

OK Site Certification Program Development Type Overview

Mega Park

General Description

Mega Park locations are highly sought after economic development projects for most areas because of their great direct and indirect economic impact. Mega Park location may be utilized for either manufacturing or office and office support locations. New suppliers often locate near or adjacent to the new facility, and existing suppliers usually increase their business by a significant percentage.

Mega Park facilities also have a significant impact on the community infrastructure. Consider the vast amount of utilities required (i.e., water, wastewater, electricity, and natural gas), and the solid waste, air pollutants, and traffic increase that the facility creates. A community must examine its ability to meet the needs of a company over the long term while not overly burdening their existing infrastructure.

Manufacturing facilities vary depending on the raw materials used in the manufacturing process and the final product. Significant acreage is required, usually greater than 1000 acres, and the building footprint can range from 1,000,000 square feet to Several Million square feet. Mega Office Parks spur the growth of neighborhood centers and other large retail hubs. These office parks and corporate campuses are rethinking their sterile designs and adding shops, apartments and restaurants to create a slice of city life in suburbia.

The initial investment will likely be large, usually greater than One Billion, and will probably be developed in distinct phases. The site should account for buffering for noise and privacy as well as project expansion. Employees characteristically earn a wage or salary above the local average wage for new locations. Usually Mega Park facilities employ greater than 1000 people, and can employ 2,000 or more.

Market Analysis

In the U.S., each state with a significant automotive presence has unique benefits; in the last decade, we've seen a lot of big projects open up across the Southeast, and more recently, in Texas. Mega Parks, or automotive assembly facilities, have had a major impact on economic growth and the development of the workforce.

State workforce training programs play a large role in attracting Mega Park locations to their state. In today's global economy, where companies can — and often do — relocate to other parts of the world in an effort to stay competitive, work force training lays the foundation for future growth.

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Minimum site acreage

In order to accommodate the facility with adequate parking, ample truck staging, auxiliary facilities, proper buffering, and rail access, sites greater than 1000 acres is usually required. Future expansion projections should be considered.

Appropriate topography

Site topography should generally feature little elevation change and be outside the 100-year FEMA flood plain designation.

Site configuration should be square to slightly rectangular with little to no outparcel intrusions to effect site utilization.

Industrial sites of this size should not have major elevation changes to minimize site preparation. Site topography has a direct influence on up-front capital costs. Poor topography not only increases site preparation costs, but also can delay fast-track projects. Risk of cost overruns and potential construction delays due to poor topography can eliminate a site, or be a factor in choosing between two otherwise equal locations.

Utility needs

Utility needs vary by industry. The following are examples of what may be required:

Electricity

- Kilowatt (kW) demand: 2,000 kW
- Kilowatt Hour (kWh) Usage: 1,400,000 kWh/month
- Dual Feed Preferred

Natural Gas

- 4,000 mcf monthly average usage of natural gas

Water

- Usage up to 500,000 gallons/day
- Municipal System Preferred

Sewer

- Flow up to 500,000 gallons/day
- Municipal System Preferred

Telecommunications

- Fiber Optic line required

Solid Waste Disposal

- Dry weight = 1,000 tons per month, or one semi-truck full/day

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Transportation requirements

Rail service and truck access are essential both for the delivery of input materials and distribution of the finished product for a manufacturing Mega Park. Sites with rail links and easy access to four-lane or interstate highways have a distinct advantage over those with less efficient distribution networks. For both Office and Manufacturing Mega Parks direct access to a four-lane, improved highway or interstate should avoid travel through highly congested commercial, retail or residential routes. At-grade crossings for site entry/exit should also be avoided.

Close proximity to a hub or regional airport is required. A site within 90 miles of a commercial service airport with direct service to a hub is preferred.

Labor/Workforce needs

A typical plant would employ approximately greater than 1000 people. For a Manufacturing Mega Park, the employment would be roughly 70% hourly production workers, 25% salaried (supervisors, and multi-skilled maintenance) and 5% salaried management. High-tech manufacturing facilities or industries requiring an especially skilled labor force may have more salaried personnel and necessitate a workforce with higher education levels, specific skills, and training levels. The Office Mega Park sites split would be nearly the same. Office support and call center personnel would account for the production workers (90%) and the management employees would be salaried (10%).

The entry-level workforce can be described as being composed of employees with very limited skills and/or training and little or no manufacturing experience. Plants may also employ semi-skilled employees with an associate's degree in a manufacturing related field or two to three years of experience working in a manufacturing operation. Experience with CNC equipment or maintaining machinery is helpful. Skilled employees include employees with extensive experience in CNC equipment or machine maintenance.

Mega Park facilities commonly are developed in phases and may start with a limited number of employees. A community can expect the facility to grow to full capacity over the first two years, and increase wages gradually for every three month period during that time. Starting wages may not reflect what the average wage will be after the facility has been in operation from 3-5 years.

The following table shows the typical occupations that may be found in a Mega Park facility. The table compares 2004 Oklahoma mean hourly wages with 2004 national mean hourly wages. *Please refer to the Application Package for the detailed "Comparison of Wages" and "Description of Occupations" sections.*

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| SOC Code | Mega Park | OK | National |
|----------|--|---------|----------|
| 17-3023 | Electrical and Electronic Engineering Technicians | \$20.22 | \$22.26 |
| 17-3026 | Industrial Engineering Technicians | \$25.16 | \$20.96 |
| 17-3027 | Mechanical Engineering Technicians | \$17.53 | \$20.87 |
| 51-4012 | Numerical Tool and Process Control Programmers | \$18.76 | \$19.31 |
| 43-9012 | Word Processors and Typists | \$11.12 | \$13.48 |
| 49-9041 | Industrial Machinery Mechanics | \$16.27 | \$18.78 |
| 49-9043 | Maintenance Workers, Machinery | \$15.49 | \$15.79 |
| 49-9042 | Maintenance and Repair Workers, General | \$12.54 | \$14.77 |
| 47-2111 | Electricians | \$18.31 | \$20.33 |
| 51-4081 | Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic | \$11.35 | \$14.06 |
| 51-4193 | Plating and Coating Machine Setters, Operators, and Tenders, Metal and Plastic | \$15.29 | \$12.96 |
| 51-4011 | Computer-Controlled Machine Tool Operators, Metal and Plastic | \$14.42 | \$14.75 |
| 51-2099 | Assemblers and Fabricators, All Other | \$9.12 | \$11.90 |
| 51-2022 | Electrical and Electronic Equipment Assemblers | \$12.16 | \$11.68 |
| 53-7051 | Industrial Truck and Tractor Operators | \$11.62 | \$12.78 |
| 53-7064 | Packers and Packagers, Hand | \$7.52 | \$8.25 |
| 13-1023 | Purchasing Agents, Except Wholesale, Retail, and Farm Products | \$20.23 | \$22.92 |
| 13-1071 | Employment and Recruitment Specialists | \$15.48 | \$19.80 |
| 43-5061 | Production, and Expediting Clerks | \$16.92 | \$17.47 |
| 43-6012 | Legal Secretaries | \$14.33 | \$17.65 |
| 43-6014 | Secretaries, Except Legal, Medical, and Executive | \$10.13 | \$12.55 |
| 43-2021 | Telephone Operators | \$12.44 | \$13.65 |
| 43-0000 | Office and Administrative Support Occupations | \$10.96 | \$12.84 |
| 15-1061 | Database Administrators | \$25.25 | \$30.51 |
| 15-1041 | Computer Support Specialists | \$15.41 | \$20.97 |
| 15-1021 | Computer Programmers | \$26.17 | \$31.69 |
| 41-9041 | Telemarketers | \$7.95 | \$11.29 |

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| 41-9091 | Door-To-Door Sales Workers, News and Street Vendors, and Other Related Occupations | \$14.67 | \$13.36 |
| 43-4041 | Credit Authorizers, Checkers, and Clerks | \$12.81 | \$15.15 |
| 43-4131 | Loan Interviewers and Clerks | \$12.67 | \$14.75 |
| 43-3031 | Bookkeeping, Accounting, and Auditing Clerks | \$12.64 | \$14.34 |
| 43-9021 | Data Entry Keyers, except Composing | \$10.07 | \$11.72 |

Proximity of support facilities

Depending on the industry, proximity of support facilities may be a critical factor in a siting decision. Basic support facilities for an automotive assembly facility include Tier 2 and 3 suppliers, tool & dye shops, machine shops, industrial maintenance and janitorial contractors, temporary staffing services, and waste disposal facilities.

Site development barriers & issues

Access to environmental information about the site is essential. Environmentally sensitive areas should be avoided. Community emissions standards are normally a concern. Access to wastewater treatment and solid waste disposal facilities are also factors. Most Mega Park manufacturers use large amounts of electricity.

Site ownership vs. lease

This is a management decision, although most large manufacturing plants are corporate-owned. However, some industries, such as auto components, lease to remain flexible.

Surrounding land use issues

Residential, commercial, or retail areas should be buffered from facility/park. Proximity to landfills, sewage lagoons, or wastewater treatment plants, etc. should be avoided.

Other critical criteria

Refer to project evaluation criteria (musts & wants) which follow.