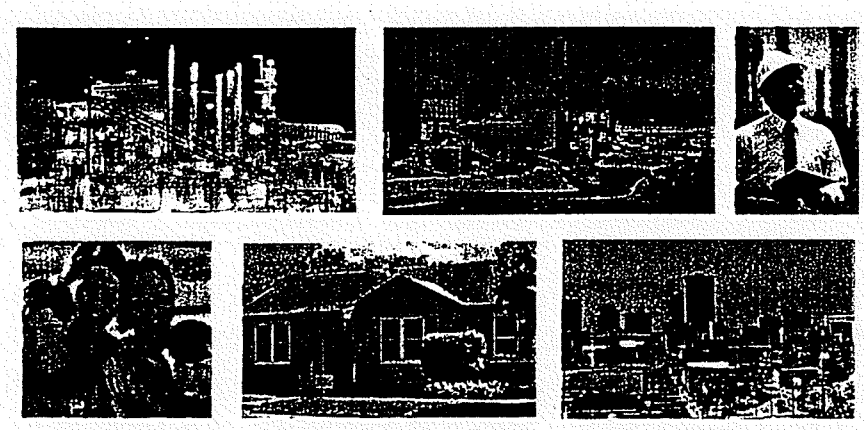
COMMUNITY INTERACTION



Consulting services that support industrial companies in developing effective interaction with their host communities.

Prudential

Community Interaction Consulting

DSW 137594

STLCOPCB4037551

COMMUNITY INTERACTION



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COMMUNITY INTERACTION

Company Profile

Prudential Community Interaction Consulting (Prudential) is a leader in helping industrial companies interact with their near neighbors and host communities. Our objective is to assess the client's situation, identify community interaction options, develop strategies for achieving defined results, and implement programs that build trust and credibility between client, near neighbor and host community.





Prudential accomplishes this by offering a broad scope of related services:

- Developing and Facilitating Community Advisory Panels
- Facilitating Community Forums, Meetings and Special Events
- Expanding Buffer Zones with Property Purchase Programs
- Protecting Near Neighbor Property Values and Marketing Assistance

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COMMUNITY INTERACTION

Community Perceptions

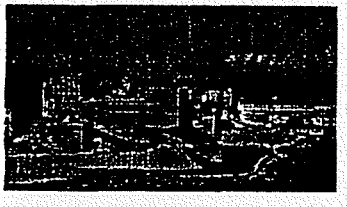
There are a number of factors that influence the perceptions a community has about local industrial businesses:





- **Employee Profile**
  How many employees do you have?
  Where do they live relative to the facility?
  What is their level of community participation?

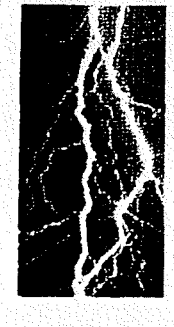
- **Risk vs. Economic Value**
  How are the risks to health, safety, the environment and real estate values weighed by the the community against the economic benefits?

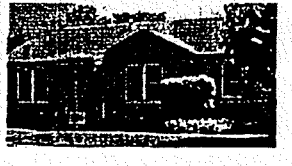


- **Size of Facility vs. Size of Community**
  Are you a large or small facility?
  Is your facility located in a small or large town?
  Are you a major employer in your community?



- **Location of Facility Within the Community**
  Is your facility located within the city limits, a suburban industrial park or a rural setting?





- **Proximity to Near Neighbors**
  What is the proximity and population density of near neighbors?

- **Presence of Other Companies**
  What is the relative size and type of other facilities?
  Who is the environmental "lightning rod"?



- **Geological/Climatological Factors**
  Are there any natural barriers, such as mountains or bodies of water?
  What are the wind characteristics?

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COMMUNITY INTERACTION

Community Interaction Options

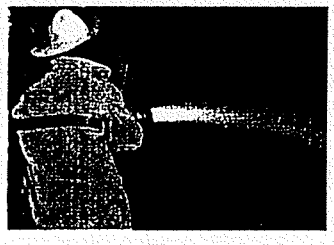
Industrial companies have a menu of options available to develop an overall community interaction program.



■ **Communications**
- Community Advisory Panels
- Newsletters/Media Releases
- Community Forums
- Surveys



■ **Community Programs**
- Financial Support for Projects
- Volunteerism Initiatives
- Adopt-a-School Program



■ **Mutual Support**
- Joint emergency response
- Wellness program with local hospital/clinic
- Shared facilities or equipment



■ **Near Neighbors**
- Be a "neighbor" as defined by local culture
- Property programs: providing a buffer zone and/or property value protection

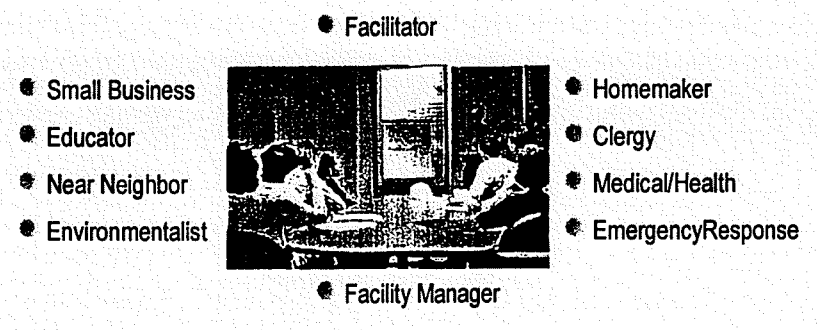
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Communications: Community Advisory Panels

Community Advisory Panels (CAPs) are an effective communication tool for stimulating dialogue between the facility manager and citizens who represent a cross-section of the local community. CAP members are nominated by comunity "peers" which positions the CAP as an objective vehicle for community feedback. The work product of a CAP is meaningful dialogue amongst its members.



■ **Roles and Responsibilities in a CAP:**

- CAP members ask questions, learn how the facility operates, review policies, make recommendations, report on emerging issues, and identify community resources
- The facilitator manages the meeting and links company and community members
- The facility manager owns the issues, provides information and resources and ultimately makes the decisions

■ **CAP benefits:**

- Builds trust and credibility within the community
- Provides early warning system for emerging issues
- Establishes a "sounding board" for new initiatives
- Acclimates new facility managers to community
- Develops community member ambassadors

■ **Success factors:**

- Align the CAP initiative with corporate mission statement
- Do not hand pick CAP members
- Use a third party (non-local) facilitator
- 100% facility manager participation

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Communications: Community Advisory Panels (cont'd)

Prudential utilizes a very successful method of establishing a CAP that results in a broad representation of the community and an accurate understanding of community/company issues and opportunities. The key steps in the process include:

Phase I: Research

- Facilitate a session with facility management team to discuss facility history, community outreach and issues, and potential community contacts
- Facilitate sessions with several employee groups to discuss topics similar to those discussed in management session
- Conduct 25 to 35 face-to-face interviews with local residents
- Gather background information about company, local facility, community history, and local demographics

Phase II: Organization & Development

- Present results from Phase I to management and make plans for going forward
- Facilitate meeting with 5 to 7 community contacts to nominate CAP membership

Phase III: Implementation of CAP

- Facilitate charter CAP meeting

Phase IV: On-Going Support

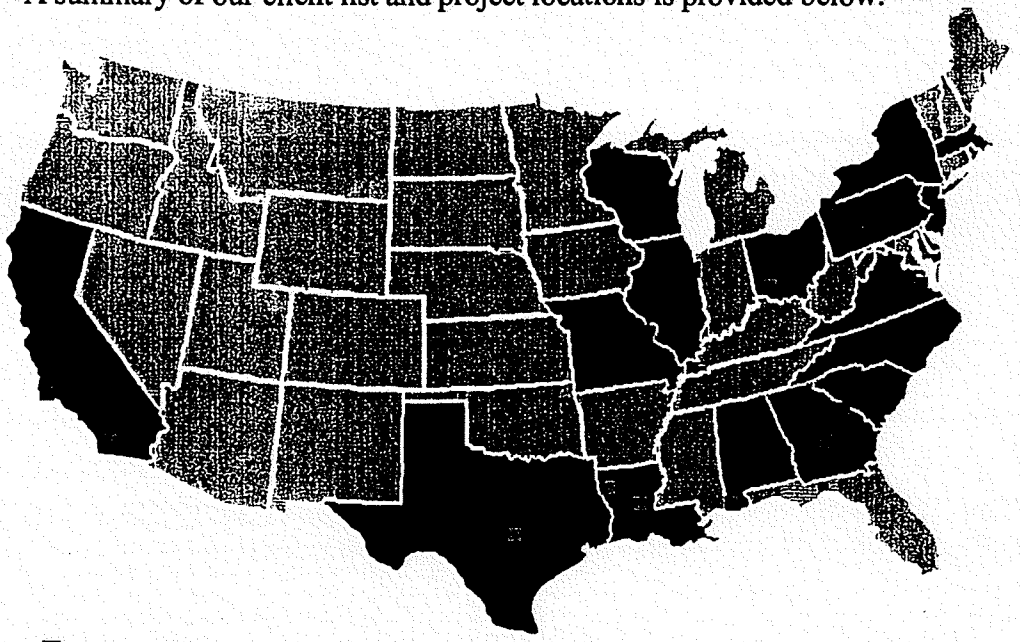
- Facilitate regular CAP meetings

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Communications: Community Advisory Panels (cont'd)

Prudential Community Interaction Consulting has had extensive experience both in the startup and on-going facilitation of Community Advisory Panels. A summary of our client list and project locations is provided below:



■ CAPs established and currently facilitated by PCIC

■ CAPs established by PCIC

Client	Location
Air Products	LaSalle, IL
Carus Chemical	Peru, IL
Henkel Chemical	Kankakee, IL
Hercules Chemical	Parlin, NJ
Huntsman	Austin, TX; Chesapeake, VA; Rome, GA
International Paper	Mobile, AL; Augusta, GA; Mansfield, LA; Pineville, LA; Colrain, MA; Ticonderoga, NY; Erie, PA; Lockhaven, PA; Hamilton, OH; Bethune, SC; Georgetown, SC; Kaukauna, WI
Merck	Albany, GA
Monsanto	San Diego, CA
Shell Chemical	Torrance, CA
Solutia	St. Louis, MO

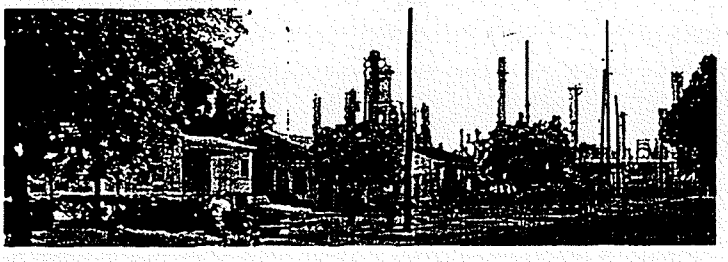
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COMMUNITY INTERACTION

Property Programs: Property Purchase or Value Protection

Property Programs provide alternatives for industrial facilities managing near neighbors. A facility could offer near neighbors a Property Purchase Program or a Value Protection Program depending on the unique circumstances of the situation. Prudential utilizes a "Community Information Center" as the focal point for dispensing property program information to stakeholders and administering the program.



■ **Property Purchase Program:**

- The objective of a Property Purchase Program is to increase an operating facility's buffer zone which ultimately reduces risk.

- Property Purchase Programs are designed to provide participants with reasonable alternatives to their current housing situation.

■ **Value Protection Program:**

- The objective of a Value Protection Program is to support residential fenceline property values impacted by unfavorable market perceptions stemming from a singular incident or temporary situation.

- The Value Protection Program incents near neighbors to remain in their homes, provides marketing support if needed, and guarantees a home value that is not impacted by unfavorable market perceptions.

■ **Overall Success Factors:**

- The program is administered by experienced counselors based on-site at a Community Information Center to ensure effective communications among all stakeholder groups.

- Experienced counselors assist participants in choosing a real estate broker or appraiser, negotiating a purchase or sale, identifying financing sources, developing marketing plans, and moving household goods.

- Program features are detailed in a Program Book.

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Property Programs: Property Purchase or Value Protection (cont'd)

Prudential's approach to the development and implementation of a Property Program follows a well defined process designed to be cost effective while meeting program objectives. The key steps in the process include:

Phase I: Research and Assessment

- Client defines the Program Area and desired outcomes
- Profile Program Area residents in terms of economic status and owner-occupant/renter ratio
- Estimate Program Area market value and property turn-over rate
- Identify alternative housing options and costs
- Anticipate special interest group influences
- Recommend program provisions and estimate related costs

Phase II: Program Development

- Develop final details of Program offering
- Prepare Program Book
- Set up and staff Community Information Center
- Develop necessary forms, tracking systems, and announcement strategy

Phase III: Program Implementation and Measurement

- Announce Program to relevant stakeholders
- Open Community Information Center
- Align participant needs with Program features
- Track actual costs to budget

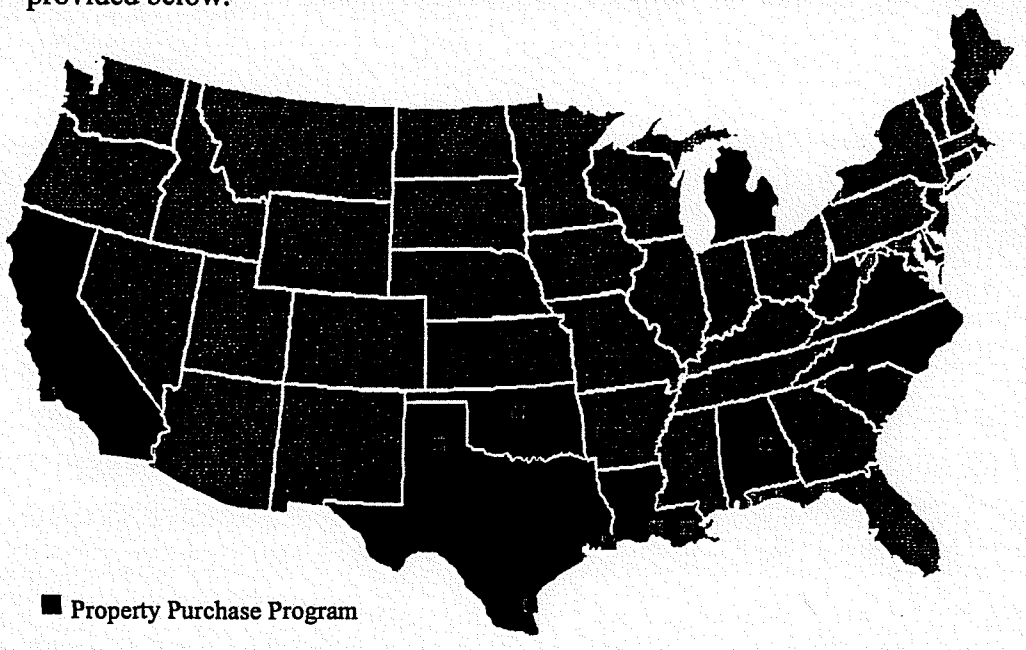
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COMMUNITY INTERACTION

Property Programs: Property Purchase or Value Protection (cont'd)

Prudential Community Interaction Consulting has extensive Property Program experience. A summary of our client list and project locations is provided below:



■ Property Purchase Program

■ Property Value Protection Program

Client	Location
CF Industries	Donaldsonville, LA
CITGO Petroleum	Corpus Christi, TX
Conoco Inc.	Ponca City, OK
Dow Chemical	Plaquemine, LA
Fina Oil & Chemical	Port Arthur, TX
Hoechst Celanese	Pampa, TX/Charlotte, NC
Monsanto	Anniston, AL
Reichhold Chemical	Detroit, MI
Shell Chemical	Torrance, CA
Texaco/Star Enterprise	Fairfax, VA

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Benchmarking: Eight Prudential Property Purchase Programs

▸ Offer Price Determination	
• Appraised Value:	7 Programs
• Assessed Value:	1 Program
▸ Premium Over Price	
• Owner Occupants:	45% to 75%
• Landlords:	45% to 50%
• Vacant Lot Owners:	15% to 50%, $1500/ac.
▸ Relocation Allowances	
• Miscellaneous, Owner/Landlord:	$1,000 to $6,000
• Miscellaneous, Renter:	$2,000 to $6,000
• Financial/Legal Consulting:	$150 to $400
▸ Bonuses	
• Early Sign-Up:	$3,500 to $10,000
• Participation:	$5,000
• Lot Clearance:	$4/sq. ft. to $5,000
▸ On-site Relocation Center Staff:	1 to 8
▸ Number of Property Acquisitions:	65 to 400
▸ Program Environment:	
• Pro-Active:	2
• Pending/ Potential Litigation:	4
• Mediation	1
• Class Action Settlement:	1

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COMMUNITY INTERACTION

Why Prudential?

Experience *Service* *Name*

Experience

- 11 Property Projects and 22 Community Advisory Panels
- Broad-Based "Best Practices" Knowledge
- Reliable Expense Projections
- Sensitive to Risk and Relocation Related Issues
- Supportive of Legal, Operations and Public Affairs Objectives
- On-Site or Off-Site Counseling
- Meeting Facilitation

Service

- The Company is our Client
- The Community is our Customer
- Community Information Center Set-Up
- Performance Tracking and Reporting
- Counselors Available Outside Normal Business Hours

Name Recognition

- 90% of North America Knows Prudential
- Prudential Affiliation Sends a Positive Message
- Prudential Administers 200+ Employee Relocation Program

DSW 137606

STLCOPCB4037563

Author: Dmvand@aol.com at INTERNET
Date: 8/20/97 7:07 PM
Priority: Normal
TO: BETH L RUSERT at MONSL316
Subject: Reply to your Questions on CAPS
---------- Message Contents ----------

Not sure if your Solutia address is working yet, so I'm resending this the old fashioned way.

Thanks, again for the opportunity to respond and submit our proposal. We really, really, really want to do this project with you.

Regarding how we scan for potential CAP members, we discuss with plant mgr. and lead team and gather their ideas, then we pull their lists of local officials and state officials who reside in their community (they've just updated this thanks to the spin.) We add elected officials to the list, including the Mayor and city council. We talk to city administrator and plant manager's secretary about who the movers and shakers in the community are (frequently just common folks who other people listen to and who are well-respected;) we do a literature search of the local paper, if it's on line, to see who's name comes up most in "Letters to the Editor" column, and employ other really creative ways of ferreting out the potential individuals.

Then we create a grid of these "potentially affected individuals" who we think are prime candidates, sift through the list, note special interests of the potentials and run the whole thing by you and anyone else you think should see it. Then we get the list to a manageable number. We usually invite more than we want--say 20 and we'll get about 12 or less at the meetings. A nice number to work with. Over time, it'll usually drop to 6-8 who stay active, but the others can be polled by phone or mail or anything important, so we still have access to their feedback.

On your second question, about how many meetings we've facilitated lately...I added them up--we've done 32 community meetings in the past year in cities all over to discuss all kinds of issues--environmental, transportation, new buildings, etc. We've facilitated six strategic planning sessions with companies, which included determining influentials in the community and we've facilitated 12 focus group meetings with employees and citizens. Hope this answers your question. If you need more, let me know.

Donna

DSW 137607