



FOCUS GROUP MEETING SERIES

Industrial Development

Brief Meeting Summary

Attendees:

- ❖ Mark Farris – Greenville Area Economic Development Corporation, Greenville County
- ❖ Joshua Jones – Johnson Development, Spartanburg County
- ❖ Ronald Latimer – Anderson County Economic Development, Anderson County
- ❖ Jason Vaughn – Synterra, Greenville County

Overview:

On September 20, 2016, the project team for Shaping Our Future met with Industrial Developers to gather information regarding site selection criteria that makes one area – or one type and style of development – more attractive to grow and develop compared to others in the Upstate Region.

A brief presentation by the project team was followed by a group discussion. The presentation can be found at www.ShapingOurFutureUpstateSC.org (in the Community Engagement section).

Growth Drivers for the Region

Growth drivers represent physical or policy conditions that make one parcel more desirable to develop over others in the region. Meeting participants worked with the project team to identify a comprehensive list of growth drivers and rank their relative importance for influencing industrial growth. A quick review of data collected during the focus group highlighted that the following factors were reported by a majority of participants as “required” (almost a must-have) when considering future industrial development sites:

- ❖ Proximity to Interchanges
- ❖ Proximity to a Development Activity Center
- ❖ Zoning in Place
- ❖ Size of a Parcel for a Project
- ❖ Inside Existing or Emerging Growth Areas
- ❖ Inside Sewer Service Area
- ❖ Inside Water Service Area



Factors noted by a majority of participants for discouraging the location of future industrial development included:

- ❖ Presence in a Watershed Protection Area
- ❖ Presence in a Floodprone Area
- ❖ Steep Slope Areas

Data collected during the session will be further reviewed and analyzed to identify current trends driving growth in the region and inform development of scenario planning tools.

Hot Spots for Development and Challenges

The influence of sewer availability was stressed as a major influencer regarding where new industry can locate. In Greenville County that results in most industrial development locating east and south of the City of Greenville. Another major influence is the presence and location of BMW. Finally it was noted that Interstate 85 is a huge hot spot – including sections stretching from Cherokee in the north to Anderson and Oconee in the south. In Anderson County rail access is limited in upper parts of the county. That coupled with the fact that population is growing rapidly in the Powdersville area has provided an opportunity for industry to locate along Interstate 85 frontage just outside the residential area of Powdersville. It was noted that Laurens County industrial development is limited to an extent by sewer. At the meeting participants circled areas on maps that they would consider “hot spots” for future industrial growth. Those maps will be further analyzed and will inform the project as it proceeds.

General Comments:

Several comments were voiced during the meeting that will also be taken under consideration as the effort moves forward. A brief summary of the comments offered by participants follows:

- ❖ **Workforce** – One of the limiting factors for industrial development is workforce readiness. That is critical to business recruitment.
- ❖ **Lack of Zoning as a Challenge** – In Spartanburg County – and elsewhere in the region - the lack of in-place zoning is a challenge. Decades ago the lack of zoning made things easier for developers but now industrial developers want to avoid risk. When no zoning is in place, they have little assurance of what will end up “bumping up” next to them – unless they have a large parcel within which they can locate their facility to provide a buffer from residential and other growth.
- ❖ **Changing Needs for Manufacturing** – Manufacturing was noted as one of – or the – most prevalent industries in the Upstate. It was also noted, however, that the concept of manufacturing has changed over time. Massive facilities are not as likely anymore as larger



equipment is being replaced by smaller equipment. Additionally, manufacturing facilities are no longer as polluting as they once were. If they cannot contain their emissions, they opt to move offshore where regulations are not as strict.

- ❖ **Airport Challenges** – It was noted that being between the Charlotte and Atlanta airports – both ranked as one of the top ten airports across the nation restricts Greenville-Spartanburg Airport (GSP) from expanding service greatly. Participants noted that limited direct connections from GSP is a challenge.
- ❖ **Regionalism** – It was noted that the concept of regionalism is new to the Upstate and not as ingrained as in other parts of the state. The airport is a good example where regional thought and collaboration has led to real success, but those examples are limited. The labor force is a key way to improve regional thinking in the Upstate. For instance, some of the facilities in Laurens County couldn't survive without the workforce in Greenville and in turn many Greenville residents would not have jobs but for the facilities in Laurens County. An additional symbol of regional collaboration is the Greenville Health System – a regional entity that operates within several Upstate counties.
- ❖ **Taxation Imbalance** – It was noted that due to State Act 388 there is an imbalance in the way taxes are assessed across industrial, commercial and residential development types. Specifically, Act 388 resulted in a sharp decrease in taxes assessed on owner-occupied properties and shifted that burden to commercial and industrial developments. The result is that South Carolina has one of the lowest – if not the absolute lowest – owner-occupied property tax rates in the country. On the contrary it has the highest industrial property tax rate in the nation.

For More Information:

Meeting participants are encouraged to stay involved in the project! If you are interested in receiving more detailed data collected at this focus group meeting or have other questions about the Shaping Our Future project, please contact Lisa Hallo, Sustainable Communities Program Director, at lhhallo@upstateforever.org or (864)250-0500 ext. 33.

Thank you for your participation!