



## CONTINGENT CERTIFICATION

April 16, 2014

John Montgomery  
Vice President of Real Estate  
Pacolet Milliken Enterprises, Inc.  
105 Corporate Drive, Suite A  
Spartanburg, SC 29303

Dear Mr. Montgomery:

Thank you for submitting the Clinton 26 Commerce Park for the South Carolina Department of Commerce Industrial Site Certification Program. We appreciate your time and dedication to this project. McCallum Sweeney Consulting has conducted a thorough analysis of the property. Based on the information you provided and our evaluation of your site, we are certifying the **Clinton 26 Commerce Park** as an **Industrial Park**.

McCallum Sweeney Consulting has developed a program for the South Carolina Department of Commerce to certify industrial sites and industrial parks as ready for industrial development. We have certified the Clinton 26 Commerce Park as meeting the following criteria:

- **The industrial park must be a minimum of 100 subdividable acres with at least one parcel in the park being a minimum of 20 developable<sup>1</sup>, contiguous acres.** The park is approximately 460 total acres with 349.5 total developable acres. The largest contiguous, developable parcel is 79 acres. SC Highway 72 cuts through the southern portion of the park. Wetlands are located throughout the park.
- **The sites within the proposed industrial park must be available for sale or lease (with a documented price and terms) to prospective industrial investors.** Pacolet Milliken Enterprises, Inc. owns the industrial park and has demonstrated a willingness to market the property as available for industrial development for a period of at least five years. A 50-year title search was completed on August 30, 2013. Mineral rights are severed for the northern portion of the park. Continental Mineral Sales owns 50%, IP Property Partnership owns 25%, and the current landowner owns the remaining 25%.
- **The industrial park must be zoned appropriately (if applicable).** Northern portion of the park is located outside of the Clinton City limits and is not zoned. Southern portion of the park is within the City limits and zoned Industrial District (I-1). Northern

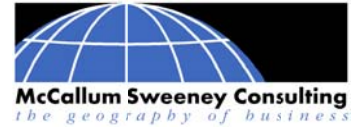
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<sup>1</sup> "Developable" acres are those that have no impediments to development, or mitigation for any known impediments can be accomplished in less than 90 days.



portion of the park can be annexed by the City within 60 days and zoned Industrial District.

- **The industrial park must be free of any known rights-of-way, easements, judgments, liens, restrictive covenants, and any other items that might impact the site's developability.** A Master Development Plan has been created that takes into consideration easements, wetlands, archaeological area, floodplain, and existing roadways. Farm road easements are located throughout the park. These easements will be removed by July 2014.
- **The industrial park's developable acreage must be located outside of the 100-year flood zone.** Vast majority of the park (including all developable acreage) is located in FEMA Zone X – outside of the 100- and 500-year flood zones. Six acres of the park are located in FEMA Zone A – inside the 100-year flood zone. This area is located along the creek at the northeastern border of park (in undevelopable acreage).
- **The industrial park must be directly served by a road that is compatible with state standards for tractor-trailer access (80,000 pounds / 20,000 pounds per axle).** The park is served by SC Highway 72 which is compatible with standards for tractor/trailer access (80,000 pounds/20,000 pounds per axle). Park is one mile from I-26.
- **If the applicant intends to market the proposed industrial park as rail-served, then the applicant must submit documentation that the industrial park will be able to be served by rail.** The park will not be served by rail.
- **The industrial park must be served by industrial quality power (a minimum of three-phase electric service).** A 25 kV line is located along SC Highway 72. A 12 kV line is located approximately 2,100 feet north of the site. Nearest electric substation is located 4.5 miles from the park.
- **If the applicant intends to market the proposed industrial park as served by natural gas, then the applicant must submit documentation that the industrial park will be able to be served by natural gas.** A four-inch line is located less than 500 feet from the park. An alternate four-inch mainline can be extended two miles along public rights-of-way to the park within 60 to 90 days for large natural gas users.
- **The industrial park must be served by a water system and infrastructure with a minimum excess capacity of 300,000 gallons per day.** The City of Clinton is capable and willing to provide water service to the park, including areas located outside the City limits. An eight-inch water line with 0.5 mgd excess capacity is located along SC Highway 72. As of October 23, 2013, the water system has a permitted capacity of 6 mgd, a reliable capacity of 4.8 mgd, an average utilization of 2.5 mgd, a peak utilization of 3.3 mgd, and an excess capacity of 1.5 mgd. Reliable capacity means that 80% of the rated capacity for the water treatment plant has not yet been reached.

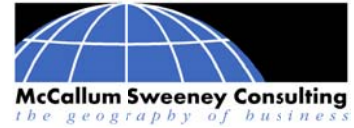


- **The industrial park must be served by wastewater infrastructure and a wastewater treatment plant and infrastructure with a minimum excess capacity of 200,000 gallons per day.** The City of Clinton is capable and willing to provide wastewater service to the park, including areas located outside the City limits. An eight-inch line with 0.78 mgd capacity is located on the southwestern corner of the park. A pump station is located adjacent to the park. As of October 23, 2013, the wastewater treatment plant has a permitted capacity of 2.75 mgd, an average utilization of 1.3 mgd, a peak utilization of 1.9 mgd, and an excess capacity of 0.85 mgd.
- **The industrial park must be served by telecommunications infrastructure.** Telecommunications facilities are located along SC Highway 72. Installation of a remote terminal on the site will allow for provision of any service.
- **Developable acreage must be free of wetlands, endangered species, or other unacceptable environmental conditions or have a mitigation plan that is achievable within 90 days.** A Phase I ESA, wetlands delineation, endangered and threatened species study, archaeological and historical investigation, and geotechnical assessment have been completed on the site. The preliminary jurisdictional determination letter states that the park contains 23,720 linear feet of streams and 0.66 acres of federally defined freshwater wetlands. An approved jurisdictional determination letter from the U.S. Army Corps of Engineers has not yet been received, but the request has been sent to the Corps. State Historic Preservation Office (SHPO) letter states that the park contains no historical sites eligible for the National Register of Historic Places (NRHP), but 20 acres of the park were unable to be adequately accessed (located in creek along park's northeastern boundary).
- **The applicant must submit a Master Development Plan that shows the location of park access roads, easements for all utilities (water, sewer, natural gas, electricity, and telecommunications), and proposed lot locations and sizes. The Master Development Plan should take into consideration and note the location of development limitations, such as wetlands, floodplains, and permanent easements.** Master Plan shows 349.5 total developable acres and 10 lots ranging in size from 13.4 to 79 acres. The plan also shows 10 potential buildings ranging in size from 100,000 square feet to 500,000 square feet.
- **The applicant must submit a draft set of protective covenants that at a minimum address the following: building type, landscaping, parking, outdoor storage, setback specifications, and sign control.** A set of covenants addressing the above listed items have been drafted for the park.

The letter of property availability is dated December 9, 2013 and indicates that the property is available for at least five years, and the Phase I ESA was completed on August 1, 2011; therefore, this certification<sup>2</sup> will expire on **August 1, 2016**. After this date, you will need to

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<sup>2</sup> This certification is contingent on Clinton 26 Commerce Park receiving an approved Jurisdictional Determination Letter from the U.S. Army Corps of Engineers.



apply for recertification. [Note: Once the approved Jurisdictional Determination letter is received, the certification letter will be updated.]

Also attached is a strengths and weaknesses matrix for the park, which incorporates recommendations for improving the readiness of the park.

Thank you again for your hard work and congratulations on achieving certification. If you have questions regarding our analysis, please contact us.

Sincerely,

A handwritten signature in black ink that reads "Sarah S. White". The signature is written in a cursive style with a large, prominent "S" at the beginning.

Sarah S. White  
Consultant

cc: Maceo Nance

**SOUTH CAROLINA DEPARTMENT OF COMMERCE  
INDUSTRIAL SITE CERTIFICATION PROGRAM**

**STRENGTHS AND WEAKNESSES**

**Site Name: Clinton 26 Commerce Park**  
**Site Location: Clinton, Laurens County, SC**  
**Category: Industrial Park**

**Strengths:**

- Park is ~460 total acres with 349.5 developable acres. A variety of site sizes are available in the park.
- Park has one landowner, Pacolet Milliken Enterprises Inc.
- Park is one mile from I-26. Park has potential for dual ingress / egress.
- Vast majority of the park is located outside of the floodplain.
- All utilities are located at the park (within 500 feet).
- Water system has 1.5 mgd of excess capacity. Wastewater system has 0.85 mgd of excess capacity.
- Phase I ESA, wetlands delineation, endangered or threatened species study, archaeological investigation, and geotechnical assessment have been completed.
- Good workforce and training available in Laurens County.

**Weaknesses:**

- Northern portion of the park is not zoned.
- Mineral rights for the northern portion of the park have been severed.
- Park has significant topography in areas.
- Park is not served by rail.
- Nearest electric substation is 4.5 miles from the park.

**Recommendations:**

- Develop cost and schedule estimates for improving Barrel Stave Rd. to provide dual ingress / egress to the park.
- Develop plans, including cost and schedule estimates, to extend utilities throughout the entire park.
- Implement protective covenants for park.

## TARGET INDUSTRIES

**Site Name:** Clinton 26 Commerce Park  
**Site Location:** Clinton, Laurens County, SC  
**Category:** Industrial Park

Target Industry	Location Requirements	MSC Justification
<b>Auto Parts</b>	<ul style="list-style-type: none"> <li>• Good transportation infrastructure</li> <li>• Proximity to customers and end markets</li> <li>• Adequate manufacturing labor force</li> <li>• Competitive operating cost environment</li> <li>• Reliable electricity</li> <li>• Rail service required for some projects</li> </ul>	<ul style="list-style-type: none"> <li>• Proximity to I-26 and I-385</li> <li>• Proximity to BMW</li> <li>• Good manufacturing labor force</li> </ul> <p><i>Note: Lack of rail will be a weakness for some prospects.</i></p>
<b>General Machinery</b>	<ul style="list-style-type: none"> <li>• Good transportation infrastructure</li> <li>• Proximity to customers and end markets</li> <li>• Adequate manufacturing labor force</li> <li>• Existing skill sets in the workforce</li> <li>• Existing industry base</li> <li>• Competitive operating cost environment</li> <li>• Reliable electricity</li> <li>• Rail service required for some projects</li> </ul>	<ul style="list-style-type: none"> <li>• Proximity to I-26 and I-385</li> <li>• Proximity to customers</li> <li>• Good manufacturing labor force</li> <li>• Existing skill sets in workforce</li> </ul> <p><i>Note: Lack of rail will be a weakness for some prospects.</i></p>
<b>Logistics / Distribution</b>	<ul style="list-style-type: none"> <li>• Smaller sites</li> <li>• Proximity to end customers</li> <li>• Access to appropriate transportation infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Variety of site sizes available in park</li> <li>• Proximity to I-26 and I-385</li> </ul>