally be level with little or no elevation change since uneven site topography greatly increases site preparation costs. The 40 developable acres need to be outside the 100-year FEMA flood plain designation. The preferred site configuration is square or slightly rectangular with few outparcel obtrusions.

Utility and Telecommunications Infrastructure (for a typical site with 40 developable acres)

Electricity

- Kilowatt (kW) Demand: 3,000 kW
- Monthly Kilowatt Hour (kWh) Usage: 1,000,000 kWh
- Should be on 15 kV line, or preferably larger
- Should be within 3 miles of a substation with minimum available capacity of 25mVa
- Potential for looped electric power (dual substation) preferred

Natural Gas

- Demand: 15,000 CF/Hr.
- Usage: 310,000 Therms/year
- Minimum available capacity: 4-6 inch high pressure line within 3 miles

Water

- Minimum: 20,000 gallons per day (gpd) potable existing available capacity
- Water distribution line serving the site should be a minimum of 10 inches in diameter
- Municipal system preferred

Sewer/Wastewater

- Minimum available capacity: 20,000 gallons per day (gpd) at site boundary
- Municipal system preferred

Telecommunications

- T-1 line of service capacity a minimum

Transportation Requirements

A multi-tenant business and technology park must have excellent vehicular (automobile and truck) access. In areas where public transportation is available and used, public transit access is desirable.

The site must be within 5 miles of a State highway, and travel to the highway should avoid congested commercial, retail or residential routes. The site should have dual road access and separate auto and truck access points or entrances, and at least one traffic light should control ingress and egress to the site. Major highway visibility is of prime importance.

Close proximity to a hub, regional or international airport is important. Surface access within 60 minutes to a commercial airport with jet service is preferred. Rail access is not necessary, but could be a competitive advantage.

Proximity of Support Facilities

Companies and tenants interested in locating in a business and technology park prefer locations with businesses services that support and respond to their needs. Basic support services and facilities include, but are not limited to, technology, computer and telecom specialists and repair shops; tool and die and machine shops; temporary staffing services; office and industrial supply stores; couriers; and maintenance and janitorial contractors.

Site Development Barriers and Issues

The site should be zoned to accommodate a variety of uses and activities. In addition, information about the environmental condition of the site is critical. Environmentally sensitive sites or those with ecological, archeological, historical or cultural resources that significantly limit use or require continued monitoring should be avoided. In addition, sites where air and

water emissions standards that exceed federal requirements should be avoided. Plant operating parameters should not be adversely impacted by undesirable emissions from offsite activities; worker health and welfare must be protected.

Site Ownership vs. Lease

The original owner of a business and technology park usually sells individual sites to qualified businesses or companies interested in locating in the park. In turn, the purchasers/tenants will develop their properties to accommodate their needs, taking into consideration the local zoning ordinance and any conditions, covenant and restrictions that the park may have adopted. Sometimes, a park's owner may construct a speculative (spec) building that can be leased to a number of small, growing companies and to businesses seeking locations with flexible lease/ownership options, such as software developers. Spec buildings also offer options for local companies interested in finding existing space for their operations and are a useful marketing tool to have in a proactive business/industry recruitment program.

Surrounding Land Use Issues

Surrounding land uses are of prime importance when selecting a site for a business and technology park. The preferred locations are areas that have a quality, positive image and attractive, compatible surrounding uses – highway visibility is of prime importance. The site should be attractively buffered from nearby industrial, commercial, retail and residential areas. Proximity to other business, technology or R&D parks, centers of light industry, and supportive uses and amenities can create a market synergy that is advantageous for the landowner, the developer (if not the landowners), and the companies located in the park.

Other Criteria Critical to Site Selection

Please see the project list of Musts and Wants.

Project Profile & Impacts

(for a typical site with 40 developable acres)

Type of Facility

Multi-Tenant Business and Technology Park Sites

Capital Investment

- Building and improvements:
- Machinery and equipment:

Site Requirement

- 40 contiguous developable acres, capable of being subdivided into sites of 5-20 acres

Building Size and Total Build-Out

- Per building: varies with parcels
- Total build-out: per sub-division plan

Utility and Telecom Infrastructure Requirements

Electricity

- Kilowatt (kW) Demand: 3,000 kW
- Monthly Kilowatt Hour (kWh) Usage: 1,000,000 kWh

Natural Gas

- Demand: 15,000 CF/Hr.
- Usage: 310,000 Therms/year

Water

- Minimum: 20,000 gallons per day (gpd) potable existing available capacity

Sewer/Wastewater

- Minimum available capacity: 20,000 gallons per day (gpd) at site boundary

Telecommunications

- T-1 line of service capacity a minimum

Transportation Access

Automobile and Truck Access

- Must be within 5 miles of a State highway or an Interstate.
- Dual road access to separate auto and truck traffic, and at least one traffic light controlling ingress and egress to the park

Air Access

- Surface access within 60 minutes to a commercial airport with jet service is preferred.

Rail Access

- Not necessary, but could be desirable

Construction and Facility Peak Traffic Estimates

- Construction Peak Traffic: 200 vehicle trips/day
- Facility Peak Traffic: 1,520 vehicle trips/day

Multi-Tenant Business and Technology Park Sites

Project Musts and Wants

Site Musts

- **Must** be a minimum of 40* developable contiguous acres configured to support the site development plan.
- **Must** be capable of being subdivided into parcels ranging from 5 to 20 acres.
- **Must** be zoned to accommodate appropriate uses, such as light industry, R&D, and back office operations. If not properly zoned, a letter of commitment to consider rezoning the property must be included.
- The 40 developable acres **must** be located in an area outside the FEMA 100-year flood plain.
- The 40 developable acres **must** be free of wetlands, protected species, and environmental issues, or have mitigations plans in place that can be enacted in 90 days.
- Site **must** be within 5 miles of a State highway or an Interstate.
- **Must** have electric and municipal water and wastewater services properly sized and with adequate system capacities to meet the needs as shown in the Project Profile, or must evidence the ability to upgrade services to meet the Project Profile requirements.

**In metropolitan areas, sites with less acreage will be considered if all other criteria are satisfied.*

Site Wants

<u>Weight</u>	<u>Factor</u>
9	Quality and available workforce
8	Competitive investment costs (i.e., land, construction costs)
8	Favorable site characteristics (i.e., configuration, topography, surrounding uses, image, visibility, ownership)
8	Ease of commuting access
7	Telecom accessibility (i.e., T-1 line)
6	Natural gas service to site
5	Competitive recurring costs (i.e., utility costs, property taxes)
4	Proximity to community colleges and universities
3	Additional adjoining, contiguous, available acres