

North Carolina Needs a New Statewide Site Readiness Strategy



PROBLEM

Despite the wins, the losses are mounting.

North Carolina's success is no secret. Continually ranking at the top of lists for business, interest in locating here is at an all-time high. Taxes are friendly, regulations are measured, and North Carolina has much to offer for quality of life.

However, **demand for product far outpaces available sites.**

EDPNC recorded 292 business recruitment projects in 2021. In 2022, that number jumped to 316.

Site Size

- Of the 202 real estate requests, 46% desired a site, 37% wanted a building, and 17% were open to a building or site.
- 83% of the real estate requests desired no more than 200,000 sq/ft.
- 84% of the site or site/building requests were for no more than 250 acres; 69% requested no more than 100 acres.*

Project Losses

- Of the 67 reported project losses in 2022, 55% were due to a lack of suitable building/site. This is up from 42% in 2021.*

SOLUTION

For sites under 1,000 acres, **NCEDA proposes a \$100 million revolving fund for product development.** This program would competitively and regionally award applicants in several categories: site analysis, preparation, and acquisition. Applications will be evaluated on numerous criteria, including local participation and economic impact.

This program would allow all 100 counties to participate, and locals would be responsible for returning the zero-interest awards either at the sale of the site or within 5 years, except for site analysis grants.

Megaprojects are headline grabbing, but your community thrives on the smaller successes that do not receive a statewide announcement, and our competitors are making these kinds of investments in their states' communities.

NCEDA's proposal would keep North Carolina in the game on more projects where we do not have sufficient product, and its revolving nature would continue to support growth across the state to produce additional economic opportunity.

STATUS

The **House** SelectSite Provision aims at 10 new sites for state support that can provide 1,000 new jobs.

- Only a few counties could support an immediate one-project, 1,000-person increase in workforce demand. Most communities would prefer product development aid that would lead to the attraction or expansion of 10 companies that generate 100 new jobs each, which builds a diverse tax-base and more resilient local economy. NCEDA's proposal would prevent a scenario like Canton.

**2022 data received from EDPNC based on their project involvement.*

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The **Senate** budget proposal seeks to study sites less than 1,000 acres for future consideration of state support.

- While it can be beneficial to understand the product in need of further development, most communities have a strategic plan for the sites they have under public control or are seeking to obtain. A competitively awarded, scrutinized program would accomplish the conservative goals of the Senate while enhancing the likelihood that rural communities can win projects without losing another year.

CALL TO ACTION

House and Senate Conferees will soon be named and begin the final stage of the budget process in the coming days.

Connect

We are asking that you connect with your delegation (House and Senate) and explain how our proposal would be effective in your community and their district. Specific project details are always helpful – name the part of town, the site, the vision.

- Explain the need for smaller site support, where 1,000 jobs should not be the goal
- Communicate the type of leads you are receiving (the industry, job threshold, site preparation needs)
- Explain the need for resources NOW, not in a year or two after unnecessary research is completed.

Ask your legislator to commit to voice their support to area and full Appropriations Chairs, as well as to leadership and their staff. And if they have questions, please refer them to Dave Horne and Josh Grant, or make the connection.

| House | Senate |
|------------------------------------|--|
| Speaker Tim Moore | Sen. Phil Berger (President Pro Tem) |
| Rep. Jason Saine (Approps Chair) | Sen. Brent Jackson (Approps Chair) |
| Rep. Dean Arp (Approps Chair) | Sen. Ralph Hise (Approps Chair) |
| Rep. Donny Lambeth (Approps Chair) | Sen. Michael Lee (Approps Chair) |
| Rep. Kyle Hall (Approps Chair) | Sen. Todd Johnson (Area Approps Chair) |
| Rep. John Bell (Majority Leader) | Sen. Dave Craven (Area Approps Chair) |
| Staff: Beth Friedrich & Joy Hicks | Staff: Katherine Restrepo & Kolt Ulm |

Follow up

Help keep this request at the forefront of their priorities.

Share

We understand communications with your legislators are often done in confidence, but any feedback you can share will be constructive as we navigate the dynamic House and Senate negotiation.