# 2017-2018

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT & GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

**MINUTES** 

# **ATTENDANCE**

## Joint Legislative Economic Development & Global Engagement Oversight Committee

DATES	11-2-17								
Rep. Susan Martin, Co-Chair	1								
Sen. Harry Brown, Co-Chair	1								 
Rep. Stephen Ross, Vice Chair	V								
Rep. John R. Bell, IV									
Rep. Debra Conrad	/								
Rep. Ted Davis, Jr.	/								
Rep. John A. Fraley									
Rep. Ken Goodman	V								
Rep. Edward Hanes, Jr.	/								
Rep. Rodney W. Moore	V								
Rep. Michele D. Presnell	V								
Rep. Rena W. Turner									
Sen. Chuck Edwards	/								
Sen. Rick Gunn									
Sen. Brent Jackson									
Sen. Paul A. Lowe, Jr.								·	
Sen. Floyd B. McKissick, Jr.	/								
Sen. Wesley Meredith									
Sen. Bill Rabon									
Sen. Erica Smith-Ingram	/								
Sen. Tommy Tucker	V			1					
Sen. Trudy Wade									
Advisory Members:		,							
Rep. Mark Brody									
Rep. Josh Dobson	1								
Sen. Angela R. Bryant	V	1							





# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

# November 2, 2017 Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, November 2, 2017 at 1:05 pm. The meeting was held in Room 643 of the Legislative Office Building. 18 Members were present including 9 Senators and 9 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross; Debra Conrad; Ted Davis, Jr.; Ken Goodman; Edward Hanes, Jr.; Rodney W. Moore; Michele D. Presnell; Rena Turner. Senate Members present were Harry Brown (Co-Chair); Chuck Edwards; Rick Gunn; Floyd B. McKissick, Jr.; Erica Smith-Ingram; Tommy Tucker; Mark Brody; Josh Dobson; Angela R. Bryant.

Representative Susan Martin presided and called the meeting to order at 1:05pm.

Representative Martin recognized the Sergeant-at-Arms staff.: House: Young Bae, Jim Moran, Russell Salisbury. Senate: Becky Myrick, Billy Fritscher. covered administrative items by asking members to sign reimbursement forms to have S @ A pick up, introduced Williams Childs and staff, pointed out 2017 folder with docs and reports. Meeting notes will be posted on the website, Q & A taken at the end, meeting will last approximately 3 hours (2 hrs. presentations), and there will be no meeting in December.

Senator Brown (Co-Chair): Many bills were introduced last session, but nothing really moved forward. He wants to come up with something with consensus in this committee to move forward with in the short session. During the January meeting we will learn what was introduced in the last session and have that discussion.

Rep. Martin: 2nded that she wants to recommend legislation at the end of this session.

# Presentation: Secretary of Commerce Anthony Copeland Department of Commerce Strategic Plan & Economic Development Grants

### Secretary Copeland:

- . More than just change in manufacturing that hurt rural NC, but also the change in agriculture.
- . Rapidly becoming 8t most populous state in country
- . Understands rural NC 4percent produce 90percent (disappearing) b/c of Corp the times change in Ag hasn't heard much about it
- . Making life better for others is the goal of all of us 600k jobs added since recession



13% higher than national average

- . Manufacturing has not caught up making progress (8<sup>th</sup> most pop state in country)
- . We have universities and talented workforce
- . Honda Jets making engines in NC. When CEO asked why Greensboro, answered it has the talent and training, infrastructure, transportation, and friendly business climate.
- . Thank you for working together for stability to Economic Development process
- . Lowest tax rate, funding education, positive job growth (1% in 2001 2% in 2016), creating jobs; tech jobs are 36% (more than private sector growth as a whole) but still need to work on fixing the "two North Carolinas" (rural vs. urban).
- . 2016 average wage was \$918/wk. Tech. jobs average wage is \$1400/wk.
- . 60k unemployment applications in 2016 10k now
- . Upon taking office, requested performance audit of department, which is still in process of being made will share when available. Still growing

Transportation-critical infrastructure (air, rail, ports, nat. gas, broadband, talent wf support, opioid epidemic)

Focus:

- . Governor Cooper and NCGA is intent on dealing with opioid academic urge you to continue working on that.
- . Taxes & Incentives One North Carolina. JDIG stability (thank you they work because of your management together in legislature.)
- . Plan to continue to monitor those programs and work with them. (He and Senator Brown have talked about it.)
- . Wants to do something more robust for rural NC (tier system not perfect, but working fairly well).
- . Working with prosperity zones (regional in nature) rather than one-size-fits all; will continue working with legislators' help.
- . Hurricane Matthew money is still flowing out, although hoped it would have happened sooner.
- . NC Economy is larger than Sweden's 8<sup>th</sup> most populated State

### **Questions/Comments:**

Sen. Bryant: Is CXX on track? Anything happening with mega sites?

Copeland: Can't say everything to respond to those questions. Sees light at end of tunnel thanks to leadership. Continue to monitor CXX. Hoping soon some of these mega sites will not be empty. Must be ready – only real estate until infrastructure is there.

Rep. Goodman: Thank you. Natural Gas in rural areas - are there any initiatives to deal with Natural Gas now?

Secy. Copeland: Need to work together with you. Aren't going to find funds in one big pile for you. Need to put building blocks in place from several areas (local lead with state and federal government and gas companies.) Broadband also critical.



Rep. Goodman: Would like to see a plan and happy to be involved.

Sen. McKissick: Ex. Report. What do you see as the greatest challenge facing North Carolina now and achievements to get to where we need to be to attract the growth?

Secy. Copeland: Department of Commerce has been reduced by \$34M and trying to do same work done prior. I am trying to bring in professional people but their salaries are not commensurate. Continuing to professionalize staff is important. Would like to continue to beef up other things in the department and have ability to do that. Strapped for money to bring in young talent.

Sen. McKissick: We hear this from other agencies. What would it take to attract needed talent? How far under market rate are you?

Secy. Copeland: (taking Copeland out of equation) talking about exempt employees, they have chosen to work under \$.

Rep. Conrad: Winston/Salem – We are one of urban areas struggling over last 30 yrs. Largest employer is 2 hospital systems. Why?

Secy. Copeland: Largest employer used to be traditional industry of tobacco – When sectors collapsed, effected. 9/15/2008 was difficult. NC lost more manufacturing jobs than any in country. Pillowtex replaced by tech. Doesn't happen overnight – downtown doing right thing now, but Reynold's tobacco was so big. Most growth is coming with 50 miles of major universities – you will be back.

Spoke with your Chamber – growing by Wake Forest.

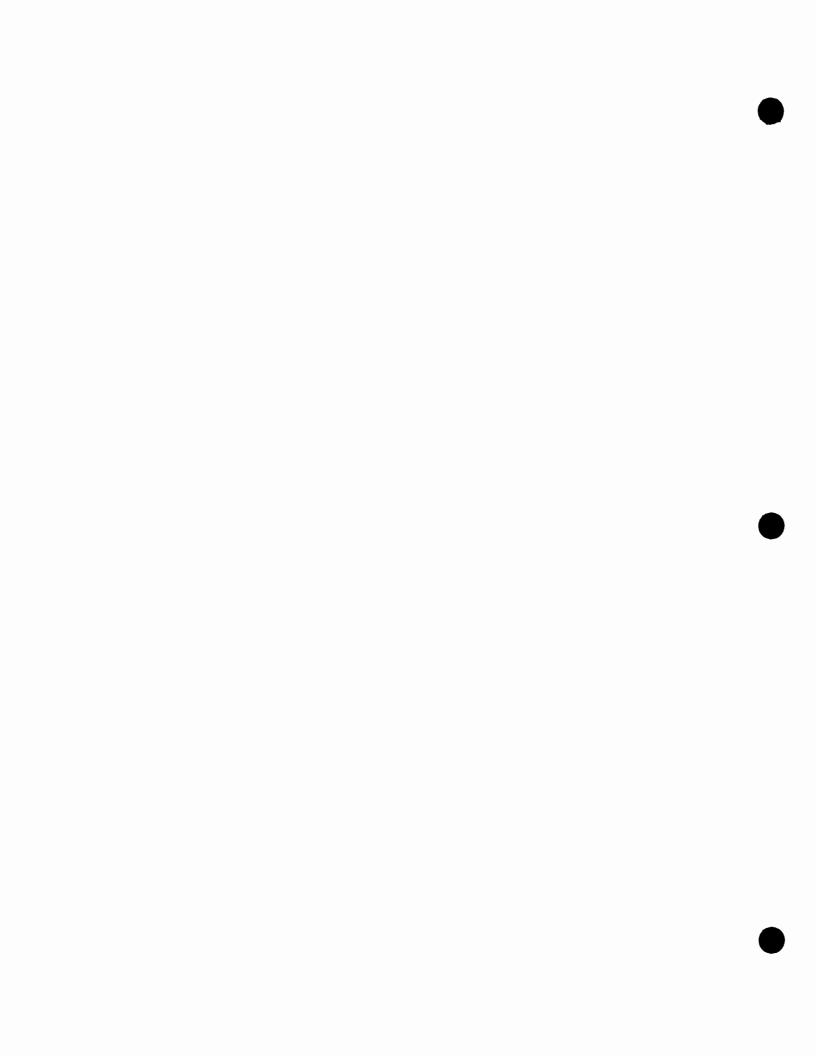
Rep. Conrad: Any suggestions to grow?

Secy. Copeland: Must adjust to having a disruptive economy forever – don't like, but reality (telecom business – in 4 months lost 10M in business – lots going through this). People will have multiple jobs with many companies. Community Colleges are critical component. Amazon wanted 50K employees in 17 yrs. 40% of Wake Forest have Master Degrees.

Rep. S. Martin: Saw positive in Winston Salem – local leadership.

Sen. Brown: To transform SE NC, rural NC – will take teamwork but what is your vision for Economic Development so that the state doesn't have to support them so much so they can support themselves?

Secy. Copeland: Generally – strategy at Dept. of Commerce, small business is critical to state (54% work for co. of 500 people), but in rural areas we need large manufacturing. Back these areas (tire, paper, etc.) as anchor for an area and helps grow small businesses. Working on incentivizing these. If Bridgestone left Wilson it would be crucial – we need more. It isn't one





size fits all – need to continue to help small businesses, but also bring large companies. Different areas of North Carolina go over the state lines – need to work both places so the investment comes across to North Carolina.

Rep. E Smith-Ingram: Report of 1/17 special task force on JDIG said we need to increase monies to tier 1 & 2. Have you developed a strategy for JDIG and tier system to promote more economical development in these areas?

Secy. Copeland: Caution to use only incentives to lift poor out (its workforce and infrastructure). Better model is to allow Dept. Of Commerce oversite to give to tier 1.

Sen. Edwards: Hears employers can't find enough help in business world. Goes much beyond other areas. Turn of skills gap -6M unfilled jobs -1/2M in North Carolina. Do you have a vision to close gap?

Secy. Copeland: On education Board & Spellings asked me what to do. Latest stats by 2025 automobiles will not have engines – we have many worker in this area – what are we doing to plan for this change? Skills gap is in technology. Banking industry says their problems are they can't find talent to work in banks. Must keep working harder and faster.

Rep. S. Martin: More to cover in this area of skills gap – we will be hearing more about this in future meetings.

Secy. Copeland: Trade and Community College is more acceptable today which is good. Apprenticeship programs growing.

Sen. Edwards: Comment to committee: Copeland said tier works OK. I have different opinion. I don't think abolishing the system is the answer. I suggest revamping the tier system -3 is not enough - should probably be in quintiles. Puts unequal communities with each other. Spend time into system that works.

Rep. S. Martin: We have been working on this extensively as a high priority. You may join us.

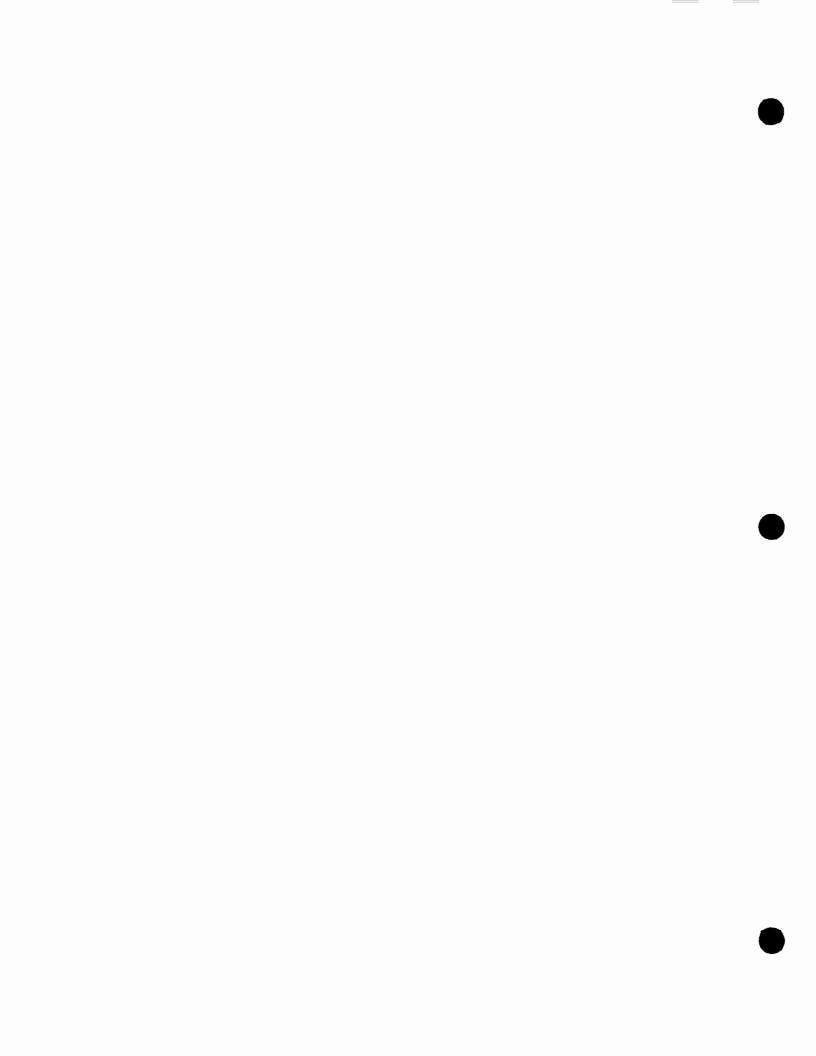
Sen. E. Smith-Ingram: Still question collaborative effort between Commerce, Transportation – is underfunded. Is something going to be done? Strategy for economically distressed areas?

Secy. Copeland: Back to you. I cannot appropriate dollars. I will work with this body to put infrastructure in place.

Rep. S. Martin: Strategy of prosperity zones will have a follow up detail. Please give update

Secy. Copeland: Prosperity Zone is being developed now and look forward to sharing.

Sen. Tucker: You pass.





Rep. S. Martin: Administrative Motion to move minutes

Rep. Moore: first Sen. Brown: second

### Presentation: Christopher Chung, CEO, EDPNC Economic Development Partnership of NC Performance Measures (slide presentations attached)

Comments in addition to his slide presentation:

Frequent request is work force, also permitting, help to grow their business with exports.

Major support to help start small business in every aspect.

Acknowledged Dave Crazen, Mark Zimmerman, Sheila White, and Tom Looney – Gov., House and Senate appointees to the board who are present today.

Minority, Veteran and Women owned companies are area of focus for helping small start-ups.

### **Questions/Comments:**

Rep. Goodman: Basic concept of retail is best opportunity for new business is to keep customers you have. Concern is access to capital. Has state provided a tool to make this easier through a match to expand who can't get traditional capital?

Mr. Chung: We know this is true. Yes, important esp. for smaller businesses. These tools would be helpful.

Sen. E. Smith-Ingram: Impressed with 40% going to tier 1 & 2. That means Tier 3 is getting 3 times as much. Are you doing anything to increase partners in local area? What is goal for tier 1&2?

Mr. Chung: Goal is to get it up. Getting word out at local library, local Chambers – catch people in areas where they would be. We don't have enough money to fund at this grows – current does a good job of making due with funds they have. Sustainable only to a point and service will suffer.

Sen. Tucker: It is an educational opportunity having you here since you can't lobby. What penalty does it put upon you with \$20m JDIG cap?

Mr. Chung: Ohio has identical program to NC JDIG – they don't have a cap. In OH there was never a forced decision because of a cap. If you do this, you incentivize the larger deals. Larger



tend to look in larger areas – smaller look in smaller areas. This is not going to be a good outcome for rural.

Sen. Tucker: Thank you for candid answer. Your board has publicly stated that they don't want that cap out there (attracts companies to other states without caps.) Regarding the JDGI policy that 150 jobs are required, and based on comments in my area and your comments some education needs to be in Econ. Development field and among legislatures about flexibility that perhaps should be offered on the caps (esp. among tier 1 & @ counties). I'm amazed we would even entertain a JDIG with 40 jobs – tier 1 & 2, would you speak to this?

Mr. Chung: This was before I was here. My hunch is this tier 1 & 2 got put in place quickly.

Sen. Tucker: I wanted it stated publicly that the 150 requirement jobs was made back in the Easly days but it is not statutory. We need your help in how to help tier 1 & 2 counties.

We were being hurt by various stigmas placed on our state. What is annual growth of tourism you saw?

Mr. Chung: 4% state wide increase. Those were some impacted. Tourism needs booked a year out so it may take time to see full impact. We've seen growth in tourism here which is our focus.

Secty. Copeland: It depends on what way of economic development. Recruitment of industry tend more toward more populace counties. When we broke out county tourism growth, highest were in tier 1 or 2 areas. Triad focuses more on industry – Outer banks more on tourism.

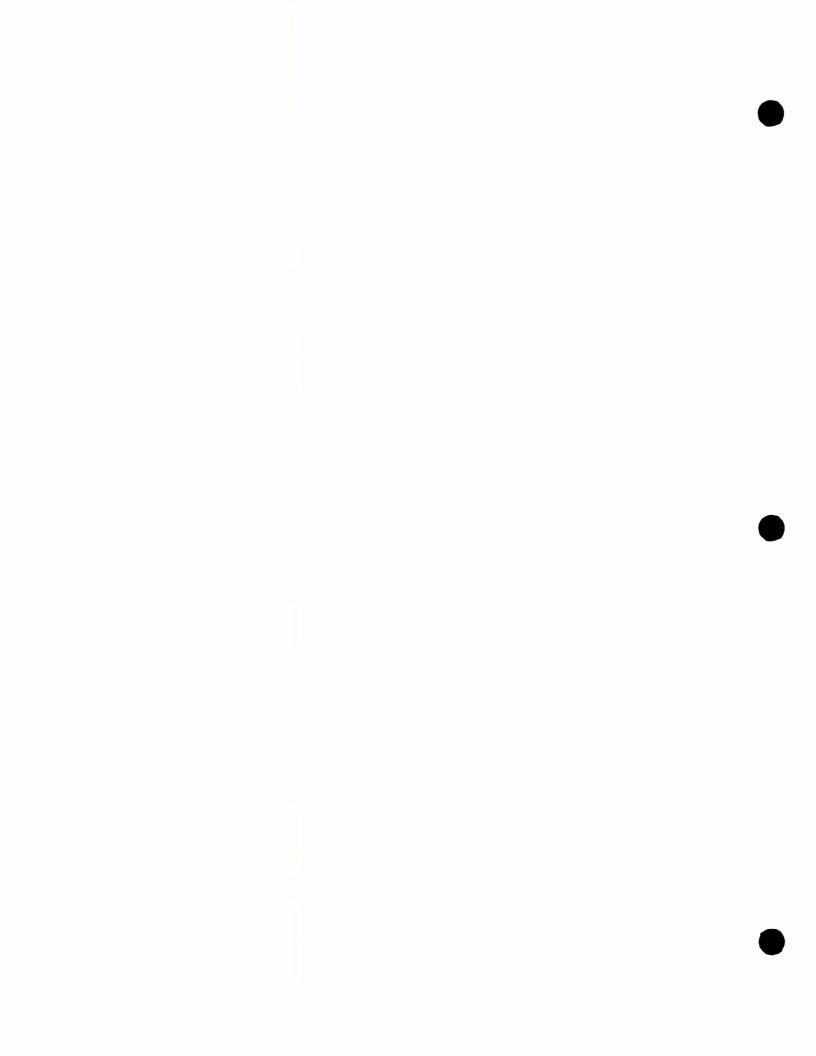
Sen. McKissick: Helpful to see it categorized. We always wanted to be sure private sector came in and created funds. Where do we stand now?

Mr. Chung: Private funds help do more. Don't want to rely only on public. How is it marketed to get more resources? We've come off our best year over 3 yrs. 1.35M in funding. Optimistic if economy continues to grow. You in commerce are our boss. In private they expect us to perform.

Sen. McKissick: What resources would you target to be more effective?

Mr. Chung: On small business counseling, concern as we promote this service we will outpace our staff availability. We try to do a great job in prosperity zone presence – 8 people for 100 of 1,000s chips away. Surge in foreign – over sees markets. India would be a great market but hard to prospect in Cary, NC. Boots on ground would show dividends.

Rep. Brody: I've been in the legislature while we've developed this. I took beltway around Chicago. I saw Corp. after Corp. HQs. We have better tax, regulations, structure, good business climate....however, those companies anchor there in Chicago. What can we do? They don't have to be there for any particular reason. We have much to offer and they are not moving.





Mr. Chung: More difficult with HQs b/c of living, etc. NNInc. Relocated not long ago because of need for talented workforce. Sealedair is another from NJ. Still it's very difficult – esp. a homegrown company. They would need to have several frustrations to get them to pick up and move. We are a state looked at positively.

Sen. Brown: Good job on presentation. Thinking about numbers – back 7 years, \$22B budget. \$19B at bottom of recession. Now \$29B in today's budget with tax cuts and rainy day fund. We've generated \$10B more in budget in 10 years – we are doing something right. To me, these are impressive #s when you start breaking it down. Thank you Chris and team for being a part of that. Talking about those #s is important as they are impressive.

# Presentation: Napolean Wallace, Deputy Secretary for Rural Economic Development and Workforce Solutions Rural Economic Development Division Grants and Reports

Slide Presentation Attached

Staff here Melody Adams, Mark Pool, A Pain, Liz Par, Olivia Collin, Tom Hesser.

### **Questions/Comments:**

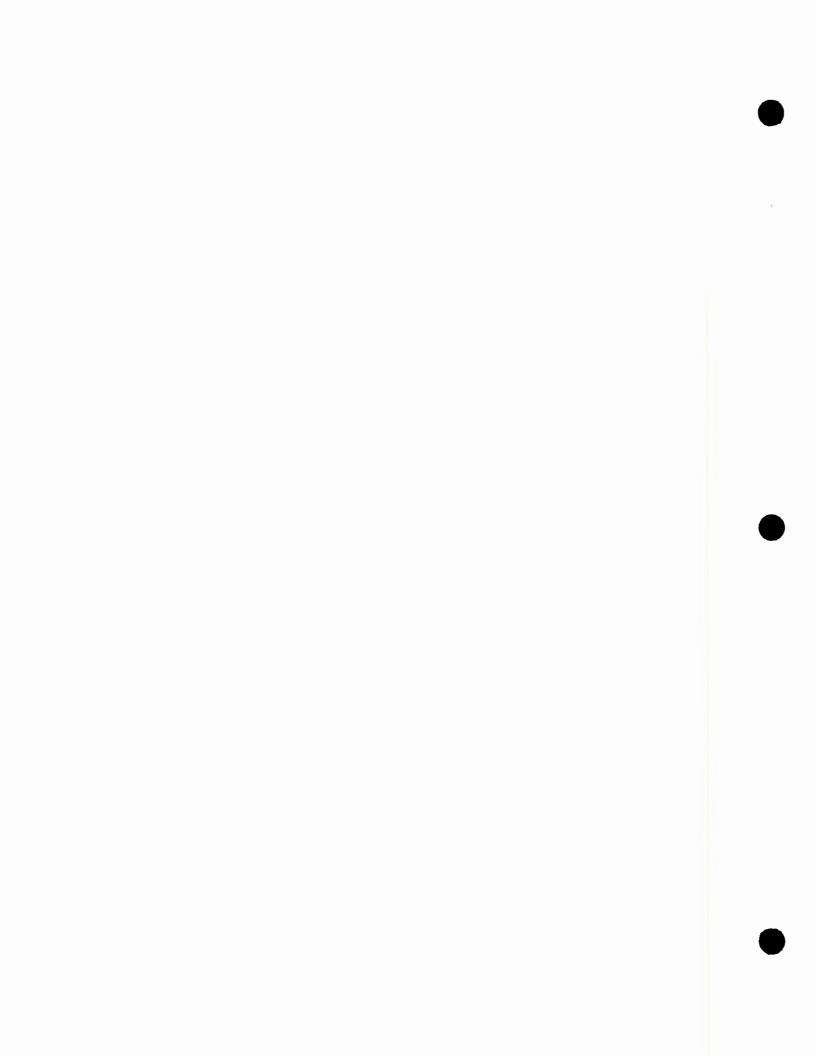
Rep. S. Martin: I appreciate all your work out in areas. Kept coming back from stakeholders that we need a plan, collaboration, etc. How well do you see the team working together – How is it going on the ground?

Mr. Wallace: Pretty well esp. since it is a newer system working in. We need to find a way in local zones to be responsive to the local communities – whether it's local workforce dev boards, – many have said this is what we need to do. Take some existing plans and say we have heard the supports you need (business, local community, ect.) let's make sure we are working together.

Sen. Brown: Prospect Zones can't afford to hire an Economic Development Expert so locals are juggling a lot of hats. How are you reaching out to help support those people?

Mr. Wallace: Two examples earlier in Prospect Zone – how you bake a cake approach – have ingredients, have tools but if don't have the right recipe it doesn't work. Other part, once you have cake baked, how do you sell it? Regional reps with EDPNC have been helpful with that. Can now sell this to instate outstate.

Rep. Ross: Following on same theme. 3.8M appropriated in Prospect Zone and LIDL is an example – I know that was a collaborative effort between several communities. Greater effort to collaborate with local government. My past experience is that has not only been the case – no effort to work across lines, etc. LIDL happened because of collaboration. Going forward, is





there going to be a greater effort to use this kind of example like polling resources to make these happen because reality is in rural areas it will take these kind of joint efforts?

Mr. Wallace: Yes and Yes. Economic Development has always needed collaboration. Smaller has always had need for different resources. Local has incentive to collaborate. Recently I've seen a change in how much people are trying to work across local political boundaries – LIDL is great example. Haven't figured out how to incentivize.

Rep. S. Martin: Criteria for grants – look at collaboration incentive.

Sen. Brown: Capacity of small towns to take advantage of grants being offered. Halifax is getting help in making a plan to move forward in becoming more of a player for those left out.

Rep. Brody: 3 questions:

Regards to reuse of existing buildings – will these grants help reuse of buildings?

Mr. Wallace: Yes

Rep. Brody: Next on LIDL Company – what is your policy on doing Economic Development to an industry that has direct competition? Don't see them making new product – just taking from another?

Mr. Wallace: In some places if there is a grocer around the corner, we are thinking around retail – LIDL had a retail and distribution aspect, too. Strategy is to have area that people are attracted to. We don't necessarily give the full amount in all cases - dollars associate with number of jobs. Prioritize wages – example: retail gets a little less.

Rep. Brody: Community Block Grant – You mentioned you will do new construction. If correct, then can these dollars be used as revolving (such as Habitat for Humanity that resells)?

Mr. Wallace: Short answer is yes. We have program on the shell of buildings where we do 50% of the loan for a property. The local county manager understands it doesn't burden the budget so much.

Sen. E. Smith-Ingram: To recruit companies to come to outlying areas, you said you get a map. Do you provide some kind of a survey for why an area has not received a grant?

NW: Local developers with EDPNC is an example. They know the local area very well, and they are just thinking about what's possible – we give the ideas to them of what's possible. Not always us.

Sen. E. Smith-Ingram: Any goals by Prospect Zone?





Mr. Wallace: We thrive on aspects of Prospect Zones. Some are more assertive than others making sure they're getting the deals. We are making sure there is balanced distribution by watching and knowing what places have not been getting the grant incentives, so there is balance.

Sen. Tucker: Randy Parton theatre? I always look from a business view, and I see a ton of redundancy in EDPNC and you. May I ask Senator Brown a question? Does this group get the money from the division of water resources?

Sen. Brown: Counties had to apply for those grants/loans. They are 2 pots of money. \$100M grants and \$100M for loans. This is a different project.

Rep. S. Martin: Recognize W. Childs

Mr. William Childs: There is money from specific water/sewer projects that are focused.

Sen. Tucker: To follow up, comparison of a couple of things. I see several processes that overlap. Help me Mr. Wallace to understand our bang for our buck. Metrics were mentioned in both presentations. Are there job numbers coming back from these metrics?

Mr. Wallace: Showed slide with money and jobs. I would say I don't see a tremendous amount of overlap. We have leadership looking to see how we best utilize our resources.

Sen. Brown: Follow up on Prospect Zones - it has been a slow process in getting those staffed up in proper locations to do some of this work with smaller rural counties. When it does start to take place, these numbers will look a lot better.

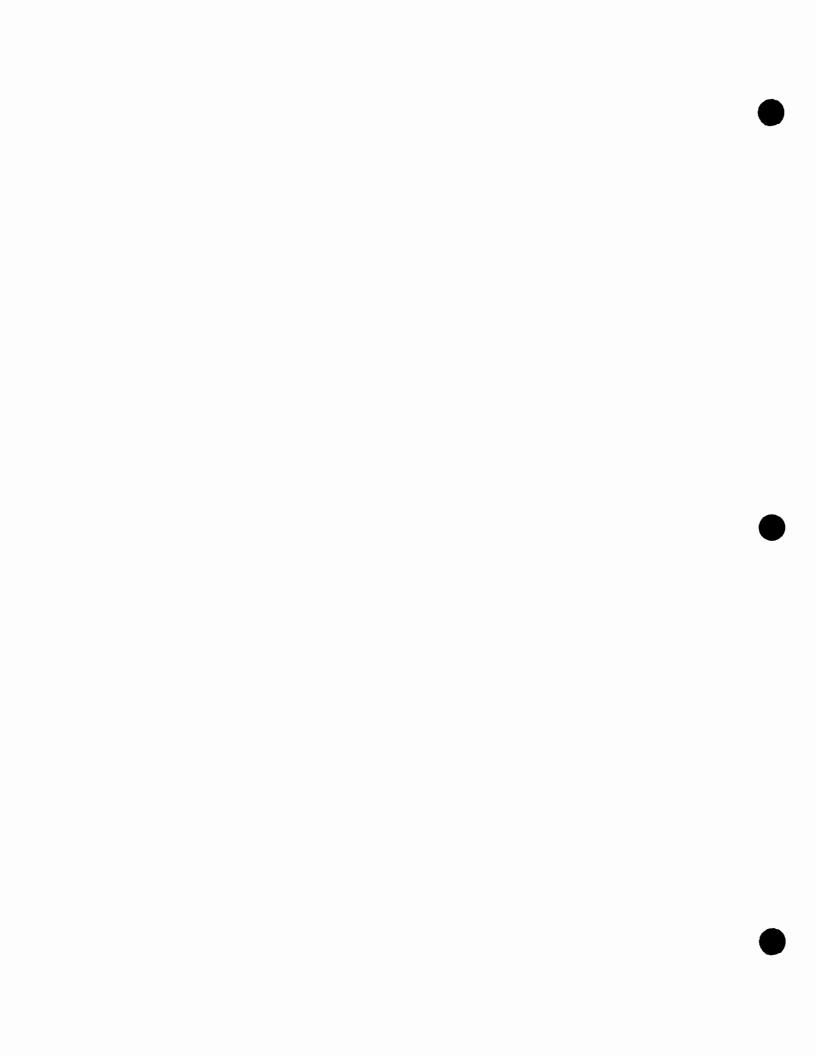
Rep. S. Martin: Very appreciative. We've done a lot of work and we have a lot of work ahead of us. We have the opportunity to see these across the state with a plan that evenly distributes funds. Prospect Zones are working. All are at a place within the plan. We may need metrics to follow the progress. If we are not at that place, we will continue to work at it. Good plan. There is no December meeting. Those interested, please be in touch with one of our offices. Suggest we bring some of these people on the ground to ask if it is really working and how we can be supportive. William let's coordinate.

### Adjournment

There being no further business, the meeting adjourned at 3:44pm.

Representative Susan Martin, Co-Chair

Presiding

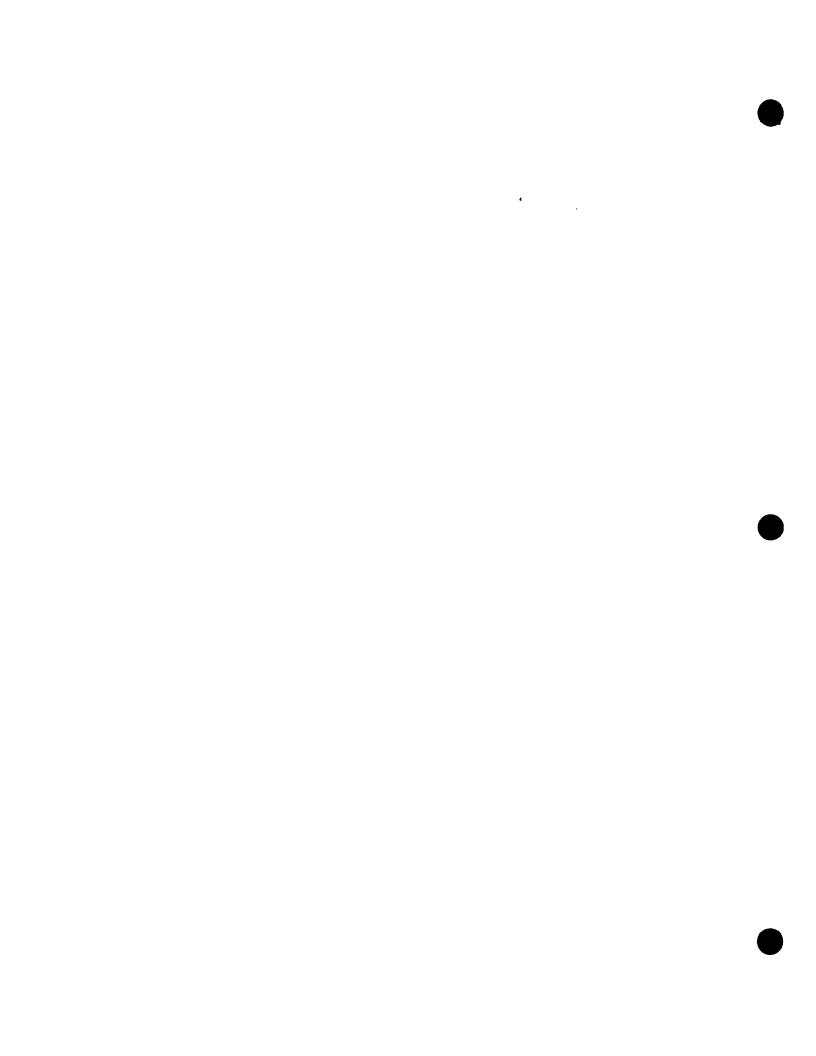




Susie Farrell, Committee Clerk

### Attachments:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from January 10, 2017 meeting
- 4 Visitor's Registration
- 5 Presentation by Christopher Chung, CEO, EDPNC on Economic Development Partnership of NC Performance Measures
- 6 Presentation by Napolean Wallace, Deputy Secretary for Rural Economic Development Division Grants and Reports



### Susie Farrell (Rep. Susan Martin)

Friday, October 20, 2017 11:40 AM
Lorie Byrd (Sen. Harry Brown)

To:

Lorie Byrd (Sen. Harry Brown)

Subject: <NCGA> Joint Legislative Economic Development and Global Engagement Oversight

Committee Meeting Notice for Thursday, November 02, 2017 at 1:00 PM

Attachments: Add Meeting to Calendar\_LINC\_.ics

### NORTH CAROLINA GENERAL ASSEMBLY

Raleigh, North Carolina 27601

October 20, 2017

### **MEMORANDUM**

**TO:** Members, Joint Legislative Economic Development and Global Engagement Oversight

Committee

**FROM:** Rep. Susan L. Martin, Co-Chair

Sen. Harry C. Brown, Co-Chair

SUBJECT: Meeting Notice

The Joint Legislative Economic Development and Global Engagement Oversight Committee will meet at the following time:

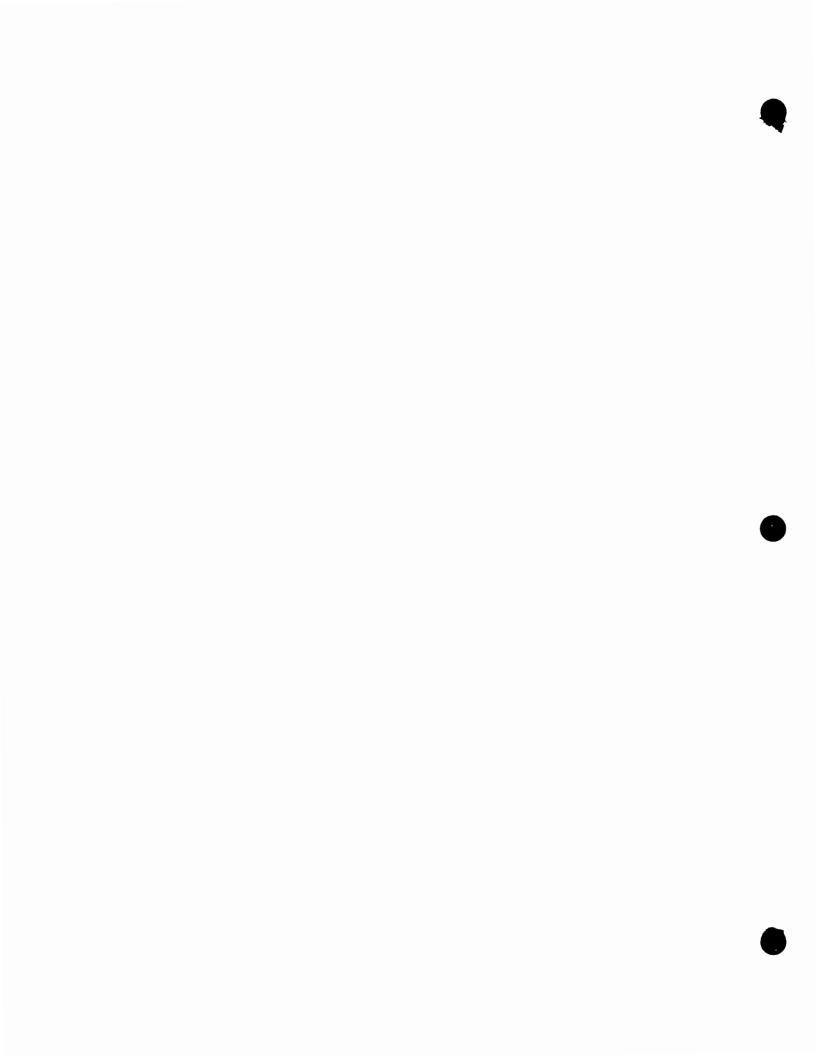
DAYDATETIMELOCATIONThursdayNovember 2, 20171:00 PM643 LOB

Rep. Susan Martin will chair.

Parking for non-legislative meeting attendees is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting <a href="http://www.ncleg.net/graphics/downtownmap.pdf">http://www.ncleg.net/graphics/downtownmap.pdf</a>.

If you are unable to attend or have any questions concerning this meeting, please contact Lorie Byrd at <a href="mailto:brownla2@ncleg.net">brownla2@ncleg.net</a>.

cc: Committee Record \_X\_ Interested Parties \_X\_



### **AGENDA**

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT & GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

Sen. Harry Brown

Rep. Susan Martin

Thursday, November 2, 2017 Room 643, Legislative Office Building 1:00 p.m.

- I. Call to Order
- II. Approval of Minutes from January 10, 2017 Meeting
- III. Department of Commerce Strategic Plan and Economic Development Grants
  Anthony Copeland, Secretary of Commerce
- IV. Economic Development Partnership of North Carolina Performance Measures
  Christopher Chung, Chief Executive Officer, EDPNC
- V. Rural Economic Development Division Grants and Reports
  Napoleon Wallace, Deputy Secretary for Rural Economic Development
  and Workforce Solutions
- VI. Adjournment

### VISITOR REGISTRATION SHEET

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

November 2, 2017

### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

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Tray Rabon	ATAT
Sanny Roberson	Charke
TAIKSON STANCE	Jones 54 Consalyer
amanda Donovan	KTS
PRESTON LOWARD	NCMA
Lexi allhur	INF
Caraar Idine	MVA
Christophe Chung	FDPNC
Tom Cooney	EDPNC
SHEILA KNIGHT	EDPNC
MARIN ZIMMORMAN	BDPNC
Dave Crave	EDPOC
Manu Poole	Dept of Connerce
Cisu Markin	Cap-Al
Melody Adams	Commerce
Mandy Tetzlaff	Commerce
I has Plueza	Commerce

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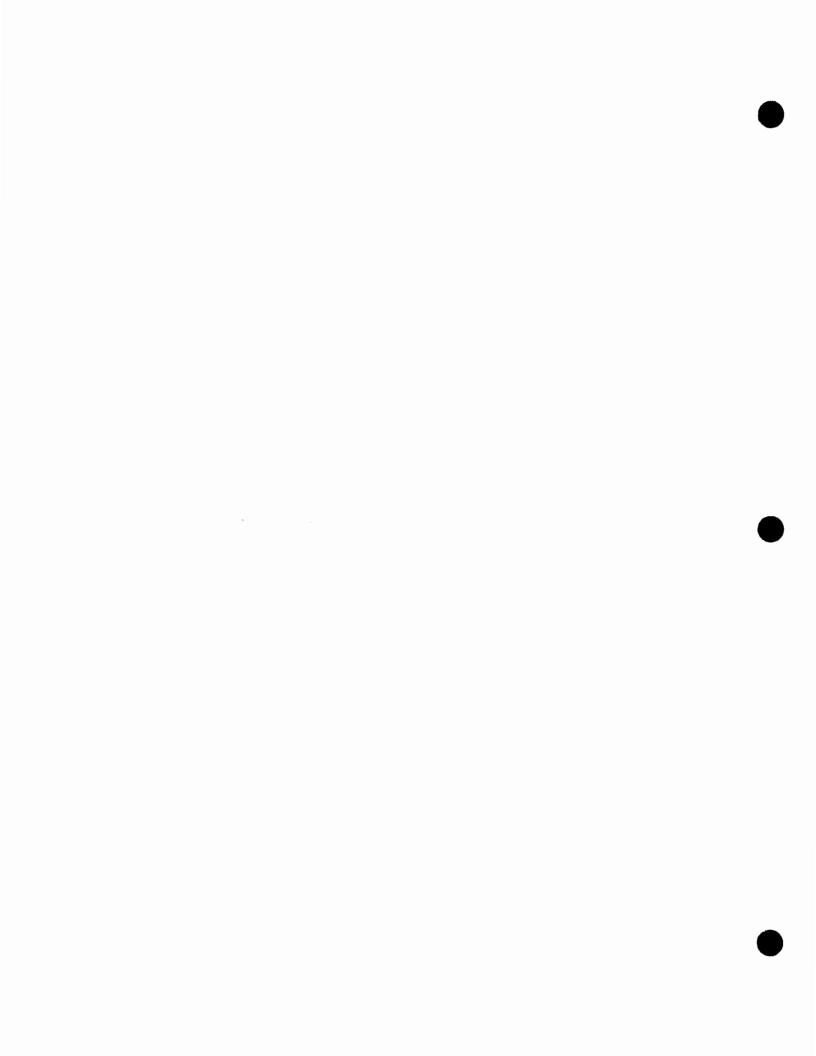
### **VISITOR REGISTRATION SHEET**

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

### November 2, 2017

### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Anthry Solari	Silvari-GOLT Solvaria
GMTeren	NMRC
J. will	Compa , 25
Leo John	Secretary of State
Rachel Page	Secretary of State Go Global NZ - UNCGA
Susnum Haitey	NC PEALTORS
Dana Marting	Arcater Roligh Chamber of Commune
Anna Wiggins	NCGA
Hayes Grages	NCGA
DAVIT 12hoADES	Commercia
Hannah Harrin .	commerce
Bell Garran	commerce
Liz Partnam	Connerce
Erin Wynia	NCLM
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### VISITOR REGISTRATION SHEET

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

November 2, 2017

### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kenny Flowers	Commerce
Tommy Hester	
John Coggin Jillian Toman	NC Roral Center
Villian Toman	Muche

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# Joint Leg. Economic Development and Global Engagement Oversight Committee

Rm. 643 November 02, 2017 1:00 PM

House Sgt-at-Arms

Young Bae

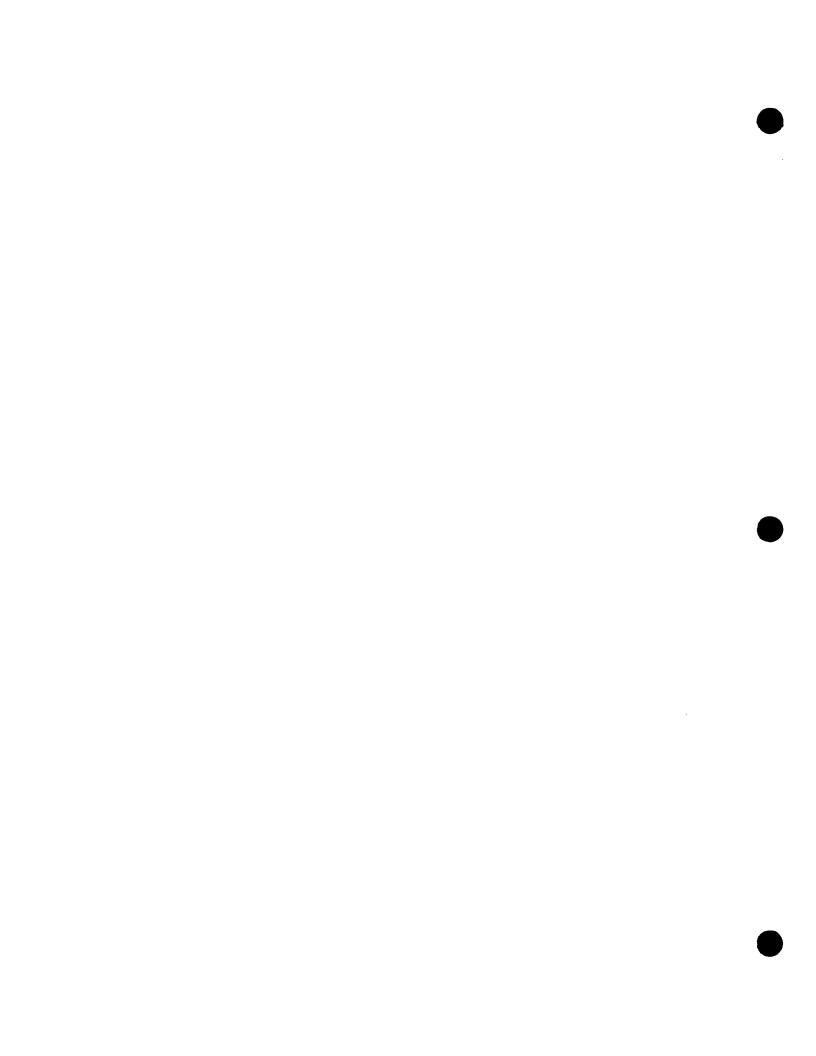
Jim Moran

Russell Salisbury

Senate Sgt-at-Arms

Becky Myrick

Billy Fritscher





# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

#### January 10, 2017 Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Tuesday, January 10, 2017 at 3:00 PM. The meeting was held in Room 643 of the Legislative Office Building. 17 members were present including 7 Senators and 10 Representatives. House members present were: Susan Martin (Co-Chair); Chris Malone (Vice Chair); Mark Brody; Debra Conrad; Ted Davis; John Fraley; Ken Goodman; Ed Hanes; Michele Presnell; Rena Turner.

Senator Harry Brown presided and called the meeting to order at 3:05 PM.

Senator Brown recognized the Sergeant-At-Arms staff:. Senate: Larry Hancock and Charles Marsalis. House: Warren Hawkins; Doug Harris; and Malachi McCullough, Jr. and asked members for a motion to approve the minutes from the April 7, 2016 meeting. Representative Martin made the motion. Members voted unanimously to approve the minutes.

Senator Brown discussed the meeting <u>agenda</u>, provided background on the work of the UNC Center for Competitive Economies, Kenan Flagler Business School, UNC-Chapel Hill and recognized Mr. Brent Lane, Director to provide a <u>summary</u> of their work.

#### **Committee Discussion**

Senator Brown thanked Mr. Lane and the UNC Center for Competitive Economies for their work and recognized members for questions.

Senator Brown recognized Senator Bryant. Senator Bryant asked about restrictions on JDIG with respect to immigrant temporary worker status. Mr. Lane said JDIG monies can be granted to companies with immigrant temporary worker status.

Senator Brown asked Mr. Lane to explain the impact of the availability of capital for starting new businesses. Mr. Lane said the structure of the state's economy has made it more difficult for small business start-up, with capital being a concern. He used the example of community banks.

Senator Bryant asked if Mr. Lane had any policy recommendations for recruiting workers to distressed areas. She also asked Mr. Lane to provide his sense of the pros and cons of raising minimum wage. Mr. Lane said the answer to that question was far past the scope of his current



work. He said he hoped future policy decisions of the General Assembly would make raising the minimum wage unnecessary.

Senator Tucker asked Mr. Lane to explain his recommendations for small business incentives or capital investments to help grow business. Mr. Lane said he believed a successful economy does not need targeted incentives. He said the changes the General Assembly has made in the past few years like reducing tax rates will continue to help grow the economy and policy changes such as those will help grow businesses. He said he would encourage the General Assembly to limit their reliance on incentives.

Representative Martin thanked Mr. Lane for his work and asked Mr. Lane if it was possible for a business adding a small number of jobs and expanding a facility could qualify for a small incentive without the General Assembly creating a new small business program. Mr. Lane said this could be achieved by using economic incentives specifically in distressed areas.

Senator McInnis said he hoped the committee would look at what the state can do in rural areas of the state to ensure the workforce is trained for "21st century jobs" to attract businesses to these areas. Mr. Lane agreed and encouraged the committee to work with local economic developers to determine how to properly train the workforce and determine what other limitations are impacting the ability of rural counties to attract businesses.

Senator Curtis asked Mr. Lane to comment on the aggressive recruitment efforts of South Carolina and Texas. He asked Mr. Lane if he thought they were being smart or wasting money. Mr. Lane said, at times, he wished North Carolina was more aggressive, specifically in targeting businesses to start in distressed areas of the state. He said he would like the state to grant more incentives like JDIG to Tier 1 counties that employee 50 people (in areas of great need) instead of going after a few large projects.

Senator Smith-Ingram asked what will allow Tier 1 counties to grow or become Tier 2 counties to ensure economic improvement in these areas. Mr. Lane said it will take the General Assembly's insistence on improvement in the Tier 1 and Tier 2 counties. She also stressed she would like the workgroup discussing these issues be bipartisan and implement a plan that will grow all of North Carolina.

Representative Martin said she thought the emphasis needs to be on improving the economy in the distressed areas, not moving up in the tier system.

Senator Gunn asked if he should be worried about "hard caps" on allocating JDIG awards and the structure or JDIG clawback provisions. Mr. Lane referred back to 2009 and said the proposal then was not to reduce funding for Tier 3 counties but to increase incentives overall and make the increase available to Tier 1 and Tier 2 counties. Senator Gunn then asked if the Department of Commerce (Commerce) is in fact enforcing clawback provisions relative to companies that are not performing.



Senator Brown recognized Ms. Susan Fleetwood with Commerce to respond.

Ms. Fleetwood explained the JDIG awards are performance-based and clawbacks come into effect when a company leaves the state. She said Commerce reports on this to the General Assembly each year and she would be happy to provide this information to the committee. Ms. Fleetwood also said she would send information regarding the percentage of awards Commerce does not make due to lack of performance.

Representative Brody asked if there is anything North Carolina is doing to enhance the availability of capital around the restrictions of the federal government.

Mr. Lane mentioned monitoring recent crowdfunding legislation could be helpful to determine how to enhance the availability of capital.

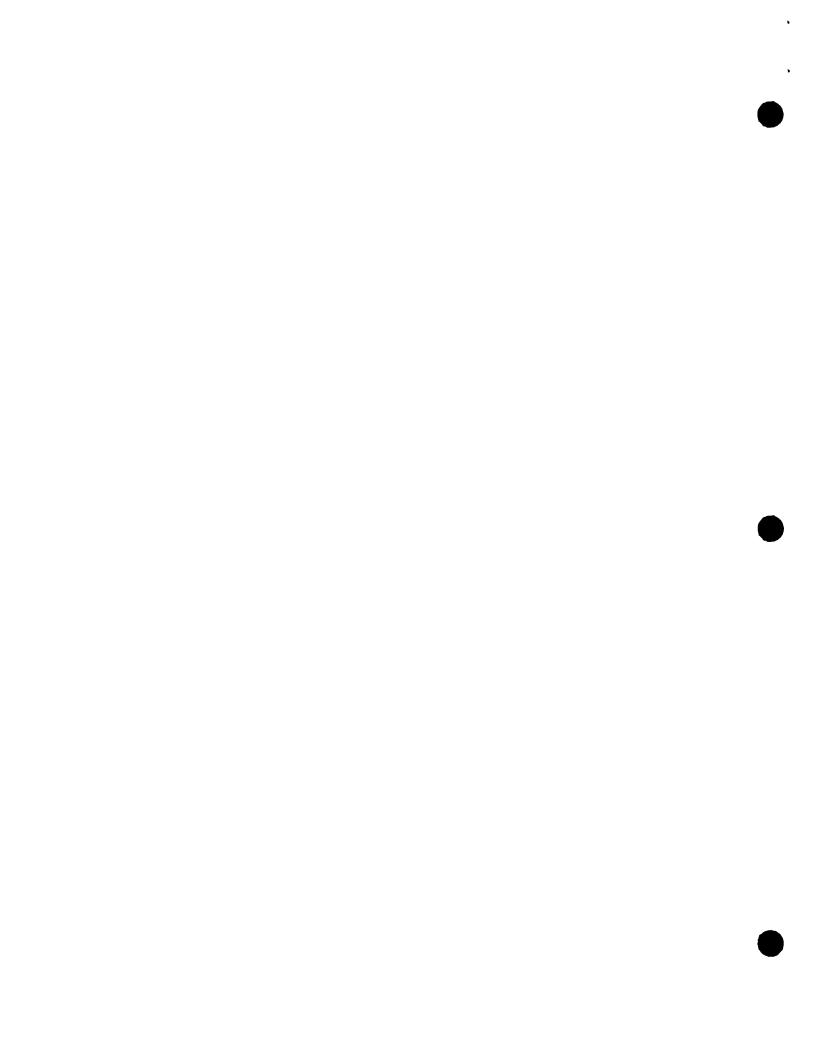
#### Adjournment

There being no further business, the meeting adjourned at 4:38 PM.

Senator Harry Brown, Co-Chair	
Presiding	
Elise McDowell, Committee Clerk	

#### Attachments:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from April 7, 2016 meeting
- 4 Visitor's Registration
- 5 UNC Center for Competitive Economies Report: PowerPoint and Tier Handout Mr. Brent Lane







Christopher Chung Chief Executive Officer EDPNC

Economic Development Partnership of North Carolina

November 2, 2017

11/2/2011

# Agenda

- 1 Our Mission
- 2 Our Strategies
- 3 Our Budget and Structure
- 4 How We Measure Performance
- **5** Our 2017 Goals



Economic Development Partnership of North Carolina

11/2/2017

## **Our Mission**

The Economic Development Partnership of North Carolina advances the economic interests of North Carolina's 100 counties and more than 10 million residents, through its collaboration with state, regional, local, and private-sector partners in new business recruitment, existing employer support, international trade and export assistance, small business start-up counseling, and tourism promotion.











Economic Development Partnership of North Carolina

11/2/2017

## **Our Strategies**

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling
Tourism Promotion

# **Our Strategies**

#### **Business Recruitment**

- Marketing → Raise awareness of our product
- Business Development → Generate more deal flow
- Sales → Compete for and win more deals

**Existing Industry Support** 

**Export Assistance** 

**Small Business Start-up Counseling** 

**Tourism Promotion** 

Economic Development Partnership of North Carolina -

11/2/201

# **Our Strategies**

#### **Business Recruitment**

**Existing Industry Support** 

- Existing employer retention and expansion
- Resource "matchmaker" for state services and other business support resources (e.g. permitting, workforce and training, customers and business partners)

**Export Assistance** 

**Small Business Start-up Counseling** 

**Tourism Promotion** 

Economic Development Partnership of North Carolina ----

11/2/2017

# **Our Strategies**

Business Recruitment
Existing Industry Support
Export Assistance

- Identify overseas customers for NC products
- Help small and mid-size manufacturers enter and navigate new markets to grow their sales

**Small Business Start-up Counseling** 

**Tourism Promotion** 

Economic Development Partnership of North Carolina -----

11/2/2017

## **Our Strategies**

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling

- · Assist entrepreneurs in setting up new businesses
- Navigate state and local permits, licenses, and other issues
   Tourism Promotion

# Our Strategies

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling
Tourism Promotion

- Drive visitor spending to NC destinations
- · Influence individual and group travel decisions
- · Film/TV production, amateur sports, and retiree attraction

Economic Development Partnership of North Carolina		s so the second	
			1100

# **Our Budget and Structure**

501(c)3 non-profit (not a state government agency)

**Contractor to NC Department of Commerce** 

17-member Board of Directors appointed by Governor and General Assembly

65 employees in NC + overseas offices

Economic Development Partnership of North Carolina	 	 *	

# **Our Budget and Structure**

Mirrored after public-private economic development partnerships in place in 17 other states (AL, AZ, DE, FL, IL, IN, IA, MI, MO, NJ, NM, OH, RI, UT, VA, WI, WY)

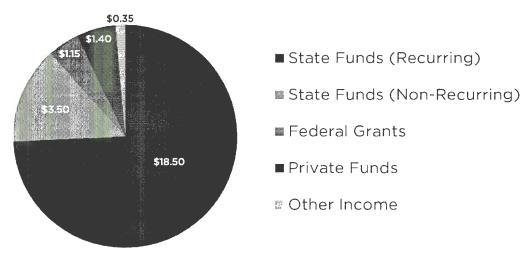
Leverages public and private financial resources to further the state's economic development objectives

Public-private organizational structure is also most common at local level (e.g. County EDCs)

Economic Development Partnership of North Carolina ----

11/2/2017

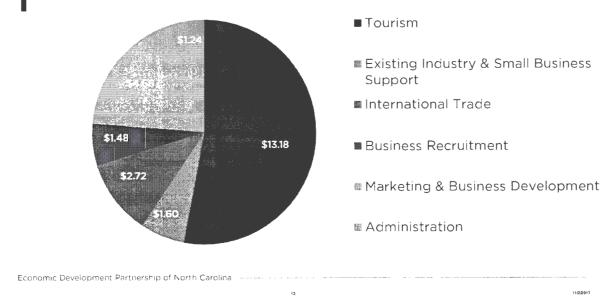
# FY17-18 Revenues (in millions by source)



Economic Development Partnership of North Carolina

1

# FY17-18 Expenditures (in millions by function)



# **Our Performance Metrics**

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling
Tourism Promotion

#### **Business Recruitment**

- · # of recruitment projects successfully won
- # of projects won in Tier 1 and Tier 2 counties
- # of announced new jobs
- \$ in announced new capital investment

**Existing Industry Support** 

**Export Assistance** 

**Small Business Start-up Counseling** 

**Tourism Promotion** 

Economic Development Partnership of North Carolina

11/2/201

# **Our Performance Metrics and 2017 Goals**

#### **Business Recruitment**

Key Performance Indicator	2017 Goal
# of recruitment projects won	75
# of projects won in Tier 1 and Tier 2 counties	38
# of announced new jobs	13,500
\$ in announced new capital investment	\$2.8 billion

#### Business Recruitment Existing Industry Support

- · # of expansion projects successfully won
- # of projects won in Tier 1 and Tier 2 counties
- · # of announced new jobs
- · \$ in announced new capital investment
- · # of existing employers supported
- %-age of employers supported in Tier 1 and Tier 2 counties

**Export Assistance** 

**Small Business Start-up Counseling** 

**Tourism Promotion** 

Economic Development Partnership of North Carolina -

11/2/2017

# **Our Performance Metrics and 2017 Goals**

**Existing Industry Support** 

	2017
Key Performance Indicator	Goal
# of expansion projects won	75
# of projects won in Tier 1 and Tier 2 counties	52
# of announced new jobs	3,000
\$ in announced new capital investment	\$700 million

Economic Development Partnership of North Carolina

11/2/2017

#### **Existing Industry Support**

Key Performance Indicator	2017 Goal
# of existing employers supported	1,104
%-age of employers supported in Tier 1 and Tier 2 counties	60%

Economic Development Partnership of North Carolina

11/2/2017

# **Our Performance Metrics and 2017 Goals**

Business Recruitment
Existing Industry Support
Export Assistance

- · Existing manufacturers receiving export assistance
- New export sales reported by manufacturers receiving export assistance

Small Business Start-up Counseling
Tourism Promotion

**Export Assistance** 

Key Performance Indicator	2017 Goal
# of manufacturers receiving export assistance	531
\$ in new export sales reported by manufacturers receiving export assistance	\$870 million

Economic Development Partnership of North Carolina

11/2/201

# **Our Performance Metrics and 2017 Goals**

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling

- · # of individual and business start-up cases assisted
- %-age of cases assisted in Tier 1 and Tier 2 counties
- %-age of calls with customer satisfaction rating of 4 out of 5 or higher
- # of proactive presentations to target entrepreneur groups

  Tourism Promotion

Economic Development Partnership of North Carolina

11/2/2017

#### **Small Business Start-up Counseling**

Key Performance Indicator	2017 Goal
# of individuals and businesses ("cases") assisted	20,700
%-age of cases assisted in Tier 1 and Tier 2 counties	40% (8,280 cases)
%-age of cases with customer satisfaction rating of 4-out-of-5 or better	100%
# of proactive presentations to targeted entrepreneur audiences (e.g. veterans, rural)	67

Economic Development Partnership of North Carolina

11/2/201

# **Our Performance Metrics and 2017 Goals**

Business Recruitment
Existing Industry Support
Export Assistance
Small Business Start-up Counseling
Tourism Promotion

- \$ in domestic visitor spending
- # of consumer inquiries via website and toll-free hotline
- # of cooperative marketing partners in Tier 1 and Tier 2 counties

#### **Tourism Promotion**

Key Performance Indicator	2017 Goal
\$ in domestic visitor spending	\$23.78 billion
# of consumer travel inquiries via website and toll-free hotline	7.46 million
# of cooperative marketing partners in Tier 1 and Tier 2 counties	98

Economic Development Partnership of North Carolina

11/2/201



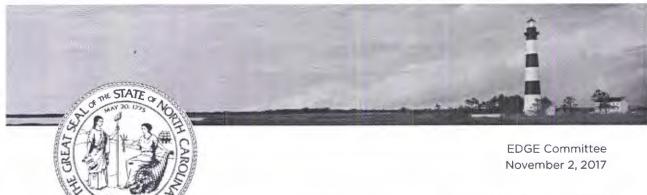












RURAL ECONOMIC DEVELOPMENT AND WORKFORCE UPDATE





## Funding Process

- Project Inquiry
- Pre-application conference call
- Application submission
- Site Visit
- · Coordinate with JDIG or One NC, as appropriate
- Rural Infrastructure Authority
- Coordinate closely with EDPNC throughout



### Where to Start

#### **EDPNC**

Regional Industry Managers

- Connect Private and Public entities for:
  - · Business Development
  - Relocation and Expansion efforts
- Regionalized approach to economic and business development

### **Rural Planning Team**

Regional Planners

- · Strategic Planning
- Market Analysis
- Mapping and GIS
- Community Economic Profiles
- Identification of Funding Opportunities
- Project Management and Logistical Support

## Solutions to Economic Development Issues

## **Building Reuse**

· Vacant and existing buildings, demolition, loans

### Infrastructure

• Electrical systems, water and sewer lines, water and waste plant upgrades, natural gas lines, access roads

# Planning

 Prosperity Zone planners and consulting, Main Street, Small Town Program, Main Street Solutions Fund

ADMITTE CARREST IN A DEPARTMENT OF COMMERCE



## **Building Reuse**



- Available land and buildings
- Shovel-ready sites

#### Solutions:

- · Shell buildings
- · Demolition funds
- Building reuse and vacant building options





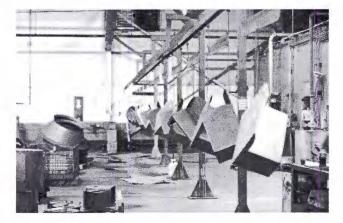
# Northampton Peanut Company Northampton County

- 21 jobs
- \$210,000 awarded
- \$4.9 million private investment





- Madison County, Punker, LLC
  Madison County
- 26 jobs
- \$260,000 awarded
- \$365,000 private investment







## Infrastructure

#### Needs:

- Access roads
- · Available and cost-efficient energy
- Utility infrastructure

#### Solutions:

- · Upgrades or repairs to public water or wastewater plants
- Extension and repairs to public water and sewer lines
- Broadband, access roads, natural gas infrastructure, electrical and rail improvements

NORTH CARCILINA DEPARTMENT OF COMMERCE

#### City of Graham, Lidl Regional Headquarters and Distribution Center Alamance County

- \$500,000
- 80 jobs
- \$125M private investment
- Latest progress update: 80+ jobs

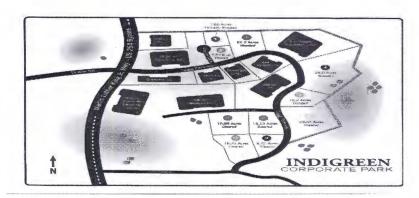




# Indigreen - Sewer and Industrial Access Pitt County



- Extend wastewater and provide industrial access
- Immediately benefits Mayne Pharmaceuticals
- \$773,822 awarded





MontretalCulfills as a Depth property of Contraction



# Tarboro Commerce Center, Water and Sewer Edgecombe County



- Sewer and elevated storage tank to industrial park
- 185 acre park adjacent to U.S. 64
- \$949,750 awarded

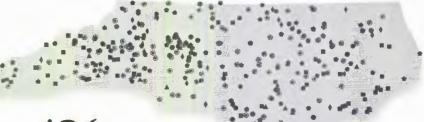






Rural Infrastructure Authority

\$173 MILLION since 2013



**426**Grants Statewide

more than

14,098 jobs

NUMBER CAROLINA DEPARTMENT OF COMMERCE

## Appropriations Update and Survey

- •94 allocations
- •\$2,316,000 paid out

## Survey

- •93 responses
- 47 requested planning support

#### Survey Result



■ Request Planning Assistance ■ Did Not Request Planning

NORTH CARRIANA DEPARTMENT OF COMMERCE

#### Appropriations by Prosperity Zone Project Count and Allotted Amount North Central Piedmont-Triad 17 grants 25 grants Northeast Northwest \$820K \$3.8M 4 grants 13 grants \$425K \$650K Southwest Western 5 grants 14 grants \$300K \$1.075M South Central Southeast 12 grants 7 grants \$1.275M \$395K



## Planning Assistance

## **Rural Planning Team**

Regional Planners

- Strategic Planning
- Market Analysis
- Mapping and GIS
- Community Economic Profiles
- Identification of Funding Opportunities
- Project Management and Logistical Support







#### Downtown Master Plan

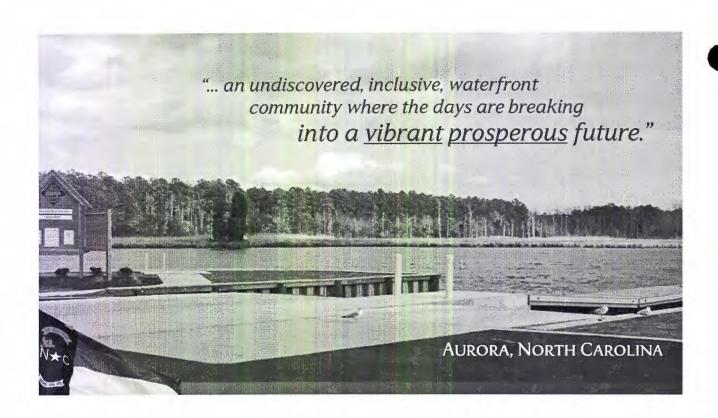
- Community engagement
- Design services



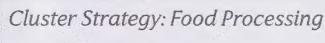


NORTH CAROLINA DEPARTMENT OF COMMERC











- Food Science Innovation Advisory Committee Goals:
  - Increasing the employment and private capital investment in food manufacturing in North Carolina, with an emphasis on rural and economically distressed areas.
  - Increasing the use of North Carolina-produced ingredients, agricultural products, equipment and other products of food manufacturers located in this State.
  - Increasing the number and economic value of food manufacturing entrepreneurs and companies in North Carolina, with priority given to those entities located in rural and economically distressed areas.
  - Any other goal the Committee deems advantageous to the State.

NORTH CARDLINA DEPARTMENT OF COMMERCE

# Broughton Project

Morganton, Burke County

- Hospital functions currently located at the historic Broughton Hospital campus in Morganton, N.C. are expected to relocate to a new facility on adjacent property in late-2018/early-2019
- · 800,000 square feet of historic buildings will be left vacant
- In 2014, the General Assembly directed Commerce to study potential redevelopment opportunities for the historic campus and adjoining 800 acres of publicly owned land and evaluate possible public-private partnerships
- Other agencies identified as collaborators:
  - · Dept. of Administration
  - · Dept. of Health & Human Services
  - · City of Morganton
  - · Burke County





### Community Development Block Grants

Community Development Block Grant (CDBG)
funds are available to local municipal or county
governments for projects to enhance the
vitality of communities by providing decent

housing and suitable living environments and

expanding economic opportunities.



## Disaster Recovery

- \$10 Million Disaster Recovery Grants
- Small Business Survey
- \$15 Million Small Business Lending Program
  - North Carolina Community Development Initiative, Inc.
  - Carolina Small Business Development Fund
  - · Center for Community Self Help
- Continued Economic Development: \$5.125M





Division of Workforce Solutions | NCWorks

### Our Mission:

To develop North Carolina's workforce talent, help individuals advance their career opportunities, and exceed business workforce needs by connecting talent to jobs.

## Workforce Commission Goals

### Educational attainment

· A skilled workforce results in a more prosperous economy.

### Business engagement

• Understanding employer needs is essential to developing a strong workforce.

## System alignment

• An aligned system improves services to businesses and individuals.



MORPHA CAROLINIA DEPARTMENT OF COMMERCE



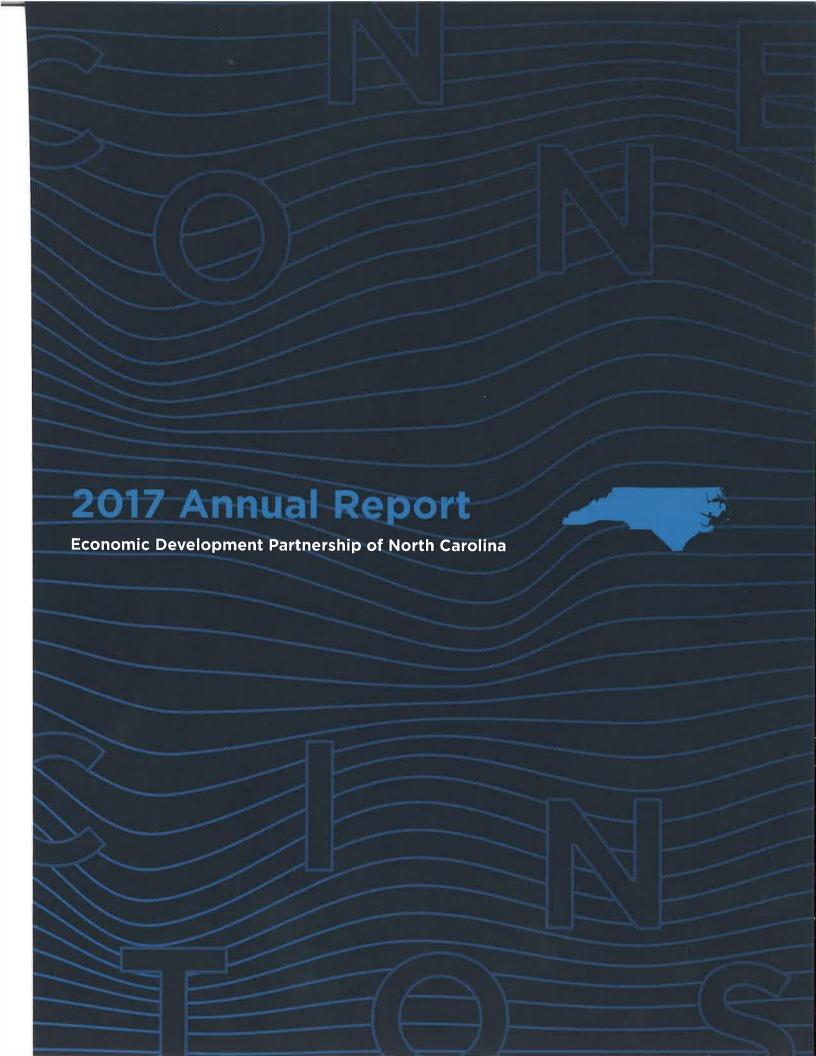






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Governor's Letter 03

#### Office of the Governor State of North Carolina

Roy Cooper Governor



20301 Mail Service Center Raleigh, N.C. 27699-0301

When I took office last January, I focused on ensuring that North Carolina's economic development efforts had a clear and coordinated path forward with the resources necessary to succeed.

As the CEO of North Carolina, my mission statement is that our people are better educated, healthier, have more money in their pockets, and are given the opportunity to lead a more abundant and purposeful life. That's why it's important that our state's economic development strategies are not only competitive in a rapidly changing market, but that they also well-aligned and working for the benefit of all of North Carolina.

Over the last year, my administration, the North Carolina Department of Commerce, and the Economic Development Partnership of North Carolina (EDPNC) have celebrated numerous big wins together, including:

- The repeal of HB2 and the resulting return of business and tourism stability to our state.
- Tens of thousands of jobs announced last year more than in any year in over a decade.
- North Carolina's rise to Forbes' #1 Best State for Business, in addition to top rankings from CNBC, Area Development, Chief Executive Magazine, Site Selection Magazine, and many others.
- Record levels of visitor spending in North Carolina, helping to sustain more than 211,000 jobs in our travel
  and tourism industry.
- Bipartisan collaboration with the General Assembly on essential economic development legislation, including new "transformative project" incentive laws for companies making large capital investments and creating significant numbers of jobs in North Carolina.
- A robust export economy According to Brookings' Export Monitor, over 370,000 jobs statewide are supported by exports of goods and services.
- North Carolina's emergence as one of the top states in the South for startup activity, and one of the fastestgrowing states for women-owned businesses. Our state wants innovators and entrepreneurs.
- Supporting the growth of our rural communities through new business recruitment and expansion, including Triangle Tyre's selection of Eastern North Carolina for an 800-job, \$560 million facility, the largest manufacturing investment in rural North Carolina to-date.
- Showing the world that North Carolina is a growing state that values education, talent, hard work and diversity.

Economic development – be it business recruitment, international trade, or tourism – is truly a team sport. No success is ever accomplished without continued collaboration among a concert of state, regional, and local partners in the public, private, and non-profit sectors.

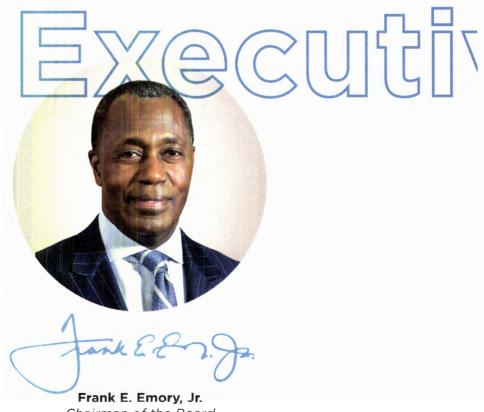
I appreciate the ongoing efforts of the EDPNC as an integral part of that broader team, and with strong leadership in place at the Board and staff of the EDPNC, I'm more confident than ever that – together –we are taking great strides towards a more prosperous North Carolina for everyone.

Governor Roy Cooper State of North Carolina

Roy Cooper



04 Executive Letter



Chairman of the Board Economic Development Partnership of North Carolina

Dear EDPNC Investors, Partners and Stakeholders,

In several key areas in 2017, the Economic Development Partnership of North Carolina notched its best year since opening its doors in 2014.

Our business recruitment and existing industry teams, working with our partners, helped close deals for new and expanded corporate facilities expected to create nearly 20,000 new jobs in the state – a 34 percent increase over 2016 results. Notably, jobs recruited to North Carolina's rural counties increased by 42 percent – to more than 7,700 in 2017.

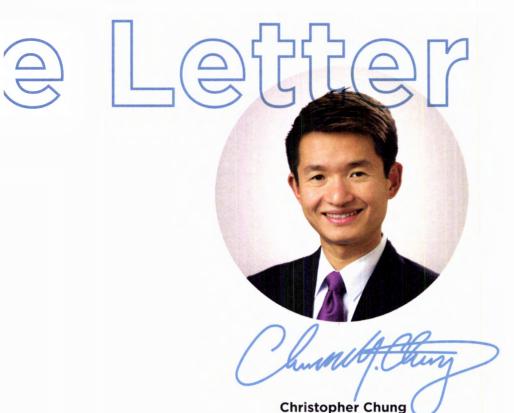
Tourism, exports, and entrepreneurship – additional pillars of statewide economic development that we support – posted strong gains in 2017.

North Carolina hotels and motels once again drew record room bookings and revenue. Companies our trade division assisted reported a higher volume of foreign sales. Our smallbusiness counselors handled more cases overall. They significantly increased their outreach to Latino entrepreneurs while continuing to target other minority-, women-, and veteran-owned startups and rural entrepreneurs.

None of this would have been possible without our impressive constellation of partners - local and state, public and private. Accordingly, this message is one big "Thank You" to all the members of the state's powerful and diverse economic development team, especially Governor Roy Cooper, North Carolina Secretary of Commerce Anthony M. Copeland, and the leadership of the North Carolina General Assembly.

Team North Carolina also includes local and regional economic development groups, agencies and organizations dedicated to everything from

)4



Chief Executive Officer Economic Development Partnership of North Carolina

workforce development to transportation infrastructure, and myriad private-sector partners.

The team encompasses local tourism offices, many of which participate in the EDPNC's cooperative marketing program dedicated to increasing visitation to every corner of the state. Our partners' record level of investment in that program in 2017 demonstrates confidence in our joint marketing and advertising initiatives.

The team even extends to the state's 10 million residents, who support the EDPNC through the public funds we receive. And it includes corporate and other private investors whose generous support has supplemented our state budget since October 2014.

That's when the EDPNC assumed key economic development responsibilities on behalf of the state. including: recruiting new industry; supporting the growth of existing North Carolina employers; helping manufacturers sell more exports; counseling entrepreneurs and smallbusiness startups; and promoting North Carolina as a premier destination for tourism, retirement, and film production.

We proudly share with our partners credit for the successes outlined in our 2017 Annual Report, which also includes detailed case studies that illustrate how partnership and teamwork underscore each and every one of the state's economic devialopment wins.

We look forward to even more success in 2018 as we work together with our many partners to advance sustainable job growth and investment in communities throughout North Carolina.



06 Our Board



#### Two New Leaders Join The Team

In 2017, the Economic
Development Partnership
of North Carolina Board of
Directors welcomed a new
chairman and board member.

In May, Governor Roy Cooper appointed Charlotte attorney Frank E. Emory, Jr., to the chairman's position. The governor's second board appointment arrived in December – former Rockingham mayor and state senator Gene McLaurin.

Since taking the board's helm, Emory's priorities have included exploring new ways the EDPNC can support economic growth in the state's rural communities. In 2017, Emory asked board member Mike Hawkins to spearhead those efforts.

Hawkins brings firsthand knowledge of rural North Carolina to the task. He is a Brevard native, member of the Transylvania County Board of Commissioners, and president of Pisgah Enterprises in Transylvania County.

Hawkins now heads the recently formed EDPNC Rural Working Group. The group of

EDPNC board members and staff will advise the board on how the EDPNC can expand its existing work supporting economic development in rural North Carolina.

Other board members in the Rural Working Group include Emory; McLaurin; David Craven, Vice President for Business Development at Fidelity Bank in Ramseur; Caleb Miles. President and Chief Executive Officer of the Pinehurst, Southern Pines, Aberdeen Area Convention & Visitors Bureau: Mark Zimmerman, owner of RE/ MAX Winning Edge in Chapel Hill; and Sheila Pierce Knight, Executive Director of Jacksonville Onslow Economic Development.

Emory, a Charlotte-based partner specializing in complex commercial litigation at the Hunton & Williams law firm, and McLaurin, president of Swink-Quality Oil & Gas Co. in Rockingham, are the latest additions to a board that provides critical strategic direction to the EDPNC while demanding ac:countability from the partnership's executive leadership and

staff. The board, for example, has established performance metrics for each EDPNC business unit and employee.

The board, which comprises industry and economic development leaders from throughout the state, brings deep private-sector expertise to its oversight of the EDPNC.

Board members work and live in a diverse mix of rural and urban counties across the state, including Beaufort, Forsyth, Guilford, Mecklenburg, Moore, Onslow, Polk, Randolph, Richmond, Rockingham, Transylvania, and Wake.

Nine members are appointed by the Governor, four by the state Speaker of the House and four by the state Senate President Pro Tem. The board, whose members serve staggered terms, meets four times a year in sessions open to the public at EDPNC offices in Cary or in other locations around the state.

The EDPNC is excited to head into 2018 with the continued leadership of a board whose guidance has been critical to our success.





Chairman Frank E. Emory, Jr. Partner, Hunton & Williams



Vice Chairman Jim Whitehurst President and CEO, Red Hat



Secretary/Treasurer
John Kane
Founder and CEO,
Kane Realty Corporation



Marie Flow Arcuri Dealer Principal, Flow Lexus



Mark Bellissimo Managing Partner, Tryon Equestrian Partners



David Craven Vice President, Fidelity Bank



Mike Hawkins President, Pisgah Enterprises



Sheila Pierce Knight
Executive Director,
Jacksonville-Onslow
Economic Development



Vimal Kolappa Founder, East Coast Hospitality



Thomas Looney Retired VP and GM, Lenovo North America



Pleas McMichael
Retired Textile Executive
and Exporter



Gene McLaurin
President,
Swink-Quality Oil & Gas Co.



Caleb Miles
President and CEO,
Convention & Visitors
Bureau for Pinehurst,
Southern Pines, Aberdeen



Robert Singer Partner and Attorney, Brooks Pierce McLendon Humphrey & Leonard



Jeffrey Turner Vice President and COO, Murphy Family Ventures



Mark Zimmerman Owner, RE/MAX Winning Edge



While the Charlotte and Raleigh areas continued to draw large job-rich projects in 2017, the year included numerous major projects locating in North Carolina's more rural counties.



Business Recruitment 09

### siness Recruit

### **Project Wins Promise Nearly 20,000 New Jobs**

With companies announcing they would create nearly 20,000 new jobs in the state, 2017 marked a banner year for a statewide team including the Economic Development Partnership of North Carolina.

That's the highest number of jobs the EDPNC has helped recruit to the state in a single year – and a hefty 34 percent increase over 2016.

In 2017, the EDPNC's business recruitment and existing industry teams, working jointly with our public and private partners, helped close deals on 150 projects – resulting in the announcement of 19,999 new jobs in North Carolina and \$4.14 billion in investment.

In 2016, by comparison, we and our local and state economic development partners supported 139 projects that brought commitments of 14,944 new jobs and \$3.8 billion in new capital investment. In 2015, the EDPNC's first full year of operation, those tallies were

97 projects, 13,357 new jobs, and \$3.3 billion in investment.

The largest deals by jobs announced included Allstate Insurance's 2,250-job expansion in Mecklenburg County; India-based technology consultant Infosys' new 2,000-job hub in Wake County; and banking giant Credit Suisse's 1,200-job expansion in Wake County.

Project wins and their impact unfold over several years, as companies pursue their announced hiring and investment targets. Meanwhile, each year our team of eight statewide business recruiters aggressively recruits new companies to North Carolina while also courting larger-scale expansions by companies already operating here. Equally important, our existing industry team of eight regional project managers supports the growth of existing companies, including many small businesses.

150

Projects Won by EDPNC and Our Partners in 2017

19,999

New Jobs Announced in 2017

34%

Increase in Number of Jobs Announced Over 2016





66

Together, the deals we helped close in 2017 have resulted in a one-third increase in job announcements over the year before.



Vice President of Business Recruitment, Economic Development Partnership of North Carolina **Pictured:** Gov. Roy Cooper announces Allstate's 2,250-job expansion of its Charlotte operations center.

"Together, the deals we helped close in 2017 have resulted in a one-third increase in job announcements over the year before – that's 5,055 more jobs," said David Spratley, EDPNC Vice President of Business Recruitment and supervisor of EDPNC's statewide business recruiters.

"While the largest continued to be corporate office-related projects drawn to urban areas such as Charlotte and Raleigh, one real difference about 2017 is that we also had several major projects locate in our more rural Tier 1 and Tier 2 counties."

The state-designated tiers measure the economic well-being of all 100 counties in North Carolina, to help focus efforts to support job growth. Tier 1 indicates the 40 most economically distressed counties, Tier 2 the 40 counties in the middle, and Tier 3 the 20 least-distressed counties.

In 2017, 93 project wins in Tier 1 and 2 counties called for 7,754 new jobs and \$2.9 billion in new capital investment. That surpasses 2016, when 92 wins resulted in 5,443 announced new jobs and \$2.34 billion in announced investment. In 2015, 59 announced projects were located in Tier 1 and





2 counties, with companies planning 5,959 new jobs and \$1.5 billion in investment.

In 2017, the largest wins in Tier 1 and 2 counties included Chinese tire maker Triangle Tyre's 800-job, \$580 million manufacturing facility in Edgecombe County; German health care company Fresenius Kabi's 445-job plant expansion in Wilson County; and Virginia-based PRA Group's 500-job call center in Alamance County.

There's also Austria-based Egger Wood Products' plan to invest \$300 million in a new Davidson County plant, hiring 400 people over the next six years. Over 15 years and subsequent phases, Egger expects to invest \$700 million and employ 770 people overall at the plant.

Availability of industrial sites helped boost project

activity in rural counties in 2017, according to Spratley. Egger and Triangle Tyre are the first major developments, respectively, at the I-85 Corporate Center in Tier 2 Davidson County and the Kingsboro Megasite in Tier 1 Edgecombe County.

While Spratley's team of business recruiters serves as the primary point of contact for companies considering locating or expanding facilities in North Carolina, the EDPNC relies on local and regional partners to help identify and present the best site options to companies. To strengthen that partnership, and our recruiters' firsthand knowledge of the entire state, two years ago we began our NC 100 initiative.

NC 100 sends our full team of business recruiters on one- to three-day visits to regions across the state (the March 2017 event in the Research Triangle region is pictured above). In 2017, all 100 counties were invited to attend the nearest regional NC 100 event, held in Durham, Asheville, Hickory, Elizabethtown, Greensboro, Williamston and Charlotte. Seventy-nine counties overall participated. County officials presented updates about their available buildings, sites, and quality-of-life assets, while building stronger relationships with the EDPNC.

"A lot of great information is shared on both sides,"
Jennifer Lantz, Executive
Director of the Wilson
Economic Development
Council, said of the NC 100
events. "It allows all the local developers, whether you have lots of projects or a few projects, to become better partners with the EDPNC."

# A New Plant And Up to 770 Jobs

### Egger: One of the Biggest Deals Ever for The Triad

Egger Wood Products, a leading European supplier of wood-based furniture and interior design materials, is launching one of the largest capital investment projects in the history of North Carolina's Triad region.

In 2017, the family-owned company based in St. Johann, Austria, announced plans to invest up to \$700 million in a composite panel plant in Davidson County that could grow to 770 employees in 15 years at full production.

Egger researched 50 sites for its first U.S. plant before narrowing its choices to locations in North Carolina, Georgia and South Carolina. It was a tight competition, but state and local partners including the Economic Development Partnership of North Carolina, the Davidson County Economic Development Commission and the North Carolina Department of Commerce worked together to convince the company that the best choice was the I-85 Corporate Center industrial site southwest of Lexington.

The plant's first phase, supported by state and local incentives, will bring 400 jobs and \$300 million in investment to Davidson County over the next six years. The company expects to invest another \$400 million and create 370 more jobs in subsequent phases.



The plant will initially produce raw particle board and thermally fused laminate (TFL) board. Egger plans to continuously add manufacturing capacity for TFL board as its North American market grows, according to Karl Grasser, who led Egger's search for a U.S. location.

Egger's laminated panels come in a wide variety of decorative surfaces used

2





We train about 250 young adults every year in our Egger locations, where they learn a profession and earn a degree.

Karl Grasser

Leader of Egger's site search for its first U.S. plant

Pictured: Karl Grasser, who led Egger Wood Products' search for its first U.S. plant site, displays some decorative surfaces found in Egger's laminated panels. Egger's new Davidson County plant will initially produce raw particle board and thermally fused laminate (TFL) board, adding additional TFL capacity as its North American market grows.

Photo courtesy of ©EGGER / Christian Vorhofer



in furniture, countertops, cabinets and more. The surfaces and matched edging cater to its furniture and interior design industry customers who include architects. designers, wholesalers and manufacturers. Buyers' choices range from solidcolor board with high-gloss or smooth matte finishes, to boards with the appearance of granite, concrete and metal or the look and feel of wood.

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Our goal is to position ourselves as one of the leading brands for wood-based solutions in the U.S., as we are already in Europe.

Walter Schiegl Chief Technology Officer, Egger

4



"Our goal is to position ourselves as one of the leading brands for woodbased solutions in the U.S., as we are already in Europe," Egger Chief Technology Officer Walter Schiegl said when he announced the new plant.

A year earlier, Grasser first contacted Ryan Nance, EDPNC Business Recruitment Manager, to discuss North Carolina as a potential location. Egger knew North Carolina offered a prime central East Coast location within two days' truck drive of most of the U.S. population. But the company also had very exacting site requirements.

They included access to a reliable supply of wood chips, sawdust and slab pieces – sawmill byproducts that are the raw material of particle board. Egger also needed an industrial site with 200 flat-as-possible acres and no wetlands, redundant electric power capacity, a

Pictured: The Egger Group is headquartered in St.
Johann in the Tyrol province of Austria. The company has 17 plants in seven European countries and one in Argentina, plus new plants being built in North Carolina and Poland.

Photo courtesy of ©EGGER / Christian Vorhofer

high-pressure natural gas connection, and onsite rail service.

The company also valued workforce development support. Davidson County Community College will be a key partner there. For example, "we have an apprenticeship program in our company where we train about 250 young adults every year in our Egger locations, where they learn a profession and earn a degree," Grasser said. "This is also something we want to implement in the U.S."

From the outset, Nance focused on understanding the company and its priorities. "Ryan found out who we are, what we do in our first conversations" Grasser said. "He was a great help in finding possible sites in North Carolina and getting us their data, facilitating meetings and contacts."

The EDPNC, for example, arranged meetings between Egger and North Carolina State University forestry experts and Mount Gilead, N.C.-based Jordan Lumber & Supply, to convince Egger that the area's timber industry could supply enough wood byproduct for the large plant.

In addition, Nance, state Commerce Secretary Anthony M. Copeland and Steve Googe, then head of the Davidson County Economic Development Commission, visited Egger's headquarters in St. Johann. Egger has 17 plants in seven European countries, one in Argentina, plus the one being built in North Carolina and another in Poland.

"Despite being a large company, they are family-oriented in terms of how they take care of their employees," Nance said of his visit. "I was also struck by how clean their manufacturing facilities are, their sustainable business practices, their partnership with the local community."

As Egger's focus turned more to the I-85 Corporate Center, Googe led efforts to close the deal. His partners included the EDPNC, the N.C. Department of Commerce, the N.C. Department of Transportation, the Davidson County Board of Commissioners, the city of Lexington, Davidson Water Inc., Duke Energy, Norfolk Southern Railroad, the North Carolina Railroad Company and the Golden LEAF Foundation.

The North Carolina Railroad Company, for example, is investing \$3.5 million to connect the Davidson County site to Norfolk Southern's mainline, providing Egger and any future tenants critical access to freight rail service.

"It also took an incredible partnership with Duke Energy," said Craig Goodson, who succeeded Googe after he retired as head of the local economic development commission. "They stepped



in to reroute a major transmission line at the site so that Egger could locate there."

Egger is the first major development at the 430-acre, county-owned I-85 Corporate Center, where the company plans to ultimately build on 200-plus acres.

The Egger project
"accelerated all the
infrastructure that needed
to be extended to the park,"
Goodson said. "Now we have
three lots, each one between

50 and 90 acres, that are available to other users. Egger is a great company. So the goal is to be patient and attract two or three more companies that will provide that same type of employment opportunity in Davidson County."



Egger is a great company. So the goal is to be patient and attract two or three more companies that will provide that same type of employment opportunity in Davidson County.

Craig Goodson
President/CEO,

Davidson County Economic Development Commission



## Answering The Call

### Working Together to Win a 2,000-Job Tech Hub

When your job is marketing the state to new businesses, there are some calls you're happy to take – even on your day off.

Christopher Chung, Chief Executive Officer of the Economic Development Partnership of North Carolina (EDPNC), was enjoying a well-deserved Friday off in February 2017 after attending a conference in San Diego when he got the call from North Carolina state Senator Jay Chaudhuri.

"He said, 'I know this gentleman from a company exploring expansion opportunities throughout the United States, and North Carolina is on their radar. I'd love to help make an introduction,' " Chung recalled.

Five months later, Infosys, a leading global technology consulting company

headquartered in Bangalore, India, announced it had chosen North Carolina's Research Triangle region for an \$8.73 million innovation and technology hub. In terms of employment, the Raleigh hub – expected to grow to 2,000 employees by 2021 – is one of the largest economic development wins in Wake County's history.

Chaudhuri introduced Chung to Anurag Varma, Infosys Vice President of Global Government Affairs, who was overseeing the company's search to establish four U.S. innovation and technology hubs that will ultimately employ 10,000 American workers. The introduction was part of an effective team effort that landed one of the hubs in North Carolina, as Virginia, Texas, Georgia and other states joined the competition.

"The EDPNC, the Greater



Raleigh Chamber of
Commerce and our other
partners spent a lot of time
to understand exactly what
Infosys wanted to accomplish
and how to make the best
possible case – not just for
the state, but for the region
and community," Chung said.

The four hubs will advise Infosys' U.S. corporate clients on how to leverage emerging technologies in areas such as digital transformation, cloud infrastructure, artificial intelligence, cybersecurity

8



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The partnership between our city and Infosys will boost innovation and benefit businesses, schools, and workforce development.

Nancy McFarlane Mayor of Raleigh Pictured: In September 2017, Infosys announced Raleigh would be the home of its North Carolina Technology and Innovation Hub. Pictured from left to right are Infosys Chief Financial Officer M.D. Ranganath, Raleigh Mayor Nancy McFarlane, North Carolina Commerce Secretary Anthony M. Copeland, and Infosys President Ravi Kumar. 66

### Literally, the teamwork was amazing.

#### **Anurag Varma**

Vice President of Global Government Affairs, Infosys and big data and analytics.

Infosys' search priorities included locations that had a thriving IT sector, a strong academic ecosystem, and existing Infosys client clusters.

"Workforce was one the biggest concerns, since they would be hiring 2,000 here," said Garrett Wyckoff, the EDPNC Senior Business Recruitment Manager who supported the project on the state's behalf. "It was more about talent acquisition at the beginning, including their making sure they could get people to move here."

As the company's interest in North Carolina narrowed to the Triangle, the EDPNC and its local partners at the Raleigh Chamber of Commerce and Wake County Economic Development (WCED) arranged roundtable discussions that focused on the experience of corporations already located in Wake County and the area's educational ecosystem.





Wyckoff said Infosys "was very impressed with the company partners" that the Raleigh Chamber and the WCED lined up to speak with Varma and Infosys President Ravi Kumar. The business roundtable discussions included local executives from contract research company QuintilesIMS (recently rebranded as IQVIA), Wells Fargo, software company Citrix and Kane Realty Corporation.

"They gave us insights about their operations on the ground, and their experience of living there," Kumar said. "Infosys hires a lot of people out of schools, so [the hub location] had to be a place where a young professional who is starting his or her first job wants to stay. We got a great view of the cost of living, the strength of the school districts, the quality of housing, the vibrancy of the social ecosystem and more."

"And what surprised us was the number of startups [in the Triangle]," Kumar added. "The startup system in fintech, pharma and clean energy are three big areas of investment for us. We're fascinated by what the startup ecosystem can do

jointly with us."

Universities and community colleges are one of "three feeders" for the American workforce Infosys needs for its U.S. hubs, Kumar said. "We are going to hire experienced talent. We are going to hire from schools and colleges and use the best-in-class training structure of Infosys to build a workforce - with a very intense training of eight to 12 weeks. And the third feeder will be refactoring and repurposing talent from adjacent and legacy areas."

To showcase the role the Triangle's universities and colleges can play, the EDPNC arranged a meeting with officials from the North Carolina Community College System, Wake Technical Community College, North Carolina State University and William Peace University. "We found the academic ecosystem exceptional," Kumar said.

Wake Technical Community College will partner with Infosys on workforce development for the Raleigh hub. The 72,000-student college has multiple campuses, including a new Research Triangle

Pictured: Wake County Economic Development hosted a September 2017 panel discussion on how the Infosys project was won. Panelists included, from left: Tom White, Director, Economic Development Partnership, N.C. State University; state Sen. Jay Chaudhuri; Anurag Varma, Infosys Vice President of Global Government Affairs; Tom Looney, Chairman of the Wake Technical Community College Board of Trustees (and EDPNC board member); and Christopher Chung, Chief Executive Officer, Economic Development Partnership of North Carolina.

Park location focused on advanced technical programs and customized workforce training for corporations in Wake County.

The Triangle region also has three tier-one research universities - N.C. State, Duke and the University of North Carolina-Chapel Hill. N.C. State's master's in analytics program could supply some of the talent for the Raleigh Infosys hub, which will likely specialize in big data and focus on serving companies in the financial services, pharmaceutical and industrial manufacturing industries.

During three visits to North Carolina, Infosys executives also met with local and state officials including Gov. Roy Cooper and Commerce Secretary Anthony M. Copeland. At one point, the governor helped refocus Infosys on North Carolina when a competing state moved forward in its bid for the hub.

Both Kumar and Varma were struck by the public- and private-sector teamwork that helped North Carolina and Wake County land the second Infosys hub.

"What really fascinated me was the collaboration between the local chamber of commerce, the economic development partnership, the office of the governor and the proactive support the government gave us," Varma said. "Literally, the teamwork was amazing."

## Anatomy of a Project

### How a Team of Partners Brought Triangle Tyre and 800 Planned Jobs to Edgecombe County

The Client: Triangle Tyre, China-based tire manufacturer looking to expand into the U.S.

Site Selection Consultant: Deloitte team based out of Chicago

Competing States: Mississippi, Alabama, Georgia, Arkansas, Tennessee, S. Carolina, Texas, Virginia

#### Team North Carolina:

- Governor Roy Cooper
- EDPNC: Business Recruitment and China Office (Evan Stone, David Spratley, Annabel Rong)
- N.C. Department of Commerce
- Carolinas Gateway Partnership
- Appian Engineering
- Dominion Energy
- CSX Transportation
- North Carolina Railroad Company (NCRR)
- Edgecombe County
- Edgecombe Community College
- N.C. Department of Transportation (NC DOT)
- N.C. Community Colleges
- · Golden LEAF Foundation



#### The Process

Mar. 10 2017 Mar. 13 2017 Mar. 17 2017

EDPNC Business Recruiter Evan Stone receives an email about an international tiremanufacturing project from Deloitte's site-selection team in Chicago. Stone had an existing relationship with this team from a previous tire manufacturing project. Stone receives the company's request for information (RFI) and contacts local economic development organizations across North Carolina to identify viable site locations.

Eleven North Carolina counties submit sites to Deloitte for consideration. They include Edgecombe County, Randolph County, Burke County, Davidson County, Wilson County, Granville County, Henderson County, Chatham County, Northampton County, Brunswick County and Lee County.





Mar. 23 2017

Deloitte conducts its first visit to the Kingsboro megasite in Edgecombe County, as well as the site in Burke County.

24

Apr. 10 2017 Apr. 27-28 2017

The Deloitte team notifies Stone that it is proceeding with the Kingsboro megasite in Edgecombe County. The due diligence visit: This is a critical step for an advanced manufacturing greenfield project. This is when site-selection consultants connect with every partner and organization that would touch the site in preparation and execution of the project. This meeting included NCDOT, NCRR, CSX, Appian Engineering, Piedmont Natural Gas and Dominion Energy, among others.

Additionally, during this meeting the Deloitte team connected with the North Carolina community college system, local manufacturers and staffing agencies in the area to discuss HR and workforce development-related topics. For this part of the meeting, the Deloitte team met with automotive component makers Cummins Inc. and Keihin Corporation, as well as Pfizer, Tyson Foods and the QVC Distribution Center. Deloitte also met with representatives from Edgecombe Community College.

### May 3 2017

### May 11 2017

#### June 4-9 2017

A potential issue with the Kingsboro site was identified but rectified quickly. For Triangle Tyre to receive power from Dominion Energy, the site concept had to be within 300 feet of the Dominion right-ofway, which was located on the northeastern portion of the site. Stone worked with Appian Engineering and the Deloitte team to present four different site concepts that met Triangle Tyre's requirements and enabled it to receive power from Dominion Energy.

Deloitte sends an incentives request for proposal (RFP) to Stone asking that all funding partners (organizations providing incentives) complete it.

Stone, Annabel Rong of the EDPNC's China office, Secretary of Commerce Anthony M. Copeland and Norris Tolson, CEO and President of the Carolinas Gateway Partnership, travel to Weihai, China, to tour one of Triangle Tyre's manufacturing plants and meet with its leadership team, including Chairman Ding Yuhua.





June 21 Late Aug.

Dec. 19

The incentives visit: During this meeting, the Deloitte team met with all funding partners to review incentives piece by piece and begin the negotiating process.

After a few quiet months, Stone received a call from state Commerce Secretary Copeland informing him that the company had requested an incentive memorandum of understanding (MOU) and expressed its interest in coming to North Carolina. At this point, the N.C. Department of Commerce led efforts to develop the MOU and secure final approval for the incentives proposal.

Triangle Tyre officially announced its intent to locate its first U.S. manufacturing facility in Edgecombe County. The company will create 800 jobs and invest \$580 million in two tire plants at the Kingsboro megasite. Average salaries are expected to be about \$56,500 once all the positions are filled, well above the county average of \$32,640.



These 800 jobs from Triangle Tyre are the kind of jobs we need now in **Edgecombe County.** 

**Erica Smith** N.C. State Senator



### A Breakdown of Our 150 Projects

The EDPNC and its partners helped close deals on 150 business recruitment and expansion projects in 2017, resulting in one of the highest tallies of state-supported job announcements in a decade. The project wins are expected to create the following in North Carolina over the next several years:

19,999 New Jobs \$4.14 Billion
In New Capital Investment

\$1.1 Billion in New Annual Payroll

Foreign Direct Investment

9,169

Of Total Announced Jobs From Investment By Foreign-Based Companies \$2.05 Billion

Of Total Announced Investment From Foreign-Based Companies

**New Facility Projects** 

13,332

Of New Jobs Connected To Companies Establishing New Facilities in North Carolina \$2.05 Billion

Of Planned Investment is Connected To Companies Establishing New Facilities **37%** 

Of Project Wins Are New Facilities In The State

**Expansion Projects** 

6,667

Of New Jobs are Companies Expanding an Existing North Carolina Facility \$2.09 Billion

Of Planned Investment Is Connected To Expanding Existing Facilities In The State 63%

Of Project Wins Are Expansions Of Existing Facilities In the State



#### **2017 New Facility and Expansion Projects**

The EDPNC's business recruitment and existing industry teams work jointly with the state Department of Commerce, Governor's Office, local economic development organizations and other partners to support the growth of employment and capital investment in North Carolina. Here are highlights of announced projects the teams supported in 2017. The FDI (foreign direct investment) column indicates whether the company or its parent is foreign-based. Asterisks denote companies moving into the state for the first time or existing businesses adding another corporate facility or manufacturing plant here.

Company	County	County Jobs Investment		FDI	
Triangle Tyre Co.*	Edgecombe	800	\$580M	Y (China)	
Clearwater Paper Corporation	Cleveland	180	\$330M	N	
Egger Group (Phase I)*	Davidson	400	\$300M	Y (Austria)	
Fresenius Kabi*	Wilson	445	\$100M+	Y (Germany)	
Pilgrim's Pride	Lee	350	\$117M	N	
Smithfield Foods	Bladen	280	\$115M	Y (China)	
Credit Suisse	Wake	1,200	\$65M	Y (Switzerland)	
Tristone Flowtech*	Iredell	302	\$23.6M	Y (Germany)	
Edwards Wood Products*	Scotland	91	\$50M	N	
Continental Teves	Burke	160	\$40M	Y (Germany)	
Advanced Superabrasives	Madison	47	\$26M	N	
Allstate Insurance*	Mecklenburg	2,250	\$22.6M	N	
MAS Capital*	Randolph	288	\$19.9M	Y (Sri Lanka)	
AXA Financial Group	Mecklenburg	550	\$18M	Y (France)	
Mako Medical Laboratories*	Vance	153	\$15.4M	N	
Infosys*	Wake	2,000	\$8.73M	Y (India)	
PRA Group*	Alamance	500	\$3.9M	N	
Manual Woodworkers Weavers	Rutherford	77	\$1.45M	N	

## A Closer Look By Industry in 2017

#### New Facility vs. Expansion Projects by Industry

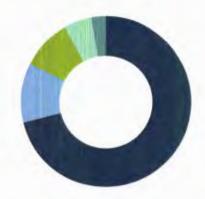
56 announced projects from new facilities and 94 from companies expanding existing facilities in North Carolina

#### Announced Investment by Industry

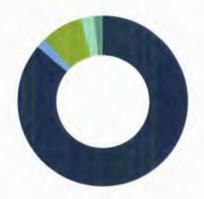
\$2.05 billion from new facilities and \$2.09 billion from companies expanding existing facilities in North Carolina

#### Announced Project Jobs by Industry

13,332 from new facilities and 6,667 from companies expanding existing facilities in North Carolina



- Manufacturing 107
- Service/Sales 17
- Warehouse/Distribution 14
- Corporate Headquarters 8
- Other 4



- Manufacturing \$3.57B
- Service/Sales \$87.2M
- Warehouse/Distribution \$320.8M
- Corporate Headquarters \$104.4M
- Other \$61.66M



- Manufacturing 9,263
- Service/Sales 6,473
- Warehouse/Distribution 1,336
- Corporate Headquarters 2,170
- Other 757

#### **Active Project Pipeline**

As of Dec. 31, 2017, North Carolina was actively being considered for the following.\*

\$19.4 Billion

Potential Capital Investment Connected to Projects in the Pipeline 55,999

Potential Jobs Connected to Pipeline Projects 292

Potential Business Recruitment or Expansion Projects



\*To illustrate our more typical pipeline activity, the figures do not include Seattle-based Amazon's publicly announced search for a second headquarters that could bring up to 50,000 jobs and \$5 billion in capital investment to the winning location. In January 2018, Amazon announced the Triangle region of North Carolina was among 20 finalist locations being considered.



Pictured: In December 2017, Gov. Roy Cooper and Ding Yuhua, Chairman of Chinabased Triangle Tyre Co., announced Triangle's decision to invest \$580 million in two tire manufacturing plants that will create 800 new jobs in Edgecombe County. These will be Triangle's first plants outside China.







### Connecting with Companies on the Cusp of a U.S. Expansion

If you're an executive at a company looking to expand into the U.S., then it's a safe bet our business development team wants to meet you.

The Economic Development Partnership of North Carolina established the business development team two years ago to actively generate leads for business recruitment projects. Team members located in our Cary headquarters include Senior Business Development Manager Korey Howard, who focuses on generating leads for foreign direct investment by Asia-based companies, and Brad Helton, who cultivates leads in the defense industry. Business Recruitment Manager Laura Johnson Lee provides additional support by finding opportunities in the foodmanufacturing industry.

The team, which also includes EDPNC foreign offices in Germany, China, Japan, and South Korea, identifies international and domestic companies that may be poised for a U.S. expansion, connects with their leadership and then works to build relationships with those executives.

The relationship focuses on showing a targeted company how North Carolina offers strategic advantages specific to its needs and business model. Once an opportunity develops into an active project, the business development team introduces the company to an EDPNC business recruiter to present site options.

In 2017, the team identified 349 leads overall; 55 of those developed into active recruitment or expansion projects. That's an increase over 2016, when the team identified 329 leads and referred 39 qualified leads.

Finding the right companies and getting in front of them at the right time can be challenging. So, the EDPNC

349

Leads Generated by the International Business Development Team in 2017

12

55
Project Leads Referred to
EDPNC Business Recruiters

### siness Develo

uses a variety of tools and tactics to find companies on the cusp of expansion, including networking at industry conferences, trade shows, and other events in the U.S. and abroad.

In 2017, EDPNC business developers coordinated North Carolina's presence at the Automotive Engineering Exposition in Yokohama, Japan – an event that drew more than 560 companies including automakers, parts manufacturers, providers of cutting-edge technologies for smart cars and more.

North Carolina had sponsored a booth at the show for seven years. But in 2017 the business development team added a new twist to take advantage of the large crowd of automotive industry manufacturers and suppliers arriving early to attend. Two days before the event, EDPNC business developers held a "North Carolina Investment Seminar" in nearby Tokyo.





Representatives of nearly 100 automotive and other companies signed up for the seminar, which was cosponsored by the Greensboro Chamber of Commerce. The seminar, conducted in Japanese, included a presentation by Aisin AW, whose Durham-based subsidiary AW North Carolina manufactures fully assembled automatic transmissions and components for many top Toyota vehicle models. Sumio Shibata, EDPNC's Tokyobased representative, made a North Carolina megasite presentation.

As part of activities before and during the Yokohama automotive show, the business development team arranged for Japanese newspaper interviews with Christopher Chung, Chief Executive Officer of the EDPNC. As a result, articles appeared in high-profile Japanese business dailies including:

- The Nikkei, the world's largest financial newspaper with a print circulation of over 3 million
- Nikkan Kogyo Shimbun, a business and industrial affairs publication with a print circulation of 420,000
- Nikkan Jidosha Shimbun, an automotive industry publication
- Kagaku Kogyo Nippo, which covers the chemical industry

Other shows on the team's busy 2017 trade show calendar included the SelectUSA Investment Summit in Washington, D.C., which promotes the U.S. for foreign direct investment; the Paris Air Show, the world's largest event dedicated to the aviation and space industry; the Association of the U.S. Army Annual Meeting and Exposition in Washington, D.C.; and the National Business Aviation Association Convention and Exposition in Las Vegas.





Pictured: In 2017, representatives of nearly 100 Japanese companies attended a North Carolina Investment Seminar (below) held in Tokyo, arranged by the EDPNC and timed to complement the Automotive Engineering Exposition in nearby Yokohama. The EDPNC coordinated the North Carolina booth at the show (left)







#### Recruiting Corporate Leaders to Market North Carolina's Business Assets

In 2017, the Economic
Development Partnership
of North Carolina launched
the state's first significant
business recruitment
advertising effort in several
years, a campaign that
included top executives of
high-profile companies in
North Carolina spreading
the word about our superior
business climate.

The foundation of the campaign required developing detail-rich feature stories about successful

28,000

Number of Fortune Issues with NC-Focused Cover Wraps Sent to Corporate Leaders

200%

Increase in EDPNC Website Traffic Generated by the Campaign corporations in the state in four key industry sectors: aerospace, automotive, food processing and manufacturing, and plastics and chemicals. The target was C-suite level executives in those same industries in the U.S., Canada, Japan and South Korea.

The company profiles appearing on the EDPNC.com website were extensively leveraged through paid advertising over print and digital channels including LinkedIn and digital media publisher SmartBrief as well as through paid search (advertising within the sponsored listings of website search engines). The objectives included driving traffic back to EDPNC.com, and tracking those visits for possible leads for the EDPNC's business recruiters.

Some of the same executives quoted in the corporation profiles – which featured Honda Aircraft, Sierra Nevada Brewing, GE Aviation, GF Linamar, ProtoLabs, Thomas Built Buses, Sealed Air Corp., and Morinaga America Foods - also appeared on "cover wrap" ads folded around issues of Fortune magazine.

On eight occasions from March through August 2017, 3,500 issues featuring cover wraps graced by leaders of successful companies in North Carolina were delivered to C-suite-level executives in the U.S., Canada, Japan and Korea. The four-page cover wraps also included a letter from the governor and opportunities for local economic development organizations in the state to advertise at EDPNC cooperative marketing rates that were significantly less than the magazine's standard rates.

The campaign also included the summer launch of new EDPNC.com website pages marketing four North Carolina megasites to large industrial users (including aerial video of each site and interactive

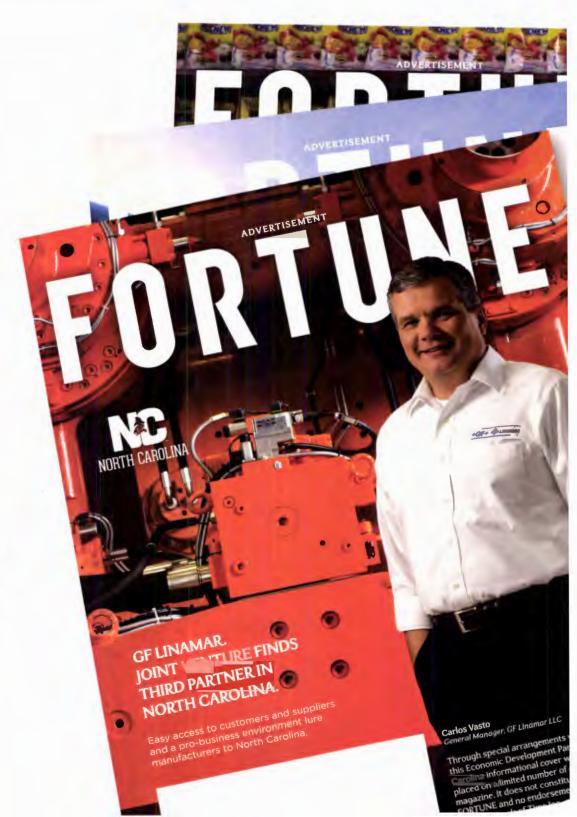


# siness Promo

elements). Another part of the campaign was paid advertising promoting the state's lowest-in-the-nation 3 percent corporate income tax rate.

State lawmakers provided the dedicated advertising and marketing funding that supported the campaign, and have approved similar funding for 2017-18.

"One significant result of the 2016-17 campaign was that it drove more than 600,000 visitors to the website, a more than 200 percent increase over the prior year," said Michael Ebert, Vice President of Marketing at the EDPNC. "We have a great story to tell in North Carolina. This year's dedicated business-advertising funding enabled us to share that story with the world more effectively than ever."



### Sharing the Stage through Co-op Marketing

The EDPNC offers local economic development organizations valuable opportunities to join us in marketing their counties and the state as whole for new and growing companies.

In 2017, 42 local and regional, public- and private-sector partners paid to participate in their choice of activities offered through our business recruitment-focused cooperative marketing program. Partners met one-on-one with site consultants throughout the U.S., jointly participated in state booths at targeted industry trade shows, and networked with corporate influencers at VIP and hospitality events.

Also in 2017, the EDPNC provided a onetime opportunity for our partners to network with premier site consultants at the PGA Championship in Charlotte. In August, we brought 14 site consultants from Chicago, Dallas, Atlanta, New York/ New Jersey, Nashville and Greenville, S.C., to the highprofile venue. Partners paid a fee to join in activities centered around a chalet sponsored by the EDPNC. Charlotte Chamber of Commerce, Charlotte



Regional Partnership and Charlotte Regional Visitors Authority.

In addition to our Charlotte partners, 26 local and regional economic development groups participated in four days of events. Each full day included a networking breakfast; panel discussions; free-ranging roundtable discussions where one or two consultants sat with five to eight partners; and an evening reception and dinner. The participating partners represented more than 40 counties.

"It was well worth the cost,

and I had the least to gain because I don't have an industrial park," said Pat Corso, Executive Director of Moore County Partners in Progress. "For me the reward was strategic. I got great advice on what to focus on."

Corso was told, for example, that site selectors rarely represent companies of fewer than 500 employees. So some of his roundtable talk centered on recruitment of family-owned and smaller companies and developing a smaller park or niche industry clusters.

The PGA event was unique





Pictured: The EDPNC coordinated the North Carolina booth (left) at the 2017 SelectUSA Investment Summit in Washington, D.C., which showcases the U.S. for foreign direct investment. Some of the booth participants (above, from left) included Kara Brown of the Lincoln Economic Development Association; Katy Parker of the EDPNC; Joe Hines of the Timmons Group Economic Development Practice; Sheila Pierce Knight of Jacksonville Onslow Economic Development (also an EDPNC board member); and Stuart Gilbert of Person County Economic Development.

to 2017, but the EDPNC is looking for similar opportunities in the future. The overview below summarizes our customary cooperative marketing activities and their results in 2017:

• The EDPNC took small groups of local and regional partners to different U.S. cities for one-on-one meetings with premier site consultants in Dallas, the San Francisco Bay area, Atlanta, Minneapolis, Chicago and cities in New York and New Jersey. 30 different partners participated.

- 32 different partners overall joined the EDPNC in nine events focusing on specific industry sectors, including the Paris Air Show: the Craft Brewers Conference and Brew Expo in Washington, D.C.; the SelectUSA Investment Summit in Washington, D.C. (showcasing the U.S. for foreign direct investment); the Retail Industry Leaders Association Supply Chain Conference in Orlando, Fla.; and the Automotive Engineering Exposition in Yokohama, Japan.
- The EDPNC brought site selection consultants and

other corporate influencers together with partners at VIP hospitality events including dinners at the Industrial Asset Management Council's twice-yearly forums; a reception and dinner at the Institute for Professionals in Taxation's Credits and Incentives Symposium in Chicago; and a reception at the Spring High Point Market furnishings trade show. More than 25 different partners participated.



# Industry

# Existing Industry Team's Work Reaches Rural and Urban Counties

In 2017, the EDPNC's existing industry support team assisted more companies than the year before across the state, ranging from a longtime peanut shelling company in Northampton County to a medical device maker in Caldwell County.

The team - made up of eight regional industry managers - helps businesses already operating in North Carolina identify and clear barriers to growth. In many cases, the team is supporting small- to mid-sized businesses.

Each manager is assigned to one of eight multicounty "prosperity zones" where they routinely visit local businesses to tour their operations, speak with their leadership and identify issues that might be keeping the company from investing in new hiring.

These onsite visits reach into both urban and rural counties. The team's support includes connecting existing North Carolina businesses to resources that help them find qualified workers, funds to renovate buildings, and guidance on how to implement more energy-efficient manufacturing practices. And when regional industry managers see a business could benefit from exporting, they refer it to the EDPNC's international trade team.

Such assistance reinforces an existing company's continued success and better positions it to add employees. Team members also work with local and state partners to support

Pictured: Chad Price, founder and president of Mako Medical Laboratories, accepts congratulations after announcing Raleigh-based Mako's decision to build a 153-job, \$15.4 million testing facility and warehouse in Vance County.

Photo courtesy of Mako Medical Laboratories

1,141

Companies Assisted by Regional Industry Managers in 2017

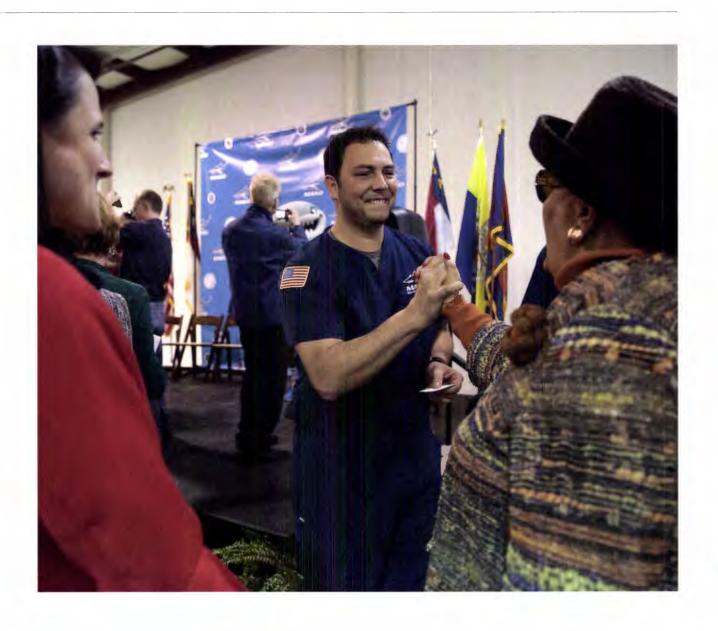


3,514

New Jobs Announced through Business Expansions Supported by Regional Managers

# Support Exis







Pictured: Ivan Voznyak works on a grinding wheel core at Advanced Superabrasives, a maker of industrial grinding wheels whose 47-job expansion announced in 2017 in Madison County was supported by the EDPNC existing industry team and its partners.

those businesses when they are ready to launch formal expansions.

In 2017, the existing industry team and its partners supported 75 expansion projects, slated to create 3,514 new jobs and \$866 million in investment. That exceeds 2016 totals, when the team helped support 57 expansions calling for 2,304 jobs and \$602 million in investment.

Regional industry managers

assisted 1,141 businesses overall (including expansion projects) in 2017, up from 1,056 in 2016. Those interactions touched companies in all 100 counties across North Carolina in 2017.

The team also increased assistance to companies in more rural Tier 1 and Tier 2 counties. In 2017, the EDPNC's regional industry managers assisted 771 existing businesses in Tier 1 and Tier 2 counties, compared to 659 in 2016.



In 2017, such work by the team and its local and state partners included supporting Raleigh-based Mako Medical Laboratories' decision to build a 153-job, \$15.4 million testing facility and warehouse in Vance County – a Tier 1 county. The location in Henderson beat out sites in Louisiana, South Carolina and Ohio, which also courted the company.

"The collaborative effort of all North Carolina economic development partners truly made this project a success and tipped the favor toward North Carolina for Mako," said Josh Arant. Mako's Cofounder and Chief Operating Officer. "The Governor, Secretary of Commerce, EDPNC, Vance County leadership and Henderson leadership diligently and efficiently worked together to present a cohesive expansion plan that Mako could not pass up. We are excited about the jobs and growth that Mako will bring to Henderson and Vance County."

Other EDPNC-supported projects in counties that were Tier 1 in 2017 included:

- Severn Peanut Company's 21-job, \$4.9 million expansion in Northampton County, where the company has operated for more than 70 years.
- Medical device-maker Adhezion Biomedical's 40job, \$3.5 million expansion of its Hudson plant in Caldwell County.
- Honda automotive component maker Keihin Carolina Systems Technology's 42-job, \$13 million expansion of its Tarboro facility in Edgecombe County.

"The EDPNC regional industry managers provide local boots on the ground and connect companies to the best resources needed to expand," said Phil Mintz, Executive Director of N.C. State University Industry Expansion Solutions. "We're

one of those resources, helping companies to improve productivity, save costs and more."

66

The collaborative effort of all North Carolina economic development partners truly made this project a success and tipped the favor toward North Carolina for Mako.

Josh Arant Co-founder & COO, Mako Medical Laboratories

# How Can We Help?

### An Updated Boiler Heats Up Hiring at an Ethan Allen Plant

Ethan Allen's furniture plant and its 385 employees are a big presence in tiny Old Fort, North Carolina, with a population of 900 and change.

The plant, located 30 miles east of Asheville, has operated in rural McDowell County since 1972, navigating the tough years of 2000-2010 when many other "case goods" plants making non-upholstered wooden furniture closed or moved production offshore.

Plant Manager Larry Papula is proud of his facility, which produces wooden furniture in 60 different finishes for Ethan Allen. The well-known interior design and home furnishings company sells its furnishings online and through a network of 300 design centers.

But in early 2017, Papula was looking for ways to solve the problem of the plant's dated boiler system.

The solution ended up being a state grant that will allow the company to upgrade the boiler, expand production and create 16 new jobs at the plant. The grant was introduced as a possibility by Bill Slagle, Northwest Regional Industry Manager for the Economic Development Partnership of North Carolina, and Chuck Abernathy, Executive Director of the McDowell County **Economic Development** Association.

Slagle and Abernathy first approached Papula in early March 2017, at a monthly meeting of the county's Workforce Pipeline Committee. At Pipeline meetings, supervisors of up to a dozen manufacturing plants in the county discuss their workforce needs with representatives of local and state organizations that can help.

"Both these guys came over

and said, 'What's going on at your plant?' " Papula recalled. "So, I went through investments we'd made here, and our commitment by corporate directives to maintain domestic manufacturing." Indeed, 70 percent of Ethan Allen's production remains at its North American plants.

Slagle and Abernathy asked Papula: "What are your biggest issues? Maybe we





# What are your biggest issues? Maybe we could help you somehow.

sprays toner on a piece of furniture.

The question the EDPNC and partners asked Ethan Allen's plant manager

Photo courtesy of Ethan Allen

Pictured: Andy Mahan, who

has worked at Ethan Allen's plant in Old Fort for 13 years,





A rural county and a county that is further removed from Raleigh is more dependent on the state's regional officers. We depend and rely on people like Bill [Slagle] at the EDPNC. who is a tremendous resource.

**Chuck Abernathy** 

Executive Director, McDowell County Economic Development Association could help you somehow." Less than two weeks later, both men were in Papula's office discussing the plant's boiler.

The roughly 35-foot-high steam boiler "is absolutely critical to the operation of furniture manufacturing in the plant," Papula said.

"It is a wood-fired boiler, so it's reusing what would be a waste product. It generates steam that dries the lumber that we purchase, and that steam also runs our finishing oven so we can dry finishes on our furniture. We also use it to keep our employees warm during the winter."

Slagle and Abernathy suggested that a state Building Reuse Program grant, administered by the North Carolina Rural Infrastructure Authority, could help offset the \$400,000 cost of updating the plant's boiler system and building a new control room – but only if the project could meet the grant program requirement of creating new jobs.

That's how a boiler issue became an opportunity for a plant expansion.

The new control room and upgrades to the boiler controls, wiring and piping will produce more reliable

steam for all plant purposes, create a safer environment for the boiler room operator, and result in a more-efficient burn that will help support the plant's continued compliance with air quality standards. The possibility of accomplishing all that with state assistance made the Old Fort location an attractive option for an expansion that might have otherwise gone elsewhere among Ethan Allen's plants.

The \$195,462 grant awarded to McDowell County to support the project obligates Ethan Allen to hire 16 new employees within two years or return the money. Papula expects to have the new positions filled within a year.

The possible new hires include a boiler operator, maintenance mechanic, CNC machine center operator, group lead, and packaging positions. At full steam, these new hires should help the plant increase furniture production by roughly 10 percent, Papula said.

"With the state being willing to invest, we consider that a good partnership," Papula said. "Bill and Chuck did a great job, and I'm looking forward to working with them through the balance of this project and seeing what other ones may come down the road."

Papula also praised the McDowell County Workforce Pipeline Committee, where his discussion with Slagle and Abernathy began.

"This Pipeline is really, really good, between the industry and government involvement," Papula said. "The local community college, even the high school participates. I think it's exciting that they're looking to find ways to get everybody talking, because we are all looking for the same thing – security in our lives. And a lot of that starts with having a good job and a good place to live."



With the state being willing to invest, we consider that a good partnership.

**Larry Papula** *Plant Manager, Ethan Allen* 



48 International Trade



## Trade Team Helps Nearly 560 Companies with Exporting in 2017

559

Companies Receiving EDPNC Export Assistance in 2017

\$884.9M

Total Value of Exports Reported by Companies Assisted by the EDPNC in 2017

201

Companies Participating in Trade Events Coordinated by the EDPNC in 2017 The EDPNC's international trade team helps North Carolina businesses identify and develop overseas sales opportunities free of charge. That's essential, because smaller businesses often don't have staff dedicated to exploring and developing export opportunities.

The team includes international trade managers based in North Carolina – each of whom specializes in specific industry sectors – and representatives located in six foreign trade offices in Canada, Mexico, Europe, Japan, Hong Kong, and Shanghai, China. A new grant-funded international trade consultant based in the Middle East also supports the businesses served by the EDPNC.

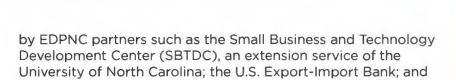
All told, EDPNC's international trade managers and foreign offices assisted 559 North Carolina companies in 2017, in 80 counties across the state. Those companies reported exporting \$884.9 million worth of goods in 2017. In 2016, the EDPNC trade team assisted 558 companies reporting \$832.2 million in exports.

The trade team's services include providing businesses export education programs, help finding and vetting new distributors or agents, and researching new international markets for a company's products and services. The team also leads delegations of North Carolina companies to international trade shows and helps them arrange meetings there with potential buyers and distributors.

In addition, the team makes key referrals when a business needs specific counseling, financing or other assistance offered

37

Trade Shows Attended by N.C. Companies Joining the EDPNC in 2017



Most of the companies the EDPNC assists are small- to midsized businesses of 500 or fewer employees. Many qualify to receive federal reimbursement for travel and certain other expenses related to EDPNC-led participation in international trade shows. Such reimbursement is available through the State Trade Expansion Program (STEP), a nationwide initiative of the U.S. Small Business Administration (SBA). The EDPNC secures and administers the critical STEP grants in North Carolina, helping companies understand and apply for the program. The EDPNC also taps into two other grant programs that help North Carolina companies participate in trade shows.

During 2017, the EDPNC trade team organized the participation of 201 North Carolina companies in 37 major trade events. The diverse shows they attended with the EDPNC included the following:

- Expo Mueble furniture show in Guadalajara, Mexico
- MEDICA in Dusseldorf, Germany
- Colombia Nautica boat show in Cartagena
- Global Petroleum Show in Alberta, Canada
- Paris Air Show

U.S. Commercial Service.

- · Expo Hospital in Santiago, Chile
- International Smart Grid in Tokyo, Japan
- · China International Optoelectronic Expo, Shenzen, China





The EDPNC also coordinates outreach activities to educate North Carolina companies about export opportunities and regulatory requirements.

Overall, 93 companies sent employees to participate in EDPNC export-education seminars in 2017. The free seminars feature trade experts addressing topics such as export documentation and

The EDPNC trade team provides North Carolina businesses export education programs, help finding international distributors, and critical support at international trade shows.







Pictured: EDPNC International Trade Manager Paul Wyatt, above (center front), supported several companies participating in the North Carolina booth at the 2017 MEDICA trade show in Germany (left) including StayOnline, Therafirm, Technology Commercialization Group (TCG), LigaTrap Technologies, Cellex, Clinical Choice, ImmunoReagents and Redbud Labs. These companies represent an array of industries including textiles, pharmaceuticals and electronic equipment.

licensing requirements. In 2017, seminars were held in Greenville, Hickory, Fayetteville, Charlotte and Durham.

Additionally, the Go Global Road Show brought agents from all of the EDPNC's foreign offices to meet individually with representatives of 73 North Carolina companies during full-day gatherings in Wilmington, Raleigh, Kannapolis and Asheville. In one-hour consulting appointments, the foreignoffice representatives discussed with these companies their products, international market opportunities, customs requirements, and other issues specific to different regions of the world.

Companies attending were

also able to speak with representatives of the Export-Import Bank, U.S. Commercial Service, North Carolina Department of Agriculture, SBTDC and SBA.

## **Arab Trade Route**

## Vehicle Manufacturer Finds Help Hitting the Road to New Mideast Markets

You don't have to be a gearhead to appreciate how well Greensboro-based Matthews Specialty Vehicles can customize your ride.

Just ask any government agency, first responder or nonprofit organization that needs a made-to-order mobile law enforcement command center, natural disaster response vehicle, bookmobile, bloodmobile, or traveling medical clinic.

Matthews, founded in 1992, precisely designs, engineers and builds these "offices on wheels" mounted atop bus and motorhome chassis from manufacturers such as Thomas Built, Freightliner, Ford and Chevrolet.

Matthews-made bodies and interiors accommodate staff and space for labs, exams, conference areas and more. "We have our own electricians, cabinet makers, metal fabrication and carpenters," Global Sales Director Dennis Hoag said. "We pride ourselves on custom-building every vehicle and doing everything inhouse."

That approach has made the company of 60 employees, not including its spinoff custom van and vehicle graphics division, a success. "Over the last five years, we've had 30 to 50 percent growth in sales," Hoag said.

Recent sales in the Middle East are part of that growth, and Hoag is committed to increasing exports of Matthews' mobile medical vehicles to the region. To help tap into that promising market, Matthews partnered with the Economic Development Partnership of North Carolina, the U.S. Commercial Service's Greensboro office and the Small Business and Technology Development Center (SBTDC) office in Winston-Salem.

Exports account for roughly 10 percent of Matthews' sales. "My goal is to grow export sales by 50 percent in the next three years," Hoag said. "That might be in [vehicle] units or dollar amounts, because every unit counts."

How much, for instance, can a single bloodmobile count?

Well, that depends. One bloodmobile with backup generators might start at \$300,000, Hoag said, while another that also has slide-out room extensions could sell for \$450,000 to \$500,000.



It's nice to know the help is out there. When you're going into another country, it gives you a head start.

#### **Dennis Hoag**

Global Sales Director, Matthews Specialty Vehicles (pictured next page)





Hoag attended his first Middle East trade show in 2013, exhibiting with other small businesses at the North Carolina booth at Intersec. a leading trade fair for security, safety and fire protection in Dubai, United Arab Emirates (UAE). Working with Kuldip Wasson, who was then an international trade manager with the North Carolina Department Commerce, the company received federal funds to help pay its travel costs connected with the show.

After Intersec, Hoag decided to shift his attention to Arab Health in Dubai, the largest health-care conference and trade show in the Middle East. "I wanted to focus more on our medical, health and bloodmobile market for export purposes. Intersec gets more into security and military apparatus. That's not our focus."

So Wasson, currently an international trade manager with the EDPNC, connected Hoag with EDPNC International Trade Manager Paul Wyatt, who supports companies exhibiting in the state booth at Arab Health.

Working again with EDPNC's international trade division, Matthews received federal funds that covered travel costs to exhibit at Arab Health in 2016 and 2017. The travel reimbursement came through the U.S. Small Business Administration's State Trade Expansion Program (STEP), which the EDPNC administers in North Carolina.





During the 2106 Arab Health show, where Matthews shared space with other North Carolina companies at the state booth, Hoag met one-on-one with U.S. Commercial Service officers based in Saudi Arabia and the UAE. "It was a learning experience," Hoag said. "You meet with them to understand each country's specific needs, and how they recommend doing business in each country."

"I got a lot of strong recommendations in those meetings," Hoag added. "I told them what our business model was, what we were after. They were upfront about whether their country would be a great fit."

Since that show, local and overseas U.S. Commercial Service specialists have helped Matthews vet potential foreign agents for its products. "They've made sure that we're talking to legitimate people," Hoag said.

Critical introductions were also part of Arab Health in 2017, where Matthews decided to exhibit more prominently at its own booth and collected 32 new business leads. Hoag also attended a trade show VIP reception where he met Middle East ambassadors. "Those types of things are invaluable," he said.

In addition to exhibiting at Arab Health, Matthews employees have participated in a variety of export education and compliance workshops presented by the EDPNC.

Matthews' export successes have included bloodmobile

deals with Aramco, the national oil company of Saudi Arabia, and a pending contract with King Khalid University Hospital in the Saudi capital of Riyadh.

"We're also investing in an office in the Middle East to see where it takes us," Hoag said.

Have exports contributed to new hires at the company in recent years?

"Absolutely," said Hoag, who appreciates the assistance he has received from the EDPNC, U.S. Commercial Service and the SBTDC. "It's nice to know the help is out there. When you're going into another country, it gives you a head start."



### 66

You meet
with them to
understand
... how they
recommend
doing
business in
each country.

**Dennis Hoag**Global Sales Director,
Matthews Specialty Vehicles

### Helping North Carolina Companies Make Sales in the Arab Gulf

Recognizing the recent and rapid rise of U.S. exports to the Middle East, the EDPNC in 2017 hired a new consultant to help North Carolina businesses grow their sales in that promising market.

The consultant, based in Dubai in the United Arab Emirates (UAE), will help qualified companies of 500 or fewer employees connect with potential agents and distributors in Arab Gulf nations including the UAE, Saudi Arabia, Bahrain, Kuwait, Qatar and Oman.

How promising is the Arab Gulf market? In 2016, Saudi Arabia surpassed Japan to become North Carolina's fourth-largest export market in overall value of goods sold.

In totals adjusted for inflation, Saudi Arabia purchased \$1.68 billion in goods exported from North Carolina in 2016, a 106 percent increase over five years. Over the same period, the value of goods exported from the state to the UAE increased by 46 percent.

Aircraft and defense commodities "have been the big driver in exports to Saudi Arabia," said Mike Hubbard, Director of International Trade at the EDPNC. "But there are also great opportunities in medical, pharmaceutical and furniture exports to the region."

Funding for the EDPNC's new Arab Gulf trade consultant is part of North Carolina's 2017-18 State Trade Expansion Program (STEP) grant, provided by the U.S. Small Business Administration.

In past years, STEP funds have paid for initiatives to increase North Carolina export activity in Latin America and Europe.

In addition to supporting the new Middle East trade consultant, the current cycle of STEP funding will continue to help the state's small businesses pay for travel and marketing material translation associated with participating in international trade shows throughout the world.





In 2017, partnering with [the NC Department of] Commerce and nonprofit lenders in the wake of Hurricane Matthew was particularly meaningful.



# Business

### Business Link North Carolina Increases Outreach and Helps Small Businesses

The small-business counselors staffing the phones at Business Link North Carolina (BLNC), a division of the Economic Development Partnership of North Carolina, found themselves taking - and making - more calls in 2017.

Over its toll-free number, BLNC guides would-be entrepreneurs through the regulatory requirements of starting a business in North Carolina.

Those calling the BLNC help line – from landscapers and construction contractors to restaurateurs and technology consultants across North Carolina – are provided direction on how to obtain business licenses and tax ID numbers, how and where to register their businesses, and other details about the legal requirements of starting a business in the state.

BLNC counselors also

refer many callers to organizations that can help with professional mentoring or small-business grants and alternative lending. These educational and financial resources often target and support entrepreneurs in typically underserved communities such as minorities, veterans and women.

Speaking in both English and Spanish, BLNC's team of four counselors handled 22,092 cases in 2017, an increase over the 20,152 cases addressed in the prior year. Seventy-one percent of the calls BLNC received in 2017 came from startups.

But the team did much more than answer phones in 2017.

BLNC coordinated a successful pilot program of five workshops supporting Latino entrepreneurship in four cities across North Carolina. BLNC counselors

22,092

Cases Handled by BLNC Small-Business Counselors in 2017

**71%**Of Calls Came from Startups

also made presentations at 76 events around the state – educating participants about navigating the permitting terrain of starting a business in North Carolina and how BLNC can help.

In addition, in 2017 BLNC made it even easier for entrepreneurs to connect to counselors, by introducing an online request form on the EDPNC website. By collecting basic information, the counselor can tailor a specific response regarding business startup and quickly reply via email.

Also in 2017, in partnership with the state Department of Commerce and nonprofit lenders, BLNC counselors reached out directly to businesses still reeling from the effects of Hurricane Matthew. The October 2016 storm damaged an estimated 98,000 homes and affected 20.000 businesses in North Carolina. The BLNC team's outreach identified 92 North Carolina businesses possibly eligible for recovery lending from two EDPNC partners - the NC Rural Center and Carolina Small Business Development Fund.

One of those businesses was Halls Trucking Co. in Bladenboro, which transports scrap metal to recycling facilities from Pennsylvania to Florida. The company took a financial hit after flooding damage forced a client to close one of its in-state metal-recycling facilities.

"The work slowed down, and I still had bills and drivers and stuff to pay," said owner Alphonza Hall. "And I just had to pull money out of savings."

The Rural Center gave Hall a loan for support as he repositions his business toward serving long-distance customers.

BLNC is also taking inquiries from any hurricane-affected businesses interested in applying for credit through a joint multimillion-dollar program of the state Department of Commerce and nonprofit lenders. Businesses calling BLNC at (800) 228-8443 can get more information as well as referrals to one of three small-business lenders participating in the program: the Center for Community Self Help, Carolina Small **Business Development** Fund and North Carolina Community Development Initiative Inc.

"Each day BLNC helps support the establishment and success of small businesses in the state, by helping startups navigate the regulatory requirements of operating in North Carolina," said John Loyack, EDPNC Vice President for Global Business Services, which includes BLNC. "But in 2017, partnering with Commerce and nonprofit lenders in the wake of Hurricane Matthew was particularly meaningful."



Pictured: The EDPNC referred Alphonza Hall, owner of Halls Trucking Company in Bladenboro, to the NC Rural Center, which provided him a loan to help his small business recover from the impact of Hurricane Matthew.





We do everything we can to answer entrepreneurs' questions, and we're happy to see customer surveys showing that 98 percent of our callers are highly satisfied with our help.







## In Plain Language

### Workshops Held in Spanish Support Latino Entrepreneurs

It's difficult enough to comply with all the legalities of establishing a new business in North Carolina, but particularly so if you can't get those precise requirements explained in your first language.

That's one reason why the Economic Development Partnership of North Carolina (EDPNC), partnering with the Mexican Consulate in Raleigh and the Raleighbased nonprofit Carolina Small Business Development Fund, held five small-business workshops targeting Latino entrepreneurs in 2017. The two-hour workshops across the state were conducted entirely in Spanish.

The workshops, part of an EDPNC pilot program, drew 113 participants. The events were held from June to December - twice in Charlotte and once in Siler City, Greenville and Hickory. The pilot was so successful, the Mexican Consulate arranged two more workshops in Raleigh and Wilmington in late 2017. And the three partners plan to present six more Latino small-business workshops in 2018.

66

This has been one of the program's most successful events.

#### Zurilma Anuel

Latino Program Director, Carolina Small Business Development Fund Those who attended the pilot workshops represented a mix of fluencies in English and Spanish. But even those most at ease with English often prefer Spanish when discussing the exacting specifics of how to legally register a business in North Carolina, obtain a permit, or qualify for a business loan.

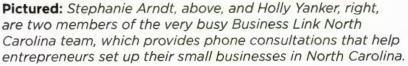
"So there was a huge need to do this in Spanish," said Zurilma Anuel, Latino Program Director, Carolina Small Business Development Fund. "This has been one of the program's most successful events."

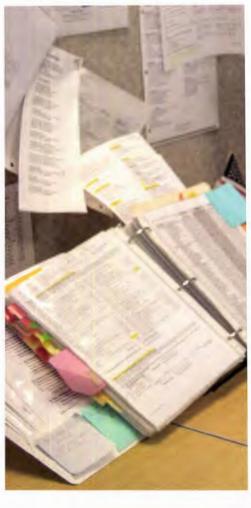
The workshop partnership began to form in 2016, when Remedios Gomez Arnau, head of the Mexican Consulate covering North and South Carolina, contacted the EDPNC. She was exploring ways to better support entrepreneurs among the Pictured: Zurilma Anuel, Carolina Small Business Development Fund Latino Program Director, explains in Spanish the fundamentals of a business plan and lending options to participants in a Latino small-business workshop held in Charlotte.

Photo courtesy of Carolina Small Business Development Fund









state's Mexican and Mexican-American residents, who make up 60 percent of the North Carolina's nearly 900,000 Latinos.

"When I arrived in Raleigh [in June 2016], I realized that there were few organizations reaching out to the Latino community, even though Latinos are 10 percent of the state's population," Gomez Arnau said. "So we contacted different organizations about the programs they already have, and how to include Latinos."

The EDPNC's team of small-business counselors at Business Link North

Carolina (BLNC) had experience presenting workshops for veterans and women, minorities and rural entrepreneurs. So, it made sense to extend that outreach in Spanish to Latino startups.

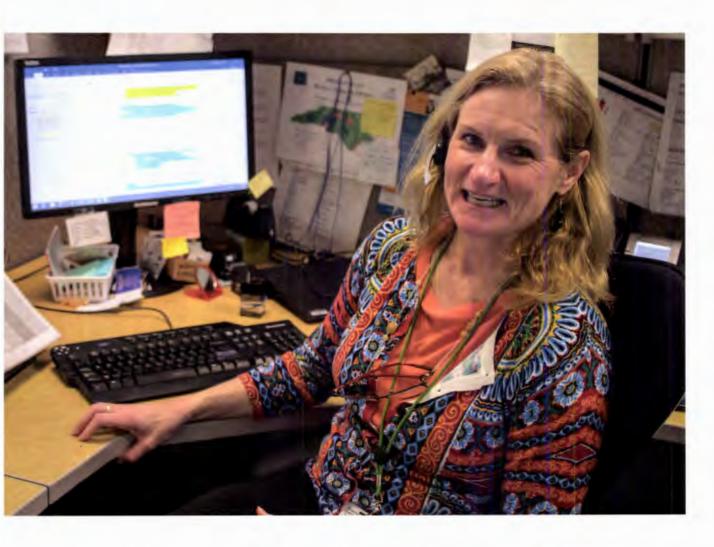
"After meeting with the Mexican Consul General, we brought in the Carolina Small Business Development Fund as our third partner, knowing they have existing business loan products and Spanish-speaking staff," said John Loyack, EDPNC Vice President of Global Business Services and supervisor of the BLNC team.

At the workshops, each

partner organization made 20-minute presentations, leaving time for remarks by host-city organizations, such as local economic development officials.

Holly Yanker, BLNC team manager who is fluent in Spanish, opened the workshops with information about the legal requirements and process of licensing, permitting and beginning a business in North Carolina.

"Some of the questions they asked were: How do I make sure my business is registered properly with the state of North Carolina?" Yanker said. "How do I get the specific



identification numbers I need as a business owner? What do I need to file with the county and what do I need to file with the state?"

Carolina Small Business Development Fund representatives discussed business-plan essentials, including estimating variable costs and unit price. projecting cash flow, and conducting a break-even analysis. The organization, which provides business loans in underserved communities, also covered its lending programs. "We don't compete with the banks," Anuel said. "The people we are giving business loans to

are those who cannot get one approved by a regular financial institution."

The consulate presented financial guidance for Mexican-Americans in the audience, such as how to open a bank account in Mexico without having to leave the U.S. and how to collect pensions earned when they worked in Mexico.

Isidro Nolasco and his cousin own Queen City Fleets, a Charlotte-based startup that maintains and repairs diesel truck fleets. Both attended the first workshop held in Charlotte. "I was in the process of applying for a business loan, and I learned a few things that turned out to be useful," said Nolasco, an accountant from the Dominican Republic.

In addition, he and his cousin met an attendee who explained in Spanish the licensing required to offer commercial truck inspections as part of the startup's services. "My cousin is the one with the mechanical knowledge, but he doesn't speak much English," Nolasco said. "He was able to understand everything that was explained to us, and that was important."





### **Visit NC Marketing Broadly Impacts State**

#### \$3.6 Billion

Record Hotel and Motel Revenue from U.S. Visitors to North Carolina in 2017

3%

Increase in Commercial Lodging Revenue from U.S. Visitors to North Carolina in 2017

219,094

Jobs in the State are Directly Supported by Tourism Spending The Visit North Carolina (Visit NC) team crafts and executes statewide marketing programs that promote North Carolina as a top location for tourism, film productions, and those looking for the best place to retire.

The tourism industry alone supports more than 219,000 jobs and 45,000 small businesses in North Carolina, with direct employment spanning lodging, transportation, food service and retail.

Visit NC's diverse tourism marketing activities include participating in trade shows and conferences; leading travel-writer tours of the state's attractions; developing relationships with tour operators; executing a variety of print, digital and TV advertising campaigns; and launching diverse website and social media promotions.

In addition, Visit NC broadly engages counties throughout North Carolina in its highly successful cooperative marketing program. Rather than going it alone, local tourism offices pay affordable fees to highlight their attractions in their choice of certain Visit NC statewide marketing initiatives. Cooperative programs can provide partners savings of



up to 86 percent off what they would pay on their own.

In 2017, local tourism offices invested at the highest level ever in Visit NC's cooperative marketing program. More than 170 local partners invested over \$2 million in the program, with more than half that amount coming from rural Tier 1 and 2 counties.

"I think it shows the value that we bring to partners, that they are willing to spend a significant amount of their advertising and marketing budget in our programs," said Wit Tuttell, EDPNC Vice President for Tourism. "We've also added some new and diverse cooperative marketing and advertising opportunities for local partners throughout the state, and we've seen a tremendous response from them."

For example, Visit NC, working with digital advertising technology company RhythmOne, introduced a new digital influencer program in 2017, which matches local tourism offices with carefully selected bloggers. Participating partners host a visiting blogger who posts about local attractions.

Tourism offices that signed

66

The digital influencer program helped to increase visitation to Jacksonville. It was great.

#### **Glenn Hargett**

Assistant City Manager in Jacksonville, N.C.



up for the program included the Outer Banks Visitors Bureau, the Jacksonville Tourism Development Authority, the High Point Convention and Visitors Bureau, the Fayetteville Area Convention and Visitors Bureau, the city of Franklin, and the Greensboro Convention and Visitors Bureau.

Jacksonville, for example, was featured in "Jo, My Gosh!," a blog written by millennial military spouse Joanna Guldin-Noll who posts news of note to families and friends of those in the service. Her blog was a good fit for Jacksonville, said Glenn Hargett, Assistant City Manager. The city wants relatives who visit personnel

stationed at area bases to extend their stay and patronize local attractions.

Destinations featured in the blog saw an uptick in business, Hargett said. And the \$6,000 spent to participate in the digitalinfluencer program generated exposure worth more than \$68,500 in paid







advertising, he said. "It was an overwhelming success," he said.

Across all participating communities, the digital influencer program generated 233 pieces of North Carolinaspecific online content and on-location social posts, which garnered more than 2.2 million views.

The program is just one example of many Visit NC marketing, advertising and public relations initiatives that have contributed to the strength of the state's tourism industry, as seen in a number of measures. For example, North Carolina tourism generated record commercial lodging revenue of \$3.6 billion in 2017, a

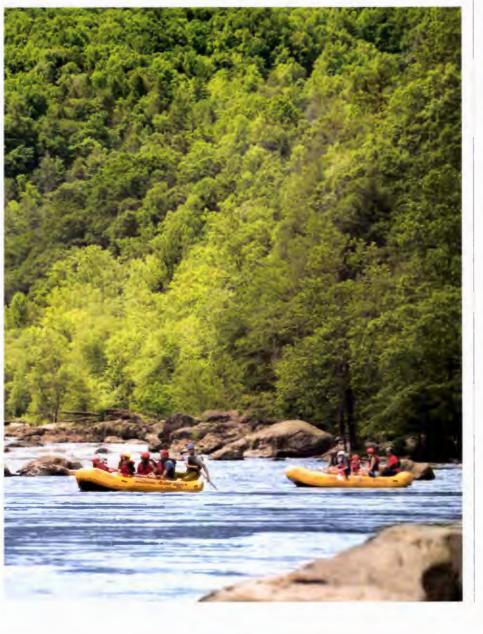
3 percent increase over the prior year. Hotel room demand in North Carolina rose to 35.4 million room nights booked, up 0.1 percent from 2016.

In addition, overall visitor spending has risen to its highest level ever in recent years, which bolsters local and state tax revenue.

In 2016, the latest year available, 48.6 million domestic travelers visited North Carolina and spent a record \$22.9 billion - a 4.4 percent annual increase in spending that outpaced the 2.9 percent growth nationwide. State tax receipts connected to spending in 2016 rose 5.1 percent (to \$1.18 billion), while local tax receipts grew 4.9 percent (to \$693.4 million).

Visit NC also tracks the number of consumer inquiries it receives. Those inquiries, which primarily reflect total visits to Visit NC's family of websites, hit a record 7.5 million in 2017, up 5 percent

from 2016.



Pictured: This image of the French Broad River in Madison County graces the cover of the 2018 North Carolina Travel Guide. Visit NC produces the annual statewide guide with three regional covers. The guide gives local tourism partners a valuable opportunity to affordably advertise their area attractions.

## Destination: North Carolina

Visit North Carolina uses a variety of creative methods to market the state as a premier destination for visitors, retirees and film productions. Here are some highlights of Visit NC activities that delivered strong results in 2017.

#### 2017 Highlights

#### **Donald Ross Golf Experience**

Visit NC created the North Carolina Donald Ross Golf Experience hosted on VisitNC.com and featuring resort and public courses across North Carolina designed by the worldrenowned architect. In its first month online, the Ross Experience drew 10,000 views of articles, trip ideas and videos. The website also featured three complementary regional trip ideas: the "Donald Ross Golf Getaway in Pinehurst and Southern Pines," "Follow the Blue Ridge Parkway to a Donald Ross Golf Trip," and "Come for the Donald Ross Course, Stay for the Beach."

### Spring 2017 Target-Market Campaign

Visit NC launched a spring campaign encouraging visits to North Carolina by travelers who live in three key markets: Atlanta, Washington, D.C., and Nashville. Overall, VisitNC.com traffic from the three markets increased 99 percent. Year-over-year VisitNC.com traffic from Atlanta rose by 133 percent, from Washington by 75 percent, and from Nashville by 57 percent. According to location analytics company Arrivalist, those exposed to the campaign via digital or television advertisement were 115 percent more likely to visit North Carolina than those who didn't see the campaign.

## Showcasing N.C. at PGA Championship

Visit NC hosted 20 tourism industry VIPs - including journalists from Canada, Germany and the United Kingdom - at the PGA Championship golf tournament held in Charlotte in August 2017. They covered the PGA event and produced separate features on North Carolina golf experiences.

Visit NC also showcased area golf, lodging and attractions to tour operators from Canada, Germany, Switzerland, France and the United Kingdom. Many of them added North Carolina golf vacations to their tour offerings.

#### "Summer of Now" Campaign

In early July, Visit NC kicked off the "Summer of Now" campaign, to inspire spur-of-the-moment travel by showcasing different trips in the state. Every Wednesday, Visit NC's social media featured one of eight destinations with the hashtag #WeekendWednesday. driving viewers to trip ideas and deals on VisitNC.com. The featured trips included the High Country, Raleigh-Durham, the Brunswick Islands, Winston-Salem, the Great Smoky Mountains, the Outer Banks, Charlotte, and the Foothills.





Pictured: The Quail Hollow Club golf course in Charlotte (left) was the site of the 2017 PGA Championship, where Visit NC hosted 20 tourism journalists from Canada, Germany and the United Kingdom.

Pictured: Andre Nabors, below, of the EDPNC's Retire NC program, sells the advantages of retiring in North Carolina at the ideal-LIVING Resort & Retirement show in Tysons Corner, Va., in September 2017. The area is part of the Washington, D.C., region, a target market for Retire NC.







In May, ABC broadcast a remake of the famous movie "Dirty Dancing." Both the original and remake were made in North Carolina. Visit NC ran TV ads during the remake's broadcast in three markets - Atlanta, Washington, D.C., and Nashville. Additionally, Visit NC used paid and organic social media promotions

to drive traffic to relevant

website, including the "Relive

Famous Film Scenes in North Carolina" story and the "Get

content on the Visit NC

Away to Chimney Rock,

Foothills" trip ideas.

"Dirty Dancing" Returns

More Certified Retirement Communities

Lake Lure and Towns in the

In 2017, Visit NC's Retire NC marketing program added two new communities -Washington and Roanoke Rapids - to its programming, bringing the number of Certified Retirement Communities in North Carolina to 17. Retire NC helps these certified communities market themselves as great places to retire. In 2017, Retire NC and partners representing New Bern, Reidsville, Laurinburg, Lumberton, Edenton, Sanford, Washington and Winterville attended Ideal Living Expo consumer travel shows in New York,

**Pictured:** The TNT series "Good Behavior" has filmed in North Carolina locations ranging from Hampstead to Wilmington.

New Jersey, Connecticut and Virginia. Retire NC also kicked off a partnership with the company Focus 3, which tracks retiree relocation, to set up a database that will report on how many leads generated by Retire NC marketing actually result in retirees moving to North Carolina.

Films Spend \$50 million

Film productions spent \$49.3 million in North Carolina in 2017, creating more than 5,300 job opportunities - including 1.000 crew and talent positions. North Carolina productions included season two of the TNT series "Good Behavior," the independent feature "American Animals." documentary series "A Chef's Life" and "My Big, Fat Fabulous Life," and HGTV's "Love It or List It." National commercials for Home Depot, Goodyear, Mountain Dew, and NASCAR were also shot here.

First-Ever National Beer Tourism Conference

In March 2017, Visit North Carolina and Explore Asheville co-sponsored the inaugural Beer Marketing & Tourism Conference. Held in Asheville, the event focused on the importance of beer marketing and beer tourism. Attendees included breweries, brewery guilds, visitor organizations, tour operators, bloggers and media. As part of the event, Visit NC and Explore Asheville hosted nine domestic and international beer journalists for a tour of area breweries.



#### Our Revenue and Spending in FY 2017

The Economic Development Partnership of North Carolina receives private dollars from investors and state funding through its contract with the North Carolina Department of Commerce. Private investors include dozens of companies, individuals and foundations supporting our mission to foster sustainable job creation and capital investment across North Carolina.

In fiscal year 2017, running from July 1, 2016, through June 30, 2017, the partnership received a total of \$23,881,184 in revenue and incurred expenses totaling \$23,951,177.

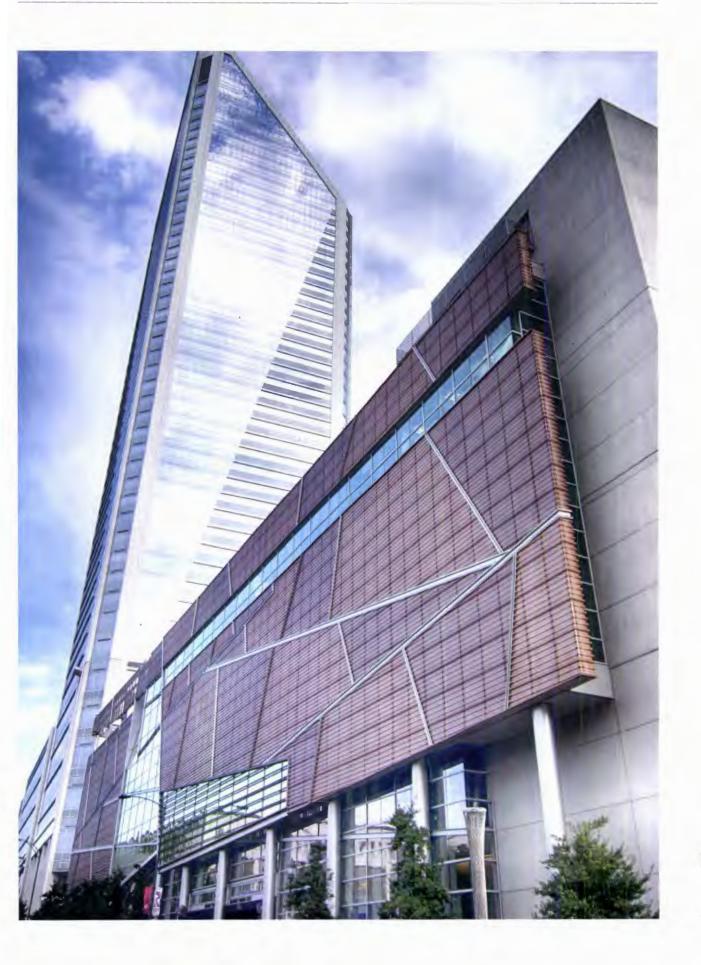
#### **FY 2017 Funding Sources**



#### FY 2017 Expenses



**Financials** 



Private Investment



### **Setting Our Sights Higher in 2018**

During our 2016-17 fundraising campaign, more than 65 private companies, organizations and individuals invested over \$1 million in the Economic Development Partnership of North Carolina and its mission to support new jobs and capital investment throughout the state.

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The EDPNC is extremely grateful for their confidence in our efforts. And we're proud to act on the state's behalf in several critical areas, including new business recruitment; existing industry support; international trade and export assistance; small business counseling; and tourism and film promotion.

By the close of our last fundraising year, we had received \$1.165 million in non-state funds. We are setting our sights even higher during our current 2017-18 fundraising year. Our target is \$1.4 million in private investment, which will supplement our core state funding and help us achieve several important goals.

When North Carolina privatized certain economic development functions through the EDPNC, it embraced a public-private partnership model that leverages the financial resources of both state government and private industry.

Since we opened our doors in October 2014, the combination of private and public funds has enabled us to do a number of new things, such as opening an office in South Korea to respond to growing opportunities for foreign direct investment from that region. In 2017, we completed an extensive update of the state's online searchable database of available industrial buildings and sites – a critical site selection tool – and relaunched it on

# Interested in learning more about investing in the EDPNC?

Email Investor Relations Manager **Julie.Drinkard@edpnc.com** for more info.

EDPNC.com as the easier-to-navigate SelectNC platform.

The EDPNC operates under a contract with the North Carolina Department of Commerce, and our fundraising year corresponds to that October-to-October contract year. So we aim to hit our \$1.4 million private fundraising goal by Oct. 5, 2018.

Achieving that will help us pursue priorities such as adding India to our international network of offices working to attract investment by foreign companies; funding permanently our new international trade presence in the Middle East, which is currently supported by a one-year grant; increasing investment in proactive business leadgeneration resources; and spending more on strategic business and tourism marketing and public relations efforts.

We will work hard to keep earning the support of our public and private investors, including the following companies, organizations and individuals who either invested during our 2016-17 fundraising campaign or helped us launch our current campaign by investing during the final months 2017.

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Private Investment 75

### A Special Thank You To ...

#### \$100,000 or more

- Duke Energy
- Red Hat

### \$10,000 to \$49,999

- Balfour Beatty Construction
- BB&T Corporation
- Bell Foundation
- Biltmore Farms
- Bissell Companies
- Carolinas HealthCare System
- Childress Klein
- Crescent Communities
- Duke University Health System
- First Bank
- First National Bank
- Flow Lexus
- Kane Realty
- Kilpatrick Townsend & Stockton
- Lenovo
- Lincoln Harris
- McAdams Company

#### \$50,000 to \$99,999

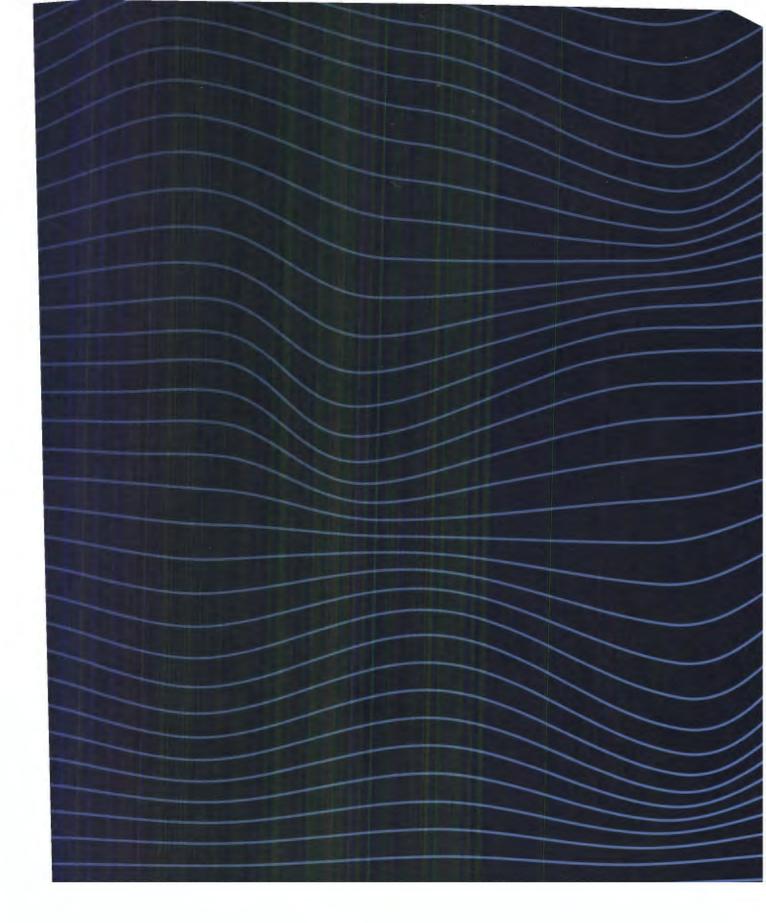
- Bank of America
- ElectriCities of North Carolina
- Martin Marietta
- NC Association of Realtors
- North Carolina Railroad Company
- Medical Mutual
- Moore & Van Allen
- North Carolina's Electric Cooperatives
- Ogletree, Deakins, Nash, Smoak & Stewart
- Orange County Economic Development
- Parker Poe Adams & Bernstein
- Pinnacle Bank
- Preston Development / Chatham Park
- PSNC Energy
- Shelco
- Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan
- SteelFab
- SunTrust
- The Joseph M. Bryan Foundation
- Walbridge
- Wells Fargo

#### Under \$10,000

- Aberdeen & Rockfish Railroad
- Allegacy Federal Credit Union
- Allen Tate Relocation and Corporate Services
- AT&T
- Barnhill Contracting Company
- CaptiveAire
- CAPTRUST
- CenturyLink
- Charlotte Metro Area Relocation Council
- Clancy & Theys
- Colliers International
- Convention & Visitors Bureau Pinehurst, Southern Pines, Aberdeen
- Deloitte
- Fidelity Bank
- Foundry Commercial
- Froehling & Robertson
- G-5 Properties
- Grubb Properties

- Jacksonville Onslow Economic Development
- Jeffery & Linda Turner Charitable Fund
- K&L Gates
- Kimley-Horn and Associates
- Koury Corporation
- NAI Beverly-Hanks, Asheville
- NAI Carolantic Realty, Raleigh
- NAI Piedmont Triad, Greensboro
- NAI Southern Real Estate. Charlotte
- Pisgah Enterprises
- PNC Financial Services Group
- PwC (PricewaterhouseCoopers)
- ReMax / Winning Edge
- Robert Singer (individual contribution)
- Sheila P. Knight (individual contribution)
- Timmons Group
- Thomas Looney (individual cortribution)





### **ATTENDANCE**

### Joint Legislative Economic Development & Global Engagement Oversight Committee

DATES	11-2-17	1-11-18						
√Rep. Susan Martin, Co-Chair	/	/						
√Sen. Harry Brown, Co-Chair	1	$\checkmark$						
Rep. Stephen Ross, Vice Chair	V							
Rep. John R. Bell, IV								
Rep. Debra Conrad	<b>V</b>	$\sqrt{}$						
Rep. Ted Davis, Jr.	/							
Rep. John A. Fraley		V						
Rep. Ken Goodman	V	$\sqrt{}$						
Rep. Edward Hanes, Jr.	/	V						
Rep. Rodney W. Moore	1	1						
Rep. Michele D. Presnell	/							
Rep. Rena W. Turner		V						
Sen. Chuck Edwards								
√Sen. Rick Gunn	V							
Sen. Brent Jackson		/						
Sen. Paul A. Lowe, Jr.								
Sen. Floyd B. McKissick, Jr.								
Sen. Wesley Meredith								
Sen. Bill Rabon								
√Sen. Erica Smith-Ingram		V#						
Sen. Tommy Tucker	V	/						
Sen. Trudy Wade		/						
Advisory Members:	,							
Rep. Mark Brody	V	V						
Rep. Josh Dobson	1	,						
Sen. Angela R. Bryant	V							



## JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE January 11, 2018

### Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, January 11, 2018 at 1:10pm. The meeting was held in Room 643 of the Legislative Office Building. 16 members were present including 8 Senators and 8 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross (Vice Chair); Debra Conrad; John A. Fraley; Ken Goodman; Edward Hanes, Jr.; Rodney W. Moore; Rena W. Turner; Senate Members present were Harry Brown (Co-Chair); Rick Gunn; Brent Jackson; Paul A. Lowe, Jr.; Erica Smith; Tommy Tucker; Trudy Wade; Mark Brody; Angela R. Bryant.

Senator Harry Brown presided and called the meeting to order at 1:10pm.

Senator Brown recognized the Sergeant-at-Arms staff Ray Cook, Kim Blockman and Russell Salisbury and asked members for a motion to approve minutes from the November 2, 2017 meeting. Rep. Turner made the motion. Members voted unanimously to approve the minutes.

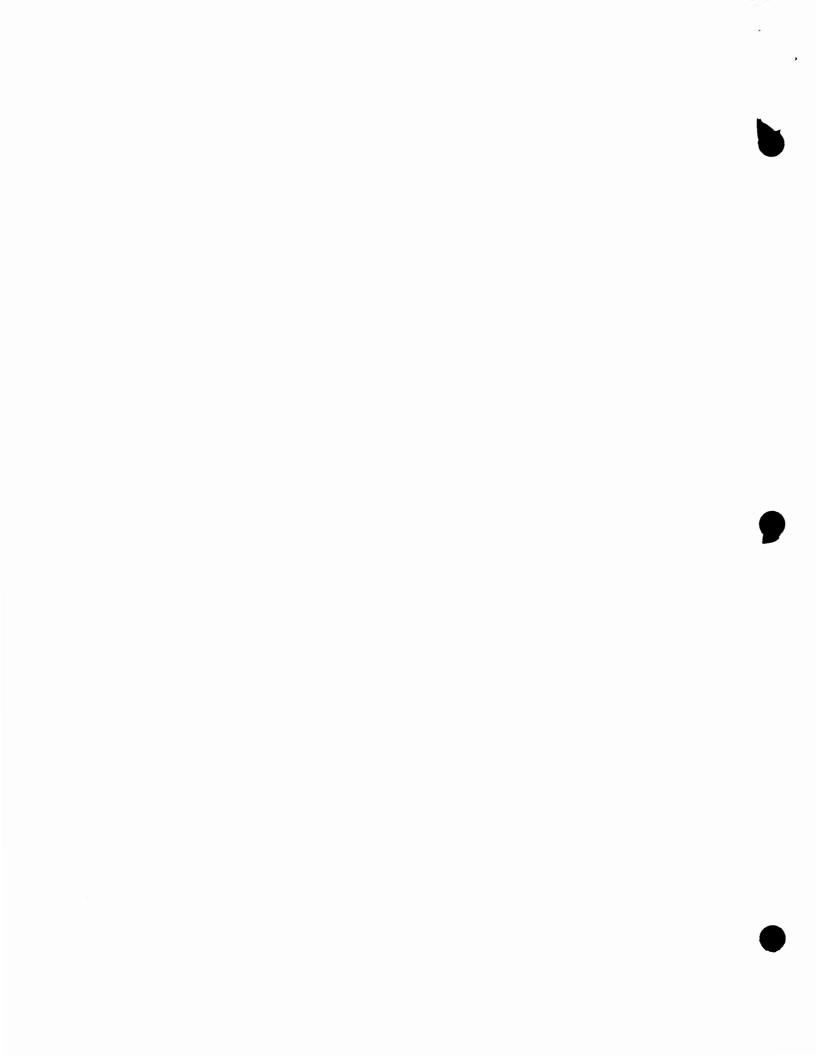
The Chairs' remarks will be at the end.

### Presentation: Prosperity Zones Update (Presentations Attached)

Senator Brown recognized John Loyack, VP for Global Business Services, EDPNC (standing in for Bill Slagle) for the first presentation on the western part of the state.

Mr. Loyack said the idea is to get Raleigh out of Raleigh – to give people in diverse parts of the state access to resources by putting people out to work with them in prosperity zones. He said teams act as salespersons for each other. To highlight how they bring service to the business community – he offered an assessment of a waste stream which is preventing a company from hiring additional employees.

An example he gave of a company which was helped to increase jobs is Maco Medical (153 jobs) – expanded out of Wake. He said companies don't always require incentives, but may just need support from DOT, CC, etc. He cited a small company in Cherokee which was helped and is now selling internationally.





Senator Brown recognized Wesley Barker, ARC Community Development Planner for the Department of Commerce, for the next presentation on the western part of the state. Mr. Barker represents the NW Zone. He began in 2017 meeting with Tier 1 and Tier 2 towns with small staffs to offer assistance which he said was important because they wouldn't normally have these resources available.

Senator Brown recognized Darren Rhodes, Planning Program Administrator for the Department of Commerce, for a presentation on the central part of the state.

Mr. Rhodes talked about partnering with the School of Business at Greensboro developing a tool to grow festivals in the area and help towns develop strategic plans with implementation plans and annual review. He said they are the only organization in the state providing this kind of comprehensive support. He said a common thread of all communities large and small is a desire to increase economic development

Senator Brown recognized Jenni Harris, Southeast Region Regional Industry Manager, EDPNC, for the first part of a presentation on the eastern part of the state. Ms. Harris said the approach is 12 counties in 12 months – to go out and offer assistance.

Senator Brown recognized Mark Sutherland, Economic Development Planner, Department of Commerce, for the next part of the presentation on the eastern part of the state. Mr. Sutherland represents the SE region. He said the most requested service category is economic planning support. He said a tech assistant came out of a Downtown Revitalization and Development Grant – leading up to a full economic plan. He said they go out once a month to an area explaining services in the county and how they can get in touch with them for help. They meet once a quarter to review projects they're working on. He said they spent most of 2017 staffing up. They are staffed now and plan to complete all visits by June.

Senator Brown asked for questions from the committee.

#### Q&A:

Sen. Wade: Prosperity Zones address governments. When do you contact the businesses that actually bring the jobs? My experience on city council shows these government groups do not bring in the jobs.

Mr. Loyack: That is the EDPNC regional representative's role.

Sen. Wade: On the info given, looking at data, number of jobs created is 3,524. Is that across the state?

Mr. Loyack: Yes, those are the jobs that team of 8 have created, and in addition at EDPNC we have a business recruitment team addressing major expansions.

Sen. Wade: Does that include existing employers who have expanded their businesses? Mr. Loyack: That is exclusively it – those are existing businesses out in each region who are considering an expansion of anywhere from 5 to 150 new jobs.

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Sen. Wade: So we went to 1,141 employers and they created with our help 3,514 jobs, which is 3 jobs?

Mr. Loyack: 75 projects is how many businesses. We are out supporting 1,141 businesses - not everyone is in a position where they can expand. In some ways we go out and play defense and help them retain the jobs they've got. The 75 projects were with 75 unique businesses that lead to the 3,514 jobs.

Sen. Wade: When talking about the Piedmont, which is what I represent, I didn't hear anything about what happened in the Piedmont except we helped plan their festival, which we know how to do. I didn't hear anything about talking to businesses to help expand, etc. We really need some help. I'm trying to understand what you do to help expand businesses other than coordinate.

Mr. Loyack: I'm happy to provide the Piedmont Triad specific results. We had 11 unique projects that led to 300-400 jobs. In Randolph and Surrey working at businesses like Altec and others.

Sen. Wade: I would like to see in our specific area what has happened so that if there is anything we can do at this level to help bring jobs – I'm sure we all want to do that.

Mr. Loyack: We're finalizing the EDPNC report, and I will follow up with a report on that.

Rep. Martin: Follow up on Sen. Wade's same slide about the metrics. To clarify, these jobs created are jobs you have touched, but it is not a total jobs that have been created and does not include an incentive grant. It could just be one or two jobs here or there. Correct?

Mr. Loyack: Yes, the 3500 jobs are what the regional team brought and then we have business recruitment bringing in the major expansions. In terms where incentives are needed, our

projects are anywhere from 10-40 in terms of existing industry expansions. Rep. Martin: But we may see that growth in several regions. Seeing challenge of data and what is really informative for us and how to look at the data and where the gaps are for what makes sense for us. We need to work with Commerce to find ways to get that. This is one of our challenges.

Rep. Fraley: Suggestion for waste meeting in Huntersville, it may be helpful to reach out to Representatives and Senators In surrounding counties. It would be helpful to know these situations exist.

Senator Lowe: Particularly concerned about what is happening in Winston Salem. In a lot of our communities you have pockets of prosperity in inner cities and then utter poverty. I'm concerned about that. Whitaker Park is an example – what can we do to make it viable? Mr. Rhodes: We typically work with rural communities, but I'm happy to meet with Winston Salem city officials to provide assistance.

Sen. Lowe: Your thrust is just to the rural basically. We have people who know how to plan. We will need an infusion of real resources to actually get things done. I would like to hear more about that. There are major needs in our urban areas that are just as dramatic as rural areas.

Sen. Brown: Do we have Planners in all the Prosperity Zones and do they live in them? Mr. Rhodes: Yes and yes.

Sen. Brown: When Prosperity Zones were created the thought was DQ, Transportation, Community College Planners could get together with the business community and talk about expansion and how to shorten the process on permitting to create a new business in a prosperity zone. Are you seeing progress in that way?





Mr. Loyack: Yes through building relationships all over regions and locally knowing who to call for that.

Sen. Brown: So then if someone in North Hampton County wants to expand their business, the group in that particular prosperity zone would meet with that business to help?

Mr. Loyack: Yes, a call comes in from a business, and we identify the opportunity there.

Results from direct contact with business, government agency or connections with specific group of stakeholders we work with, as well.

Sen. Brown: You feel you are reaching out to those individual businesses and accomplishing that goal?

Mr. Loyack: Yes, and we continue to make progress and we are looking at our metrics now and each is going up and we plan to do more.

Sen. Brown: We are going to see a presentation that shows JDIG grants and other grants such as utility funds that are being used across the state, and there is quite a disparity. The goal for priority zones was to be sure funds were dispersed evenly all across the state. That's the mission and goal, and I don't think we are quite there yet. There is work to be done.

Mr. Loyack: I agree there is work to be done and we have taken several steps in terms of getting into areas that weren't seeing this three years ago. Having this team on the street is helping. We would not have seen projects that we're seeing now if we were working out of Raleigh. Some of these would not have been developed and some are smaller projects, but we continue to work closely with partners in Commerce to find areas. We are looking to see how we can do more like Clay County. Our goal is to continue to serve areas who didn't know these services were available. Help increase sales, employees. A bittersweet moment is when they say I wish we would have known about this earlier, but we continue to address that.

Sen. Brown: We would like you to come out later with a list of success stories of new businesses that have located in the prosperity zones or that you helped facilitate those businesses moving there. We need to hear about these. Need to hear how we can help you because this is the ultimate goal. In some of these smaller counties, small companies are just as important as big ones and those are the challenge.

Rep. Moore: Piggy back off Sen. Lowe's question and frame it differently. Priority Zones set up for economic development in distressed counties. Is there some kind of a relationship you have with some of the pockets of poverty in Tier 3 areas? Mecklenburg may look affluent, but there is economic need within it. Do you have any collaboration with agencies to help lift up those communities?

Mr. Loyack: Yes we are. All of our managers need to be aware of what resources are available on a local level so that we can have the greatest impact. We look at strategic plans, we look at urban and rural areas to understand where we can help. Many may be outside of our area, but we look at several areas. We work with SBC, SBTDC, the Institute and other underserved minority-owned businesses, women-owned businesses, Latino-owned, etc. One thing we did is in 6 of 8 prosperity zones we took EDPNC with business partners who speak the local language along with our business link team, which is a small support line to explain how to start a business in NC.

Sen. Tucker: We hired 4 people this week in my business. So if I would have hired 5, would I have received a call from EDPNC or the Department of Commerce?

Mr. Loyack: It starts with our local EDPNC whether it is 4 or 5.

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Sen. Tucker: I've never had anyone call on me. Hard to digest all you are saying. Looking at the confusion from a business standpoint - we've talked about EDPNC, Department of Commerce, DEQ, DOT, Community College, NC Rural Development Program, Priority Zones, County Economic Developers, Dept. of Commerce Planners, City Economic Developers. If I look at this list, it looks like we have it all covered. Wow, look at all these agencies. If I were a business, I would be confused. Can you share the collaboration with Commerce and EDPNC working together with all these folks? When I was on City Council, etc. everyone has planners. Trying to understand with inertia of all these working together – I'm confused with all these resources. I've called on some of your Economic Developers - one in city, one in county, commerce, agencies to contact. I'm seeking clarity for someone from outside looking at this with these massive agencies.

Mr. Loyack: That value that we can bring is being a conduit out to all of those resources and helping a business understand. We have an 800 number taking calls from all these people helping them to understand. We are trying to act as those translators for them and how to get that answer. Way to show our impact in a city or a region. It is painful when we run into a business who doesn't know about all these resources. It's our job to be out there and to let them know who to call and where and when.

Sen Lowe: Thank you Senator Tucker. I'm still confused. Maybe what I want to hear doesn't exist. In urban areas you say you have done something. Where are these actual successes where something has been done to created jobs for people of color or need? Where do I get an answer?

Mr. Loyack: It's our job to show all 100 counties across the state. If I talk to 99, I know I'm going to get a call. Then we go down the county level and look at how many of these businesses are we serving? The success stories are out there. When I started in this role, my question was why is there not a line of businesses out on the sidewalk using these resources? Not enough know about them. Not enough time is spent highlighting the success stories. It's not just us getting the word out – we've got partners in towns.

Rep. Lowe: Where just tell me where? Name a success story in a city.

Mr. Loyack: Look at the website.

Sen. Brown: Goes again that you need to come back with those success stories.

Rep. Fraley: Also bring estimated ROI information.

Sen. Gunn: As you are working through these communities and businesses in them and looking at opportunities to grow or expand, what are challenges for small businesses you are seeing and how much of it has been for capitol? What has been your strategy to capitalize on these opportunities?

Mr. Loyack: Access to capital, qualified workforce and regulatory issues are the three main questions we get in terms of small businesses. In terms of the Regulatory issues: We have an 800 number (2200 calls last year). Qualified Work Force: how to get them in touch. Access to capital. Last year to drive activity in counties impacted by hurricane – we have a number of different funds and tools available to small businesses so we didn't wait to hear from them. Our team called them to find out what they were dealing with and put them in touch with Rural Center confacts.

Sen. Gunn: I understand hurricane – I'm talking about the regular Joe or Joette trying to grow a business. Would love to follow up at a later date on how to help them.

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Sen. Wade: I would like to see how we are actually getting to business owners. 85-90% of small businesses don't even know you exist or how you can help them. I think you're helping the big businesses not the smaller businesses. Don't know how you're getting info out to them. Big disconnect.

Sen. Smith: I want to commend you on the metrics and your outreach to Tier 1 & 2 counties.

Mr. Loyack: Thank you.

Sen. Brown: I agree with Sen. Wade that you need to get your word out there, and it's a real challenge. Think about coming back.

### Presentation: Measures of County Economic Well-Being and Local Revenue Capacity (Presentation Attached)

Senator Brown recognized Cindy Avrette, Committee Counsel, Legislative Analysis Division, NCGA to begin the presentation Measures of Economic Well-Being and Local Revenue Capacity. Ms. Avrette said there are many pieces to the puzzle of Economic Development — the state has spent \$1.3b on expenditures for Economic Development (grants, support services through colleges, commerce, non-profit appropriations, tax expenditures, sales tax exemptions). In 2005 a committee was created to oversee this investment. She said over the last 18 months, we've looked at how resources are being distributed by Tier designation which was enacted in 1987 with a goal to award tax credits to distressed counties and identify and rank counties based on rate of unemployment and per capita income. In the past 30 years the program for which the Tier System was created no longer exists.

Ms. Avrette said there have been several adjustments and weaknesses identified. She said the Committee could not come to a consensus about what the Tier System should look like -- it was determined that the Tier was not succeeding in its role. She talked about a 10 member committee which was created and met for 10 months with Brent Lane facilitating, trying to define economic distress. But she said they found it is very hard to reach a consensus of what defines economic distress – it's been even harder to determine what a Tier System should be when it's not clear what goal is trying to be achieved by the various programs. She explained that the Chairs have continued to delve into this along with staff and that "Executive Summary" will be presented today. She asked members to remember, there are 4 indicators currently used: the rate of unemployment, median household income, population growth and adjusted assessed property per capita.

Senator Brown recognized Emma Turner, Economist, Fiscal Research Division, NCGA, for a presentation on measuring economic distress. She discussed how Residents and Government are not as connected as you may think and pointed to a map which shows the problem. For example, Beaufort (white on the map) ranks 68 on both measures. Dark red indicates rank on property value is much higher than rank on average wage. High property values sometimes coincide with very low wages:

- Pamlico has lowest average wage, and ranks in the top 20 for property values
- Alleghany 2<sup>nd</sup> lowest average wage, ranks in top 10 for property values





Clay ranks in the bottom 10 for average wage, 2<sup>nd</sup> highest property values

Brunswick County is a good example of imbalance. Brunswick is the fastest growing county in the state, but its unemployment rate (top 25% in the state for unemployment) does not reflect the economic distress of the area. Employment growth is a better indicator for economic distress. Camden County 94<sup>th</sup> smallest county and has the highest income from retirees, but it will always be a Tier 1 due to the population – it is an example of Tier designated by population growth. Hyde County (2<sup>nd</sup> smallest county with 5<sup>th</sup> highest property rate per capita) will be Tier 1 indefinitely. When saying Tier 1 county, saying economically distressed county, but they're not all really that.

Ms. Turner discussed Adjustment Factors - Watauga County (2<sup>nd</sup> highest poverty rate in the state) is a Tier 3 county and an example of poverty rate adjustment not applying. She said it is difficult to define economic distress without knowing the intention of the General Assembly so it must be defined by the General Assembly

#### Local Tax Capacity

Senator Brown recognized Rodney Bizzell, Principal Fiscal Analyst, Fiscal Research Division, NCGA, for a presentation on local tax capacity. Mr. Bizzell discussed possible ways to tweak tax capacity:

You can consider adding Sales Tax base to the Property Tax Base because it gives a more complete picture of the local government resource capacity. He said Property Tax is used as one of the measures in the Tier System. He said alternatively, you could separate out the Property Tax Capacity Measure and use it for purposes that are more directly related to Resource Capacity – a primary example is Match Requirements. He said maps show variations of property values. County Sales Tax Base doesn't include tax base for Municipalities -- if you want to include this, it would take more work.) Point is you're not seeing big shifts where tax capacity is - you're seeing more along coast and in the mountains, and when you combine the two it doesn't look a lot different than the first slide showing just the property tax base per capita. He said the last slide showing Sales Tax gives a more complete picture of the Sales Tax Base. Tax Capacity is not a good economic measure of residents, but is a good measure for government. It is a measure of something different in the Tier System. He noted that if you combine these two, it does give you a slightly more accurate picture of tax capacity. Mr. Bizzell said there is an option to continue using the measure alongside the current mix of economic well-being measures or separating it out and not to be more focused on the ability to pay is a more important consideration.

Senator Brown said this shows how complicated the issue is. He said the tier system was established in 1987 and things have really changed across the state since then -- it is complicated to start moving counties from one Tier to another. He said we need to take a hard look at it because things have changed in past 30 years.

Senator Brown asked for questions from the committee.

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#### Q&A:

Rep. Fraley: Emma, you talk about alternative measures for residents with bachelor degrees.

Would it make a huge difference to include % of population with associate degrees?

Ms. Turner: Good question. BA is shown as an example but any measure of education attained is worth including. If the focus is on technical, that would be appropriate to include in lieu of bachelor degrees.

Rep. Fraley: I don't mean in lieu of, but in addition to.

Ms. Turner: Difficult to include both because you're going to be measuring those that have an associate degree or higher which would include those with bachelor degrees.

Sen. Bryant: You talked about ratio of sales to property tax, and this may be a place to see change. Clarify the kind of change that we would see here?

Mr. Bizzell: These are the counties where sales tax base is a more important mix of the overall revenue mix for the county and so if you include that to measure, then you would see more change than in others counties for sales tax as a smaller percentage.

Rep. Bryant: By change do you mean what the counties are? If included, you would see more change in the counties?

Mr. Bizzell: I mean in terms of rank or in terms of the measure and how they might potentially move up in that measure.

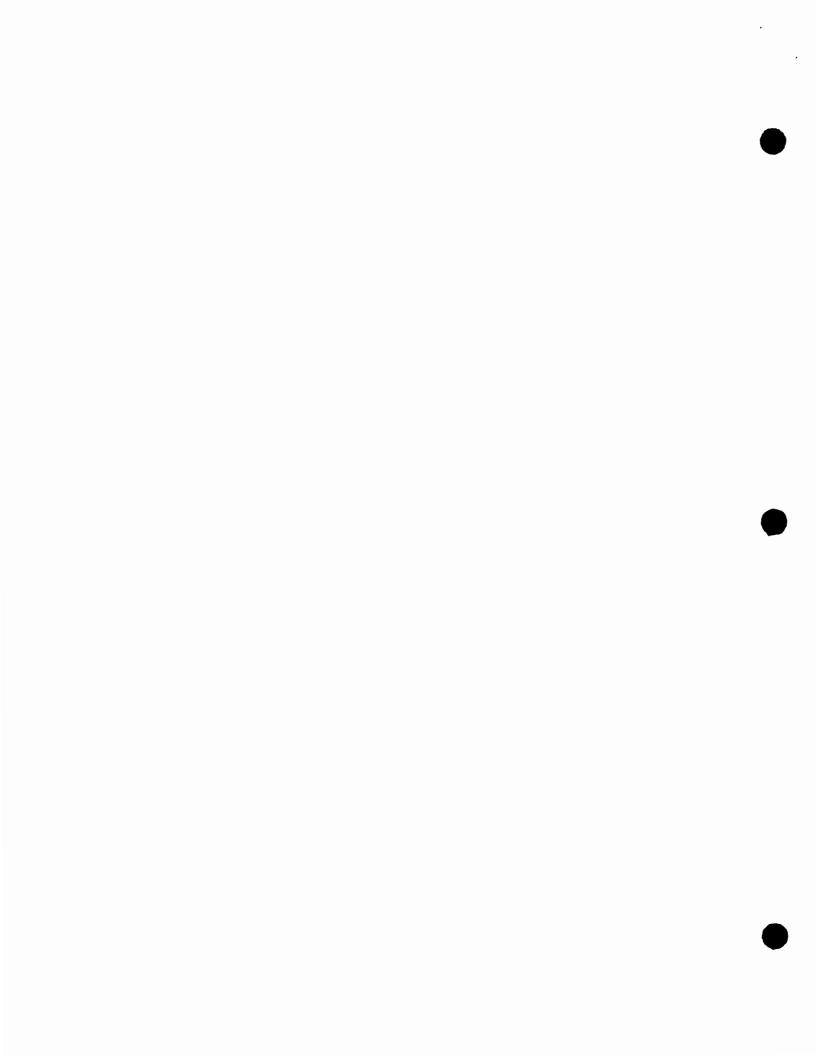
Sen. Bryant: What normally would contribute, particularly those counties in the middle like one I represent, Vance? What is a reason the sales tax would be exceeding the property tax? Is there a trend you would normally see that would explain that? Location specific.

Mr. Bizzell: Yes, here you're looking at two things – the Sales Tax distribution and all that goes into that and also looking at it in relation to the Property Tax. It's a combo of how strong is the Sales Tax base, and it might be a function of a lower tax base, as well.

Sen. Smith: Map as relates to No. Hampton County, where 4% of county commissioner budget is generated from Sales Tax, and it has a very high Property Tax (@ 92 cent on the \$). Can you explain based on your map what lighter regions indicate and how that would play if used as an economic factor in determining economic distress?

Sen. Brown: I think no. Hampton County is the lowest Sales Tax revenue in the state correct? Mr. Bizzell: In terms of this map what you are looking at is how the county's going to move; what is the difference going to be. If they're lighter, you will probably see less movement in Tiers. They're primarily effected more by the property tax measure. They're measure is not likely to change as a county that has more Sales Tax revenue relative to Property Tax. Sen. Smith: To Emma, as it relates to the 5 year property level, was there an analysis done where you extracted those counties where it's only based on the population (Tier 1 only b/c of population)? We have counties that are consistently ranked in poverty that is not based on population. Did you do that analysis and if not, would we as Members have access to a tool that would help us play around with the different adjustment factors to see which ones come out purely leaning toward and really measuring economic distress based on the factors of the adjustment factors?

Ms. Turner: The specific 5 year poverty rate didn't look at that specific measure, but it did look at a number of other measures. One thing that is very similar to poverty is the median household income. The data source you would use for MHI is a little more reliable for counties





so that was the measure I chose to focus on. Could look at poverty if that was more relevant. I can get you what you need afterwards.

Rep. Goodman: With proliferation of online business - the sales taxes are charged, but does the tax where the business was originated online go to that county or to Raleigh or how does that work?

Ms. Avrette: Sales Tax goes to the county where the person receives the goods.

Rep. Goodman: What if ordered Harnett County and delivered Richmond?

Ms. Avrette: If delivered to Richmond that would be the place where the sale was consummated.

Sen. Brown: Thank you. Good information

Rep. Martin: Comment – thank you to the staff who tried to get good information going. It's clear that when Tier was developed it had a specific purpose used for one program and then over time a lot of different programs. Important that we articulate the purpose of the funding for each program and that way we can have the proper mechanism in place. We may also want the Senate to consider what the House passed which was an optional Sales Tax for education purposes so that local municipalities could offer taxing for just schools or different things to increase flexibility of different funding not maybe tied to this program to see additional local options for raising funds.

Sen. Tucker: Comment - Don't need to lose sight that the Tiers were created in 1987 for the 20 lowest counties and now they go to the most prosperous counties in the state. Something is wrong. Emma's evaluation and the relevance today is really the fact that we're not doing what was originally intended to do in 1987 when Cindy Avrette came to work here.

### Presentation: Utility Account Overview (Presentation Attached)

Senator Brown recognized Kenny Flowers, Assistant Secretary, Rural Economic Development for a presentation on Utility Account Overview. Mr. Flowers said he came to Commerce from ECU and spent the last 8 years working on outreach for the University. Having worked on outreach for eastern rural communities and rural, he said it is in his blood. He also worked in Fiscal Research at NCGA.

Mr. Flowers said they are being very intentional as they reach out to invest from the Utility Fund. In 2013 he said the average grant was \$213k, which has grown to upward of \$1m in 2017 with 60% in Tier 2 Counties-40% in Tier 1 counties.

Senator Brown asked for questions from the committee.

#### Q&A:

Sen. Wade: Are any grants for water sewer infrastructure going to any county below 12k population? Maybe it's really not a distressed county, but may have a grant in a Tier 1? Mr. Flowers: It has to be a Tier 1 or Tier 2 county to have investment from the Utility Account.

Sen. Brown: Sen. Wade that is a possibility as the Tiers are today.

Sen. Wade: I just wanted to know if that is a possibility.



Mr. Flowers: We will get back to you about that. Is it receiving any grants at this time? Sen. Smith: What kind of outreach is being done with Tier 1 counties that have not received a grant?

Mr. Flowers: We recently completed a survey to all 100 counties assessing their rural utilities needs around their industrial parks, and we'll be building programming trying to reach out to those communities to identify how can connect and in particular get funding to them wanting to create a pipeline of projects so that we can invest in them.

Sen. Tucker: What is the required investment by the county to get the JDIG funds for an investment for an industrial site? Is there a number?

Mr. Flowers: Program Leader Mark Poole will address that.

Mr. Poole: For 25 most distressed counties in the state there is no local match required. Other 65 counties a 25% match is required within the project itself.

Sen. Wade: Any other criteria for awarding the grant other than the Tier designation?

Sen. Brown: It has to be a Tier 1 or 2 county.

Mr. Poole: Tier 1 and 2 and it must be a public infrastructure and have industrial access in other areas which come into play. It must be a publicly owned industrial park- public utilities. Statute allows some flexibility. Assumes that jobs will come as a result of the investment. Look to communities to drill down on their economic strategy, look at their recruitment wins and more importantly at their losses and why they may have lost recruitment. Look to play to weaknesses and build up their industrial parks or sites. Serve companies that are either expanding or need a piece of infrastructure in order to retain employees which the Statute also allows us to do. Sen. Wade: If 20 counties out of the 25 wanted water and sewer project funds, how do you evaluate which ones receive those if you didn't have enough money for all of them? Mr. Poole: That's a problem we would like to have. We would evaluate applications as they

come to us. There is no cycle that opens and closes. As applications come to us, we take them before the Rural Infrastructure Authority. We have not had that problem.

Sen. Wade: So priority goes to Tier 1 and whoever applies first gets it. Next priority would be 2 or how does that work?

Mr. Poole: We have not had to face that in the past. We would look at the strength of the Tier 1 applicants before we looked at 2s. We would also have to look at communities that have not used the program in the past - a # of factors

Sen. Wade: So therefore, we have \$ that is not being appropriated so you are asking for other counties to apply, or what are you saying?

Mr. Poole: We have a balance of unencumbered funds and open for business.

Sen. Brown: You must have an economic development project.

Sen. Wade: Do we know the balance that is unencumbered?

Mr. Poole: Approximately \$17m. It's not a traditional budget cycle, so as of June 30<sup>th</sup> we are at the high water mark due to the way funds go into the utility account. Funds go in as JDIG payments are made around end of the third quarter or beginning of the fourth quarter of any given year. So we've just come at the end of the JDIG payment cycle which gives us @ \$17m to spend over the next twelve months. We've committed over last 18 months @ \$26m for projects.

Rep. Martin: To staff - Have we been able to utilize all the funds or do we have more than what communities are asking for - so we are not denying, and they know what qualifies a project so

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we get good applicants. We hear over and over infrastructure is needed. We added Broadband, and I know there have to be some changes to the way we do that so that we can put in some infrastructure such as rural broadband, which will be a big thing installed. It's my understanding that in Appropriations some of the money gets shifted out of the Utility Account balance into other programs because it's sitting there not being used. Also want to note the tie-in to JDIG - that all that money is coming out of those projects. Going into Tier 3 counties is where we get the money to support the rural area, so we need to keep that connection in mind. On the Appropriations side, do we see money being removed from that fund?

Mr. Poole: Some monies have been removed but not to the point that it cripples the program. We still have a healthy balance and looking for ways to get it out to the communities. Actively building a pipeline and have a strategy to get out to the communities that don't traditionally use the program.

Sen. Brown: Rep. Martin makes a good point that we need to make sure those monies are getting out and figure a way to get them out.

Mr. Flowers: With \$24m coming in last year, we have exceeded that with funds out the door.

### Presentation: Comparison of House and Senate Versions of S.B. 660 (Presentation Attached and Notes Attached)

Senator Brown recognized Dan Ettefagh, Committee Counsel, Bill Drafting Division, NCGA for a presentation on the comparison of House and Senate versions of S.B. 660. Senator Brown noted that the bill introduced by the House did not pass and the bill introduced by the Senate did pass. He also noted that we should look at these two bills as we try to put together a bill out of the committee.

Mr. Ettefagh said this presentation covers where the rubber met the road with respect to both chambers, specifically SB660 as it passed the Senate and SB660 as it was modified in House Finance. He said there are five areas of consonance; 4 areas where both chambers addressed the same problem, but addressed them in different ways; 4 additional areas where the Senate identified areas of concern and addresses them, but the House did not; and 5 areas where the House wanted to see them addressed and the Senate did not address (Summary: 5 areas where both chambers are consistent and a total of thirteen areas where there would be additional working between the chambers.)

Senator Brown said you can see we have a lot of work to do and asked for questions from the committee.

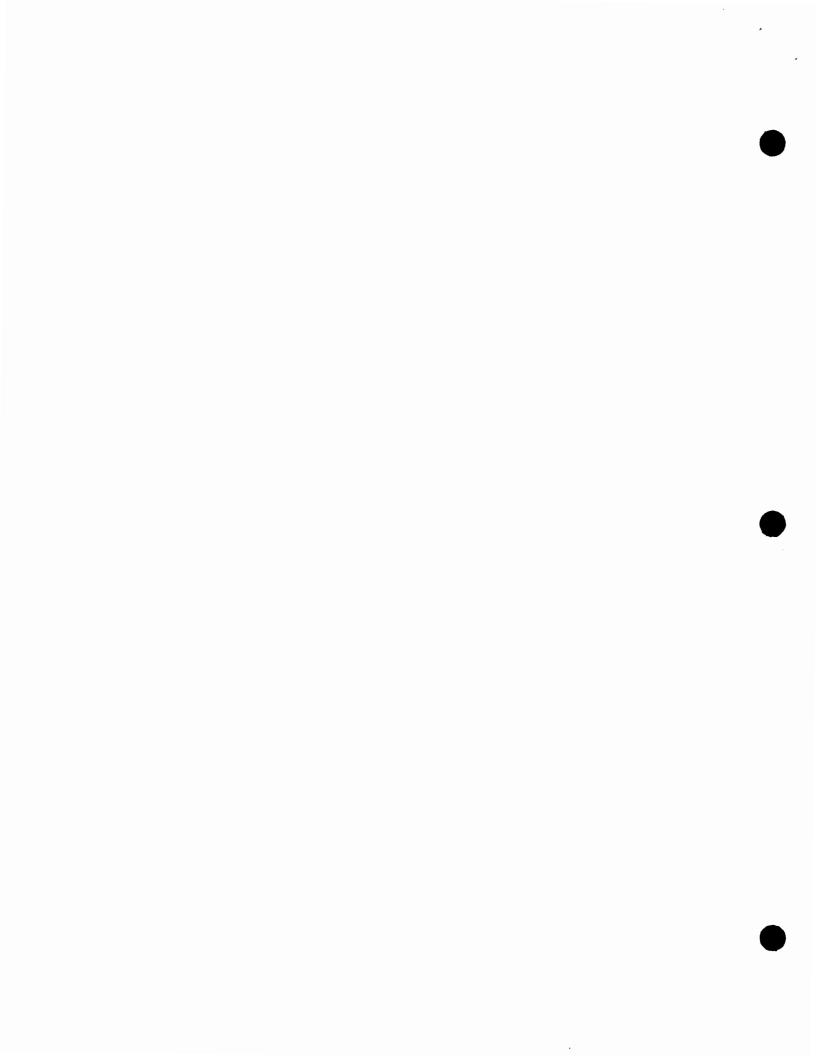
#### Q&A:

Rep. Fraley: May we have your notes?

Mr. Ettefagh: There should be a copy in your package. The one that is a PCS is a House Finance PCS and the one that's labeled a sample of 660 is the Senate version, as passed by the

Senate.

Rep. Fraley: I mean actual differences.





Mr. Ettefagh: You mean a copy of them, yes I will get that to you.

### Presentation: Economic Development Incentive Grants by County 2012-2017 (Presentation Attached with Economic Development Awards by County Tables)

Senator Brown recognized Katherine Tamer, Fiscal Analyst, Fiscal Research Division, NCGA, for a presentation on Economic Development Incentive Grants by County from 2012-2017. She added the following comments to the maps she presented:

<u>JDIG</u> - JDIG is a performance based incentives program of grant distributed over up to 12 years. Mecklenburg received most followed by Wake County (rec'd. 73%). 19 counties received 1 JDIG award (there were 106 in all. JDIG funded 97,623 jobs across the state – 57% in Durham, Wake and Mecklenburg.

One NC Awards - One NC is a performance based incentive program that provides matching grants to local governments to help recruit new and expanding businesses to create jobs. Edgecombe received the most at \$16.6m. 41 counties received 1 or 2 ONC Awards. ONC funded 25,213 jobs over the last five years. Most went to Wake, Mecklenburg and Robison. Utility Account - It provides grants to local governments of Tier 1 and Tier 2 counties to improve the industrial infrastructure of their communities. Edgecombe received the most at \$3.4m; all together 34 counties earned \$38M; 16 counties earned 1 award. Total number of jobs (note: specific job commitment is not required to receive an award, and the utility award used to improve infrastructure may or may not create new jobs. Most jobs funded in Montgomery, Wilkes, and Rowan.

<u>RIA</u> - Other RIA include the Building Reuse Program, Economic Infrastructure Program and CDBG Davidson County earned the most - \$15.8m. Over \$125m was awarded to 75 counties Davidson received the highest number of awards and amount of awards with 23 projects. 356 awards in all – 29 counties earned 1 to 2 RIA awards. RIA funded 13,207 jobs across the state Robison created the most new jobs with 1,277 new jobs.

JMAC - Job Maintenance and Capital Fund. JMAC is an incentive program available in Tier 1 and Tier 2 counties designed to retain high quality jobs and large capital investment. Haywood County received the only JMAC award for \$12m; was guaranteed to retain 800 jobs TOTAL - Over \$1b in economic development awards were granted to 91 counties over the last 5 years. 59% were earned by Mecklenburg, Wake and Durham counties; \$299m most by Mecklenburg. 926 economic development awards granted across the state in the last 5 years-majority split between Mecklenburg, Wake and Robison counties. 10 counties earned 1 award Every program does not require a job commitment, but based on the commitments stated the State created 138k jobs through economic development grants. Wake County grew by 31,189 jobs; Mecklenburg by 20,638; 32 of the 91 counties listed increased their capacity by 750 more jobs over the last 5 years.

Senator Brown asked for questions from the committee.

Q&A:

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Sen. Brown: 32 counties created 750 jobs or more correct?

Ms. Tamer: Yes

Sen. Tucker: In Robeson, what were those jobs? Were there 31 projects in that one county?

What industry was it?

Ms. Tamer: I'll get back to you.

Sen. Smith: I've been concerned about a lack of projects in Northeastern NC. We should see at least One NC project in these areas that are Tier 1 and systemic properties. Do you have the disaggregated data to compare over the last 10 years?

Ms. Tamer: I do not, but I can get it to you – I do have 5 years.

Rep. Martin: I looked at the data before it was put into the map format, and I suggest that you look at the committee website because it lists out each award by year. Have you seen any trends over the years or differences from where we were in 2013 to where we are now? Edgecombe distorts it with one big significant announcement in a Tier 1 that looks good over the whole period, but I would be interested in seeing it in a clearer way.

Ms. Tamer: Happy to talk about a format that would work for the trends, but for this I was just collecting the data and putting it in the maps to see it by county.

Sen. Smith: So you will be able to get us the data over next 2 weeks so that we can make decisions about how we can look at the Tier System which relies upon this in terms of making sure we are doing our best to reach those hard to reach areas who don't have JDIG projects or One NC or the tools that we are using for promoting economic development?

Ms. Tamer: Happy to reach out to Commerce and get that data soon.

Sen. Brown: Hate to say 2 weeks, but we'll get it as soon as we can. I'm concerned because my district has not received 1 job from these programs in 5 years, and I've been chairing this committee.

Sen. Jackson: Rep. Martin commented that information is on the web, but it doesn't say who received the grants. Is that on the website somewhere, and I've missed it?

Ms. Tamer: The tables are by county and not by the actual business that received it. I do have that information and can get back to you if there is one specific company you want to know about.

Following the presentations, Senator Brown remarked that this was a long meeting and that it is clear there will be many challenges moving forward. Representative Martin extended her appreciation to the Members for working together and thanked Commerce for their partnership and participation in the meeting. She also thanked Staff for all the leg work they did and said she looks forward to finding solutions.

#### Adjournment

Senator Brown adjourned the meeting at 3:53pm.

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Senator Harry Brown, Co-Chair Presiding

Susie Farrell, Committee Clerk

#### Attachments:

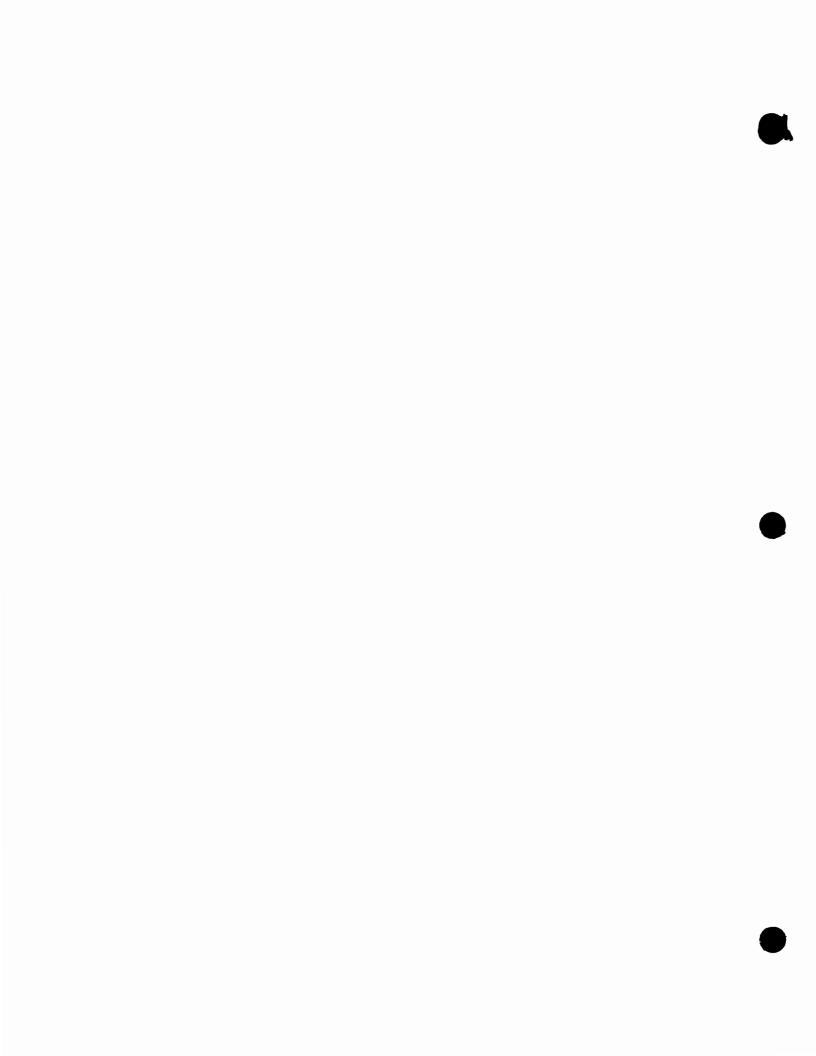
1	Comn	nittee	Notice

- 2 Agenda
- 3 Minutes from November 2, 2018 meeting
- Visitor's Registration
- 5 Prosperity Zones Update Presentations by John Loyack, Wesley Barker, Darren Rhodes, Jenni Harris and Mark Sutherland from the Dept. of Commerce
- Measures of County Economic Well-Being and Local Revenue Capacity by Cindy 6 Avrette, Emma Turner, Rodney Bizzell from the NCGA
- 7 Utility Account Report by Kenny Flowers from the Dept. of Commerce
- Comparison of House and Senate Versions of S.B. 660 by Dan Ettefagh from NCGA 8
- Dan Ettefagh's notes on the Comparison of House and Senate Versions of S.B.660 9
- Economic Development Incentive Grants by County 2012-2017 by Katherine Tamer, 10 from NCGA
- 11 JDIG Awards by County 2013-3017 Graph



### Susie Farrell (Rep. Susan Martin)

From: ent: To: Subject: Attachments:	Tuesday, Jan Lorie Byrd (S <ncga> Joi Committee N</ncga>	en. Harry Brown) uary 02, 2018 11:40 AM en. Harry Brown) nt Legislative Economic Develo Meeting Notice for Thursday, Jo y to Calendar_LINCics	opment and Global Engagement Oversight anuary 11, 2018 at 1:00 PM		
		OLINA GENERAL igh, North Carolina 276			
		January 2, 2018			
		MEMORANDUM			
TO: FROM:	Members, Joint Legislative Economic Development and Global Engagement Oversight Committee Rep. Susan L. Martin, Co-Chair Sen. Harry C. Brown, Co-Chair				
SUBJECT:	Meeting Notice				
The <b>Joint Legi</b> the following to <b>DAY</b> Thursday	-	nent and Global Engagem TIME 1:00 PM	tent Oversight Committee will meet at  LOCATION  643 LOB		
Street across fr Street from the http://www.ncl	om the Legislative Office Bo State Library/Archives. You eg.net/graphics/downtownm le to attend or have any ques	uilding. Parking is also ava i can view a map of downto ap.pdf.	parking deck #75 located on Salisbury ilable in the parking lot across Jones own by visiting  ng, please contact Lorie Byrd at		
cc: Committee	Record _X_ Parties _X_				



# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

# Room 643 Legislative Office Building

Thursday, January 11, 2018 1:00 P.M.

### I. CALL TO ORDER

Chairs: Representative Susan Martin

Senator Harry Brown, Presiding

### II. APPROVAL OF MINUTES

#### III. PRESENTATIONS

# **Opening Remarks by Chairs**

# Prosperity Zones Update

## West

John Loyack, Vice President for Global Business Services, EDPNC Wesley Barker, Appalachian Regional Commission Community Development Planner, Department of Commerce

## Central

Darren Rhodes, Rural Planning Program Administrator, Department of Commerce

#### East

Jenni Harris, Southeast Region, Regional Industry Manager, EDPNC Mark Sutherland, Community Economic Development Planner, Department of Commerce

# Measures of County Economic Well-Being and Local Revenue Capacity

Cindy Avrette, Committee Counsel Legislative Analysis Division, NCGA

Emma Turner, Economist Fiscal Research Division, NCGA

Rodney Bizzell, Principal Fiscal Analyst Fiscal Research Division, NCGA

#### **House Members**

Rep. Martin (Chair)

Rep. Ross (Vice-Chair)

Rep. Bell, Rep. Conrad, Rep. Davis, Rep. Fraley, Rep. Goodman,

Rep. Hanes, Rep. Moore, Rep. Presnell, and Rep. Turner

Rep. Brody (Advisory) and Rep. Dobson (Advisory)

## **Senate Members**

Sen. Brown (Chair)

Sen. Edwards, Sen. Gunn, Sen. B. Jackson,

Sen. Lowe, Sen. McKissick, Sen. Meredith,

Sen. Rabon, Sen. Smith, Sen. Tucker, and Sen. Wade

Sen. Bryant (Advisory)

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

# Room 643 Legislative Office Building

# **Utility Account Report**

Kenny Flowers, Assistant Secretary – Rural Economic Development Department of Commerce

# Comparison of House and Senate Versions of S.B. 660

Dan Ettefagh, Committee Counsel Bill Drafting Division, NCGA

# Economic Development Incentive Grants by County 2012-2017

Katherine Tamer, Fiscal Analyst Fiscal Research Division, NCGA

## IV. COMMITTEE DISCUSSION

# V. ADJOURNMENT

# **House Members**

Rep. Martin (Chair)

Rep. Ross (Vice-Chair)

Rep. Bell, Rep. Conrad, Rep. Davis, Rep. Fraley, Rep. Goodman,

Rep. Hanes, Rep. Moore, Rep. Presnell, and Rep. Turner

Rep. Brody (Advisory) and Rep. Dobson (Advisory)

# **Senate Members**

Sen. Brown (Chair)

Sen. Edwards, Sen. Gunn, Sen. B. Jackson,

Sen. Lowe, Sen. McKissick, Sen. Meredith,

Sen. Rabon, Sen. Smith, Sen. Tucker, and Sen. Wade

Sen. Bryant (Advisory)



# Joint Legislative Economic and Global Engagement Oversight Committee

January 11, 2018 - Room 643 LOB - 1:00 PM

# PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
amma shelly	The Policy Group
Lexi Outhur	JLF
Tim KENT	NC BEER & DINE
FOUN PERSON	RECORE DEVOCACY
Trey Robon	ATot
GARM THOMAS	Focus Contina
Canaan Hine	MVA
(dulos in	CAN
Adam Pridenare	NCACC
Amber Home	NCACC
shocke hander	MWC
Hannah Harrill	DOC
JOHN COOPER	Connect
Orle Corlon	how ofm y RIK PLL
Kara Weishaar	Juith Anderson
Kong Kiew	NCRMA
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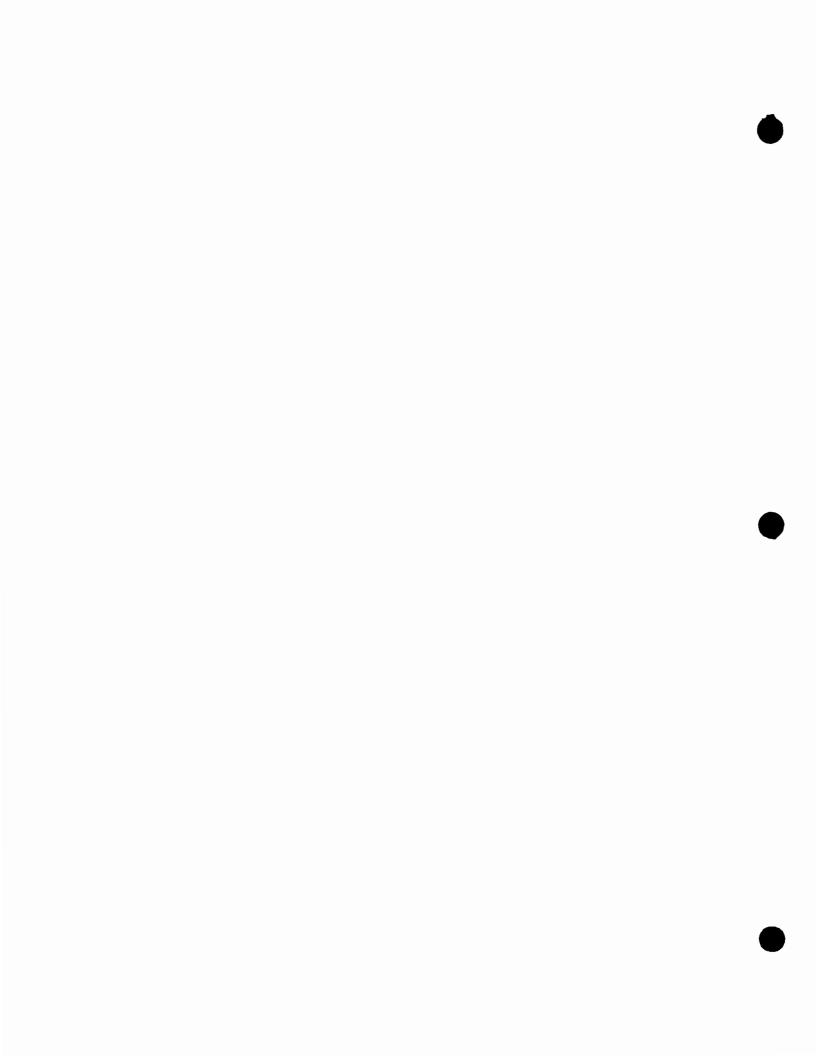


# Joint Legislative Economic and Global Engagement Oversight Committee

January 11, 2018 - Room 643 LOB - 1:00 PM

# PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Katyle Jobe	SML
Ridge Mazingo	565
deni Borto	muc
Gerald Givens	NIC NAACH -
Rev Rochelle	Release APREX NAACA
Well Robinson	Notine Carry
Erin Wynia	NCLM
Glenr Wells	CITIZEN
Matthew Wells	CITIZEN
Frue Illdwirt	NC55A
MICHAEL Ext.35	250



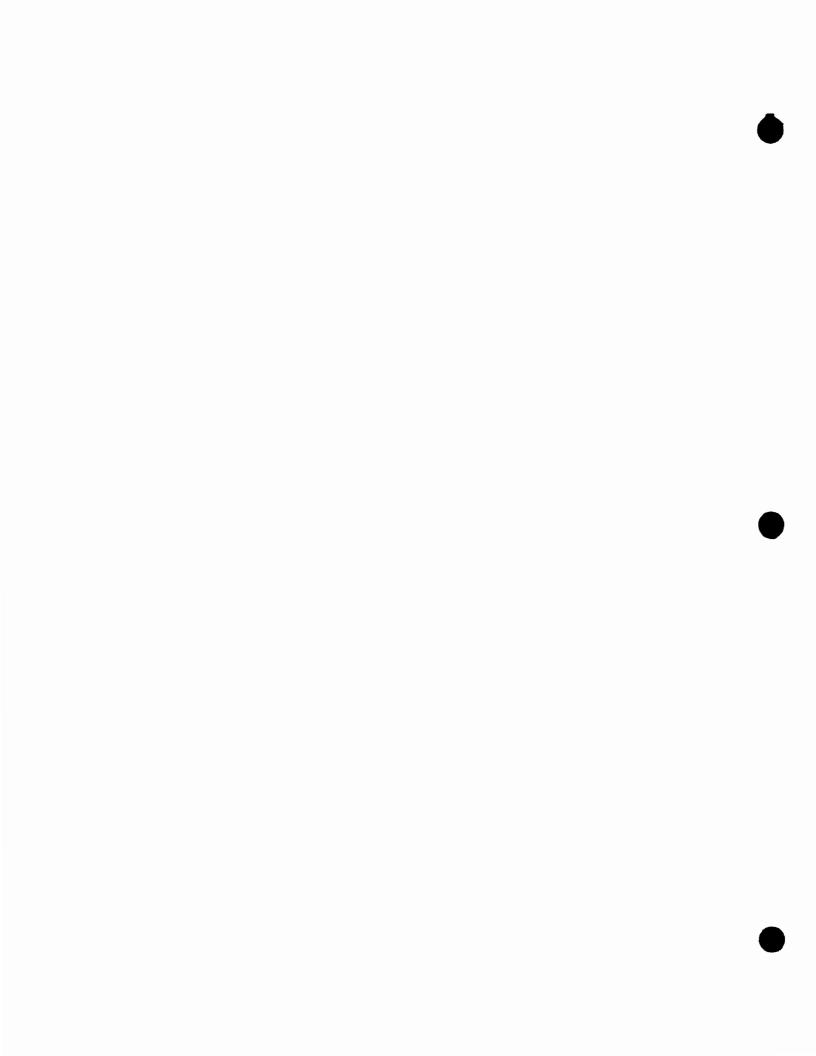


# Joint Legislative Economic and Global Engagement Oversight Committee

# January 11, 2018 - Room 643 LOB - 1:00 PM

# PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Smylage	NM125
herra Herry	DOC
Jeff DeBellis	DOC
Joe Bost	Charlotte Chamber
CHRIS DILLEN	SPIE
NICK TENNYSON	SECF
Rachel Page	60 Glubal NC
hunder tuda	Gobldauen
Nate Danny	NCDIT
Jeff Sural	NC DET
Jamie Ragan	DEQ
John Cosmin	NC Rural Center
Patrick Woodie	NC Riwal Center
Stephen Kooba	KMA
DAVID Malbackon	NC BOARD OF NUVSING
LAWRENCE BHINS	NCEDA
Zechariah Juckson	Ser. Smith; office Reprepatative





# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

# November 2, 2017 Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, November 2, 2017 at 1:05 pm. The meeting was held in Room 643 of the Legislative Office Building. 18 Members were present including 9 Senators and 9 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross; Debra Conrad; Ted Davis, Jr.; Ken Goodman; Edward Hanes, Jr.; Rodney W. Moore; Michele D. Presnell; Rena Turner. Senate Members present were Harry Brown (Co-Chair); Chuck Edwards; Rick Gunn; Floyd B. McKissick, Jr.; Erica Smith-Ingram; Tommy Tucker; Mark Brody; Josh Dobson; Angela R. Bryant.

Representative Susan Martin presided and called the meeting to order at 1:05pm.

Representative Martin recognized the Sergeant-at-Arms staff.: House: Young Bae, Jim Moran, Russell Salisbury. Senate: Becky Myrick, Billy Fritscher. covered administrative items by asking members to sign reimbursement forms to have S @ A pick up, introduced Williams Childs and staff, pointed out 2017 folder with docs and reports. Meeting notes will be posted on the website, Q & A taken at the end, meeting will last approximately 3 hours (2 hrs. presentations), and there will be no meeting in December.

Senator Brown (Co-Chair): Many bills were introduced last session, but nothing really moved forward. He wants to come up with something with consensus in this committee to move forward with in the short session. During the January meeting we will learn what was introduced in the last session and have that discussion.

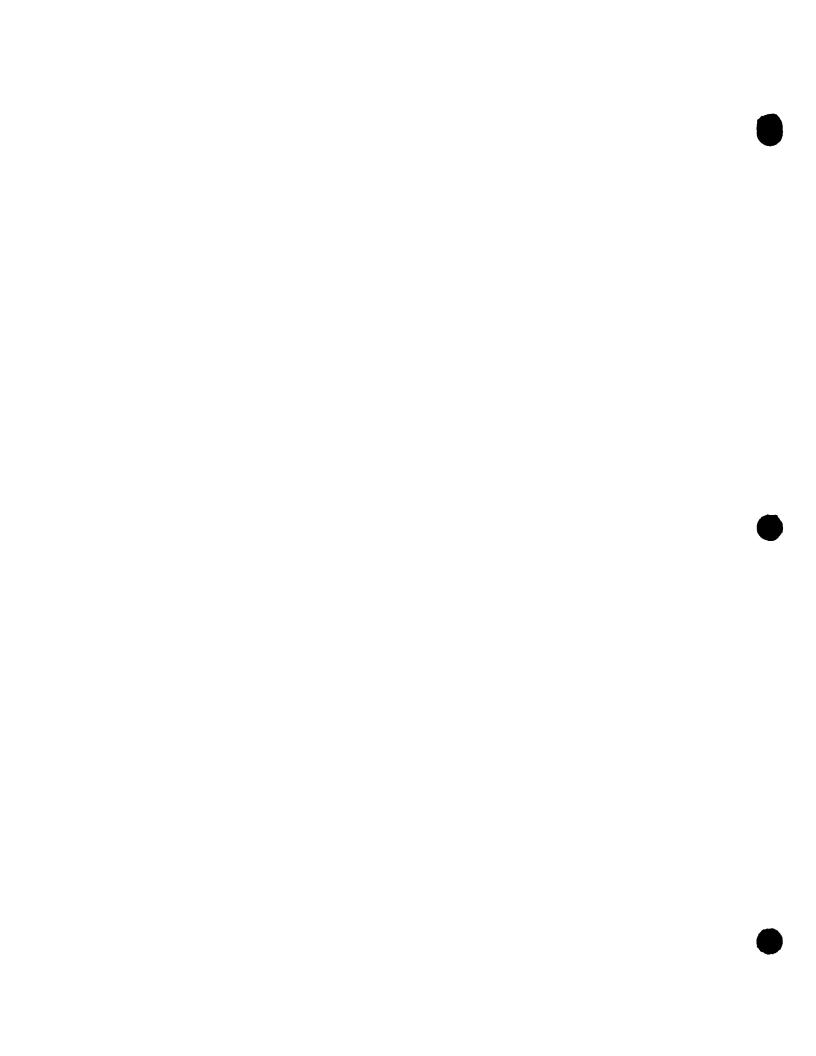
Rep. Martin: 2nded that she wants to recommend legislation at the end of this session.

# Presentation: Secretary of Commerce Anthony Copeland <u>Department of Commerce Strategic Plan & Economic Development Grants</u>

### Secretary Copeland:

- . More than just change in manufacturing that hurt rural NC, but also the change in agriculture.
- . Rapidly becoming 8t most populous state in country
- . Understands rural NC 4percent produce 90percent (disappearing) b/c of Corp the times change in Ag hasn't heard much about it
- . Making life better for others is the goal of all of us 600k jobs added since recession







13% higher than national average

- . Manufacturing has not caught up making progress (8th most pop state in country)
- . We have universities and talented workforce
- . Honda Jets making engines in NC. When CEO asked why Greensboro, answered it has the talent and training, infrastructure, transportation, and friendly business climate.
- . Thank you for working together for stability to Economic Development process
- . Lowest tax rate, funding education, positive job growth (1% in 2001 2% in 2016), creating jobs; tech jobs are 36% (more than private sector growth as a whole) but still need to work on fixing the "two North Carolinas" (rural vs. urban).
- . 2016 average wage was \$918/wk. Tech. jobs average wage is \$1400/wk.
- . 60k unemployment applications in 2016 10k now
- . Upon taking office, requested performance audit of department, which is still in process of being made will share when available. Still growing

Transportation-critical infrastructure (air, rail, ports, nat. gas, broadband, talent wf support, opioid epidemic)

Focus:

- . Governor Cooper and NCGA is intent on dealing with opioid academic urge you to continue working on that.
- . Taxes & Incentives One North Carolina. JDIG stability (thank you they work because of your management together in legislature.)
- . Plan to continue to monitor those programs and work with them. (He and Senator Brown have talked about it.)
- . Wants to do something more robust for rural NC (tier system not perfect, but working fairly well).
- . Working with prosperity zones (regional in nature) rather than one-size-fits all; will continue working with legislators' help.
- . Hurricane Matthew money is still flowing out, although hoped it would have happened sooner.
- . NC Economy is larger than Sweden's 8<sup>th</sup> most populated State

### **Questions/Comments:**

Sen. Bryant: Is CXX on track? Anything happening with mega sites?

Copeland: Can't say everything to respond to those questions. Sees light at end of tunnel thanks to leadership. Continue to monitor CXX. Hoping soon some of these mega sites will not be empty. Must be ready – only real estate until infrastructure is there.

Rep. Goodman: Thank you. Natural Gas in rural areas - are there any initiatives to deal with Natural Gas now?

Secy. Copeland: Need to work together with you. Aren't going to find funds in one big pile for you. Need to put building blocks in place from several areas (local lead with state and fe deral government and gas companies.) Broadband also critical.

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Rep. Goodman: Would like to see a plan and happy to be involved.

Sen. McKissick: Ex. Report. What do you see as the greatest challenge facing North Carolina now and achievements to get to where we need to be to attract the growth?

Secy. Copeland: Department of Commerce has been reduced by \$34M and trying to do same work done prior. I am trying to bring in professional people but their salaries are not commensurate. Continuing to professionalize staff is important. Would like to continue to beef up other things in the department and have ability to do that. Strapped for money to bring in young talent.

Sen. McKissick: We hear this from other agencies. What would it take to attract needed talent? How far under market rate are you?

Secy. Copeland: (taking Copeland out of equation) talking about exempt employees, they have chosen to work under \$.

Rep. Conrad: Winston/Salem – We are one of urban areas struggling over last 30 yrs. Largest employer is 2 hospital systems. Why?

Secy. Copeland: Largest employer used to be traditional industry of tobacco – When sectors collapsed, effected. 9/15/2008 was difficult. NC lost more manufacturing jobs than any in country. Pillowtex replaced by tech. Doesn't happen overnight – downtown doing right thing now, but Reynold's tobacco was so big. Most growth is coming with 50 miles of major universities – you will be back.

Spoke with your Chamber – growing by Wake Forest.

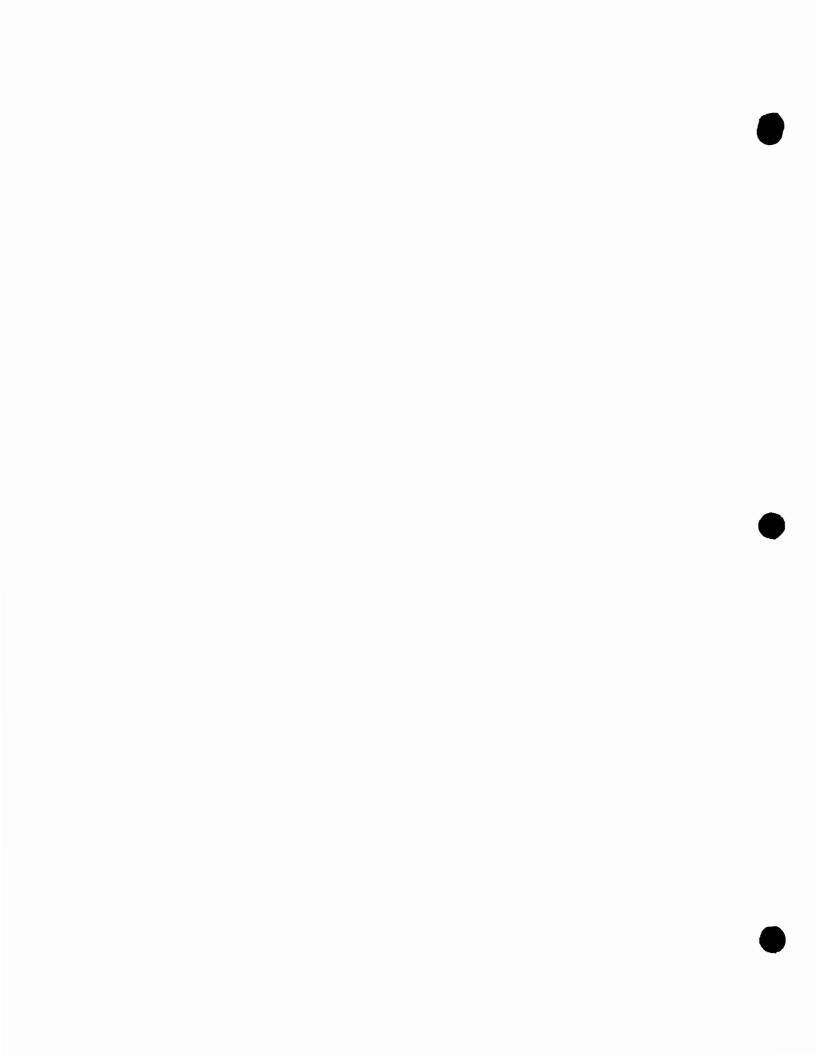
Rep. Conrad: Any suggestions to grow?

Secy. Copeland: Must adjust to having a disruptive economy forever – don't like, but reality (telecom business – in 4 months lost 10M in business – lots going through this). People will have multiple jobs with many companies. Community Colleges are critical component. Amazon wanted 50K employees in 17 yrs. 40% of Wake Forest have Master Degrees.

Rep. S. Martin: Saw positive in Winston Salem – local leadership.

Sen. Brown: To transform SE NC, rural NC – will take teamwork but what is your vision for Economic Development so that the state doesn't have to support them so much so they can support themselves?

Secy. Copeland: Generally – strategy at Dept. of Commerce, small business is critical to state (54% work for co. of 500 people), but in rural areas we need large manufacturing. Back these areas (tire, paper, etc.) as anchor for an area and helps grow small businesses. Working on incentivizing these. If Bridgestone left Wilson it would be crucial – we need more. It isn't one





size fits all – need to continue to help small businesses, but also bring large companies. Different areas of North Carolina go over the state lines – need to work both places so the investment comes across to North Carolina.

Rep. E Smith-Ingram: Report of 1/17 special task force on JDIG said we need to increase monies to tier 1 & 2. Have you developed a strategy for JDIG and tier system to promote more economical development in these areas?

Secy. Copeland: Caution to use only incentives to lift poor out (its workforce and infrastructure). Better model is to allow Dept. Of Commerce oversite to give to tier 1.

Sen. Edwards: Hears employers can't find enough help in business world. Goes much beyond other areas. Turn of skills gap – 6M unfilled jobs – 1/2M in North Carolina. Do you have a vision to close gap?

Secy. Copeland: On education Board & Spellings asked me what to do. Latest stats by 2025 automobiles will not have engines – we have many worker in this area – what are we doing to plan for this change? Skills gap is in technology. Banking industry says their problems are they can't find talent to work in banks. Must keep working harder and faster.

Rep. S. Martin: More to cover in this area of skills gap – we will be hearing more about this in future meetings.

Secy. Copeland: Trade and Community College is more acceptable today which is good. Apprenticeship programs growing.

Sen. Edwards: Comment to committee: Copeland said tier works OK. I have different opinion. I don't think abolishing the system is the answer. I suggest revamping the tier system -3 is not enough - should probably be in quintiles. Puts unequal communities with each other. Spend time into system that works.

Rep. S. Martin: We have been working on this extensively as a high priority. You may join us.

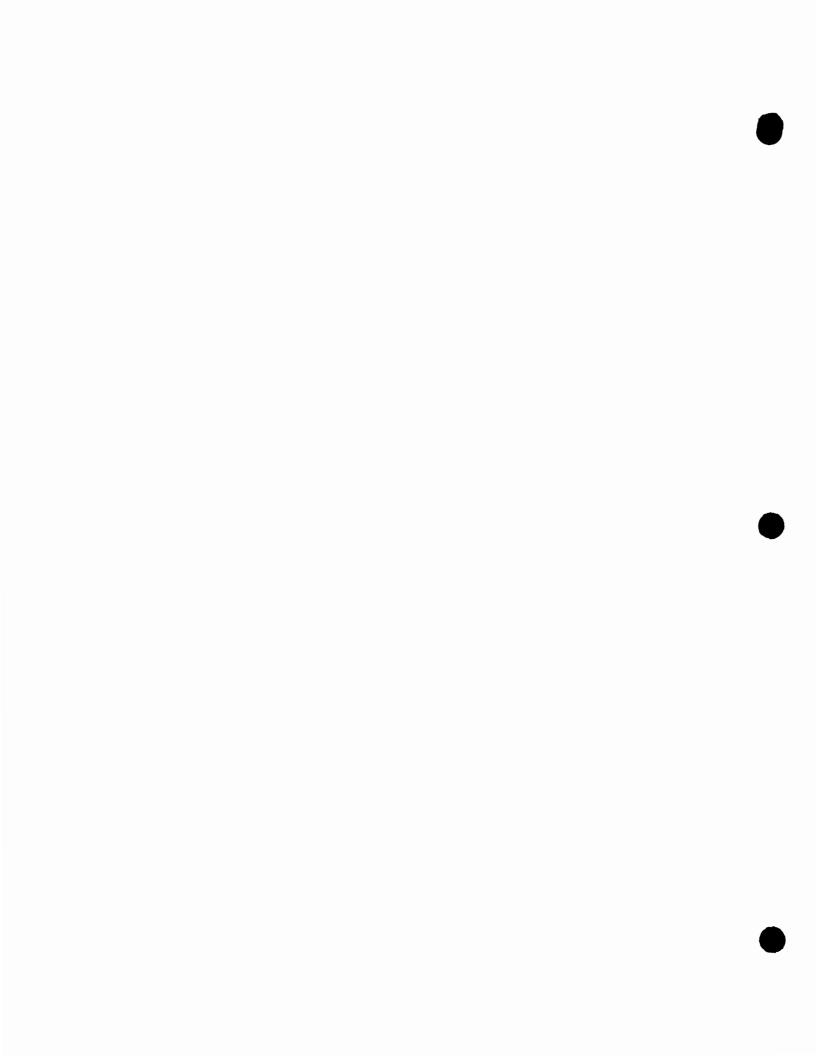
Sen. E. Smith-Ingram: Still question collaborative effort between Commerce, Transportation – is underfunded. Is something going to be done? Strategy for economically distressed areas?

Secy. Copeland: Back to you. I cannot appropriate dollars. I will work with this body to put infrastructure in place.

Rep. S. Martin: Strategy of prosperity zones will have a follow up detail. Please give update

Secy. Copeland: Prosperity Zone is being developed now and look forward to sharing.

Sen. Tucker: You pass.





Rep. S. Martin: Administrative Motion to move minutes

Rep. Moore: first Sen. Brown: second

# Presentation: Christopher Chung, CEO, EDPNC Economic Development Partnership of NC Performance Measures (slide presentations attached)

Comments in addition to his slide presentation:

Frequent request is work force, also permitting, help to grow their business with exports.

Major support to help start small business in every aspect.

Acknowledged Dave Crazen, Mark Zimmerman, Sheila White, and Tom Looney – Gov., House and Senate appointees to the board who are present today.

Minority, Veteran and Women owned companies are area of focus for helping small start-ups.

# Questions/Comments:

Rep. Goodman: Basic concept of retail is best opportunity for new business is to keep customers you have. Concern is access to capital. Has state provided a tool to make this easier through a match to expand who can't get traditional capital?

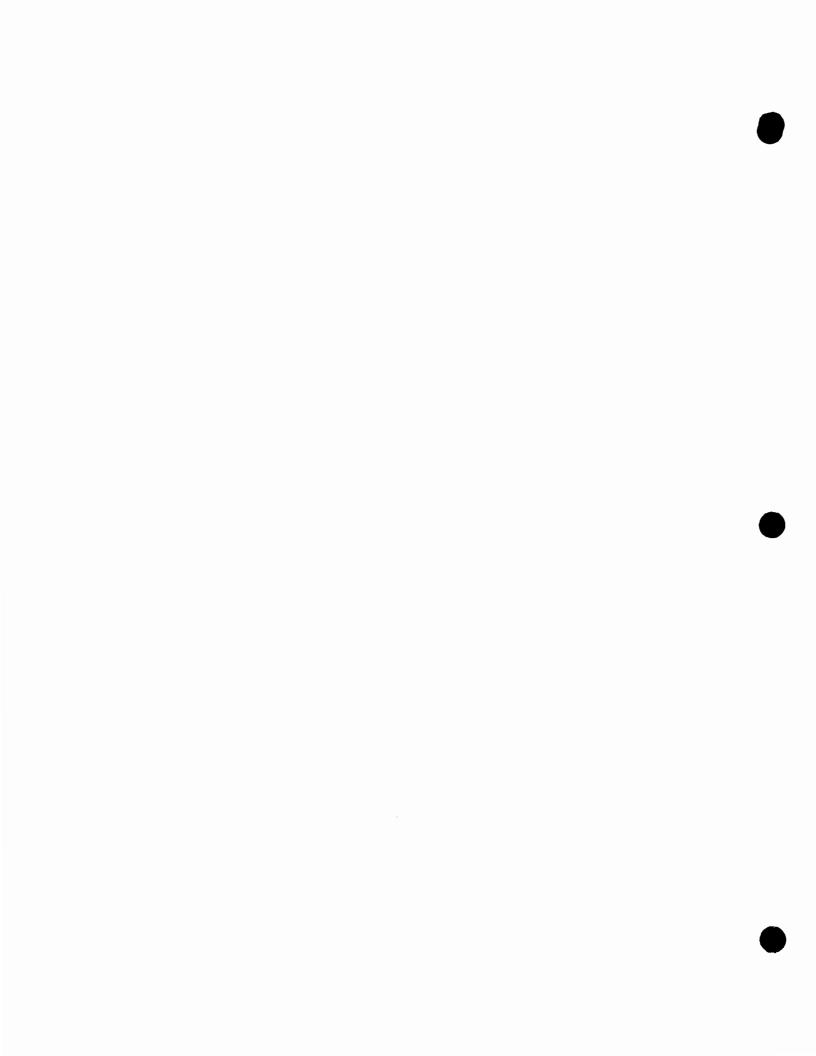
Mr. Chung: We know this is true. Yes, important esp. for smaller businesses. These tools would be helpful.

Sen. E. Smith-Ingram: Impressed with 40% going to tier 1 & 2. That means Tier 3 is getting 3 times as much. Are you doing anything to increase partners in local area? What is goal for tier 1&2?

Mr. Chung: Goal is to get it up. Getting word out at local library, local Chambers – catch people in areas where they would be. We don't have enough money to fund at this grows – current does a good job of making due with funds they have. Sustainable only to a point and service will suffer.

Sen. Tucker: It is an educational opportunity having you here since you can't lobby. What penalty does it put upon you with \$20m JDIG cap?

Mr. Chung: Ohio has identical program to NC JDIG – they don't have a cap. In OH there was never a forced decision because of a cap. If you do this, you incentivize the larger deals. Larger





tend to look in larger areas – smaller look in smaller areas. This is not going to be a good outcome for rural.

Sen. Tucker: Thank you for candid answer. Your board has publicly stated that they don't want that cap out there (attracts companies to other states without caps.) Regarding the JDGI policy that 150 jobs are required, and based on comments in my area and your comments some education needs to be in Econ. Development field and among legislatures about flexibility that perhaps should be offered on the caps (esp. among tier 1 & @ counties). I'm amazed we would even entertain a JDIG with 40 jobs – tier 1 & 2, would you speak to this?

Mr. Chung: This was before I was here. My hunch is this tier 1 & 2 got put in place quickly.

Sen. Tucker: I wanted it stated publicly that the 150 requirement jobs was made back in the Easly days but it is not statutory. We need your help in how to help tier 1 & 2 counties.

We were being hurt by various stigmas placed on our state. What is annual growth of tourism you saw?

Mr. Chung: 4% state wide increase. Those were some impacted. Tourism needs booked a year out so it may take time to see full impact. We've seen growth in tourism here which is our focus.

Secty. Copeland: It depends on what way of economic development. Recruitment of industry tend more toward more populace counties. When we broke out county tourism growth, highest were in tier 1 or 2 areas. Triad focuses more on industry – Outer banks more on tourism.

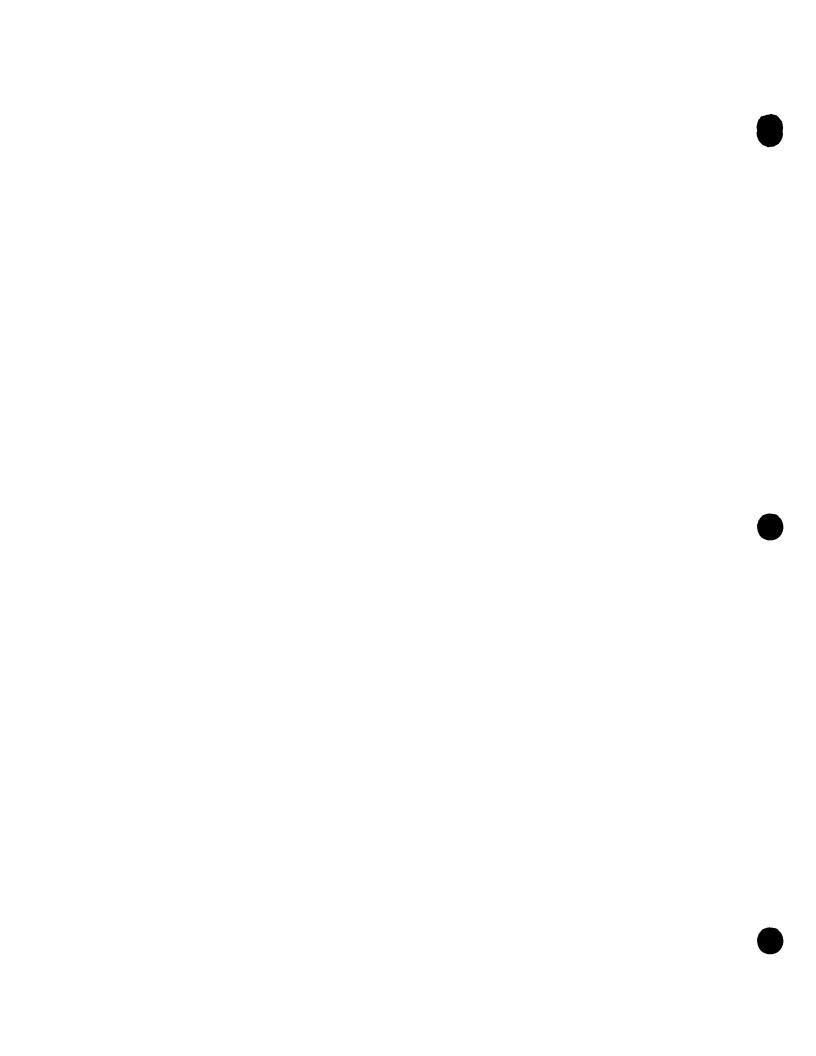
Sen. McKissick: Helpful to see it categorized. We always wanted to be sure private sector came in and created funds. Where do we stand now?

Mr. Chung: Private funds help do more. Don't want to rely only on public. How is it marketed to get more resources? We've come off our best year over 3 yrs. 1.35M in funding. Optimistic if economy continues to grow. You in commerce are our boss. In private they expect us to perform.

Sen. McKissick: What resources would you target to be more effective?

Mr. Chung: On small business counseling, concern as we promote this service we will outpace our staff availability. We try to do a great job in prosperity zone presence – 8 people for 100 of 1,000s chips away. Surge in foreign – over sees markets. India would be a great market but hard to prospect in Cary, NC. Boots on ground would show dividends.

Rep. Brody: I've been in the legislature while we've developed this. I took beltway around Chicago. I saw Corp. after Corp. HQs. We have better tax, regulations, structure, good business climate....however, those companies anchor there in Chicago. What can we do? They don't have to be there for any particular reason. We have much to offer and they are not moving.





Mr. Chung: More difficult with HQs b/c of living, etc. NNInc. Relocated not long ago because of need for talented workforce. Sealedair is another from NJ. Still it's very difficult – esp. a homegrown company. They would need to have several frustrations to get them to pick up and move. We are a state looked at positively.

Sen. Brown: Good job on presentation. Thinking about numbers – back 7 years, \$22B budget. \$19B at bottom of recession. Now \$29B in today's budget with tax cuts and rainy day fund. We've generated \$10B more in budget in 10 years – we are doing something right. To me, these are impressive #s when you start breaking it down. Thank you Chris and team for being a part of that. Talking about those #s is important as they are impressive.

Presentation: Napolean Wallace, Deputy Secretary for Rural Economic Development and Workforce Solutions Rural Economic Development Division Grants and Reports

Slide Presentation Attached

Staff here Melody Adams, Mark Pool, A Pain, Liz Par, Olivia Collin, Tom Hesser.

# **Questions/Comments:**

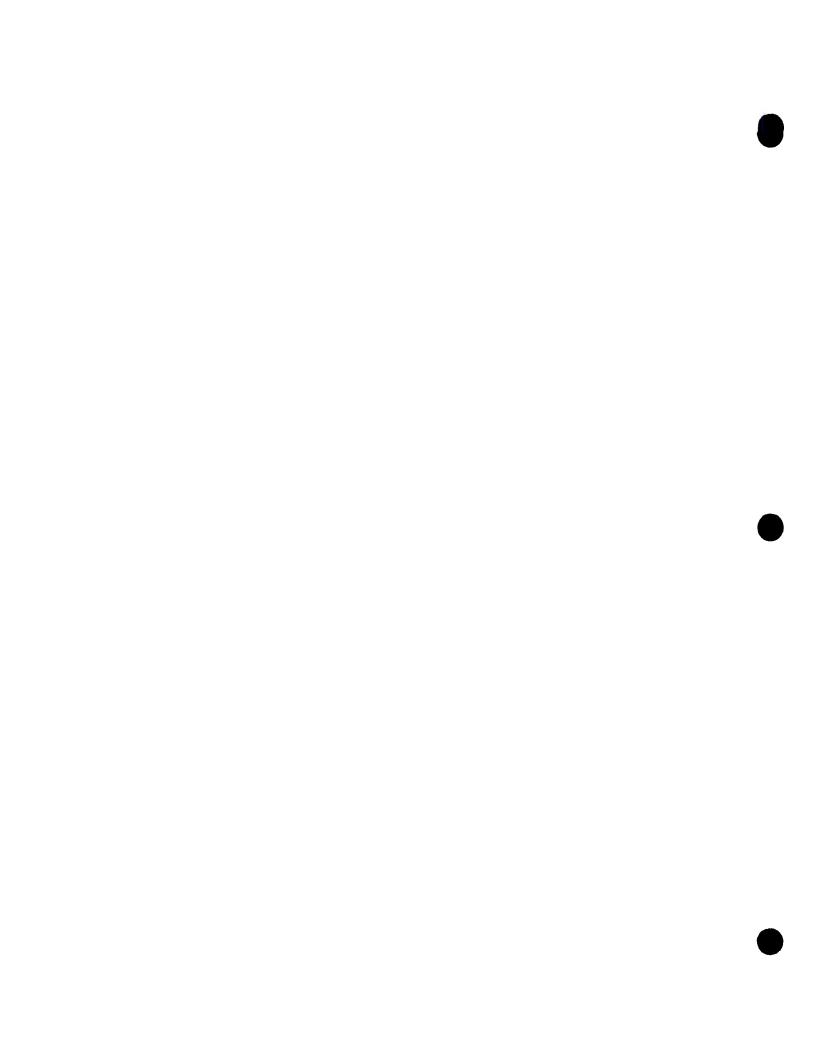
Rep. S. Martin: I appreciate all your work out in areas. Kept coming back from stakeholders that we need a plan, collaboration, etc. How well do you see the team working together – How is it going on the ground?

Mr. Wallace: Pretty well esp. since it is a newer system working in. We need to find a way in local zones to be responsive to the local communities – whether it's local workforce dev boards, - many have said this is what we need to do. Take some existing plans and say we have heard the supports you need (business, local community, ect.) let's make sure we are working together.

Sen. Brown: Prospect Zones can't afford to hire an Economic Development Expert so locals are juggling a lot of hats. How are you reaching out to help support those people?

Mr. Wallace: Two examples earlier in Prospect Zone – how you bake a cake approach – have ingredients, have tools but if don't have the right recipe it doesn't work. Other part, once you have cake baked, how do you sell it? Regional reps with EDPNC have been helpful with that. Can now sell this to instate outstate.

Rep. Ross: Following on same theme. 3.8M appropriated in Prospect Zone and LIDL is an example – I know that was a collaborative effort between several communities. Greater effort to collaborate with local government. My past experience is that has not only been the case – no effort to work across lines, etc. LIDL happened because of collaboration. Going forward, is





there going to be a greater effort to use this kind of example like polling resources to make these happen because reality is in rural areas it will take these kind of joint efforts?

Mr. Wallace: Yes and Yes. Economic Development has always needed collaboration. Smaller has always had need for different resources. Local has incentive to collaborate. Recently I've seen a change in how much people are trying to work across local political boundaries – LIDL is great example. Haven't figured out how to incentivize.

Rep. S. Martin: Criteria for grants – look at collaboration incentive.

Sen. Brown: Capacity of small towns to take advantage of grants being offered. Halifax is getting help in making a plan to move forward in becoming more of a player for those left out.

Rep. Brody: 3 questions:

Regards to reuse of existing buildings - will these grants help reuse of buildings?

Mr. Wallace: Yes

Rep. Brody: Next on LIDL Company – what is your policy on doing Economic Development to an industry that has direct competition? Don't see them making new product – just taking from another?

Mr. Wallace: In some places if there is a grocer around the corner, we are thinking around retail – LIDL had a retail and distribution aspect, too. Strategy is to have area that people are attracted to. We don't necessarily give the full amount in all cases - dollars associate with number of jobs. Prioritize wages – example: retail gets a little less.

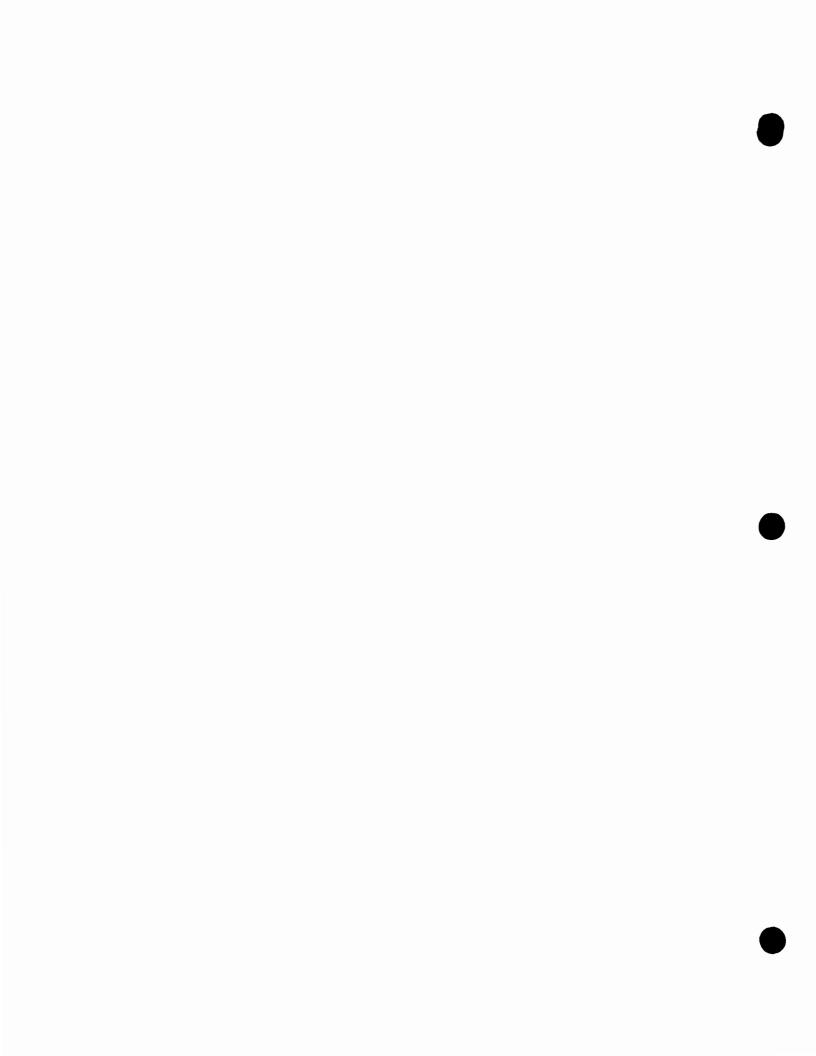
Rep. Brody: Community Block Grant – You mentioned you will do new construction. If correct, then can these dollars be used as revolving (such as Habitat for Humanity that resells)?

Mr. Wallace: Short answer is yes. We have program on the shell of buildings where we do 50% of the loan for a property. The local county manager understands it doesn't burden the budget so much.

Sen. E. Smith-Ingram: To recruit companies to come to outlying areas, you said you get a map. Do you provide some kind of a survey for why an area has not received a grant?

NW: Local developers with EDPNC is an example. They know the local area very well, and they are just thinking about what's possible – we give the ideas to them of what's possible. Not always us.

Sen. E. Smith-Ingram: Any goals by Prospect Zone?





Mr. Wallace: We thrive on aspects of Prospect Zones. Some are more assertive than others making sure they're getting the deals. We are making sure there is balanced distribution by watching and knowing what places have not been getting the grant incentives, so there is balance.

Sen. Tucker: Randy Parton theatre? I always look from a business view, and I see a ton of redundancy in EDPNC and you. May I ask Senator Brown a question? Does this group get the money from the division of water resources?

Sen. Brown: Counties had to apply for those grants/loans. They are 2 pots of money. \$100M grants and \$100M for loans. This is a different project.

Rep. S. Martin: Recognize W. Childs

Mr. William Childs: There is money from specific water/sewer projects that are focused.

Sen. Tucker: To follow up, comparison of a couple of things. I see several processes that overlap. Help me Mr. Wallace to understand our bang for our buck. Metrics were mentioned in both presentations. Are there job numbers coming back from these metrics?

Mr. Wallace: Showed slide with money and jobs. I would say I don't see a tremendous amount of overlap. We have leadership looking to see how we best utilize our resources.

Sen. Brown: Follow up on Prospect Zones - it has been a slow process in getting those staffed up in proper locations to do some of this work with smaller rural counties. When it does start to take place, these numbers will look a lot better.

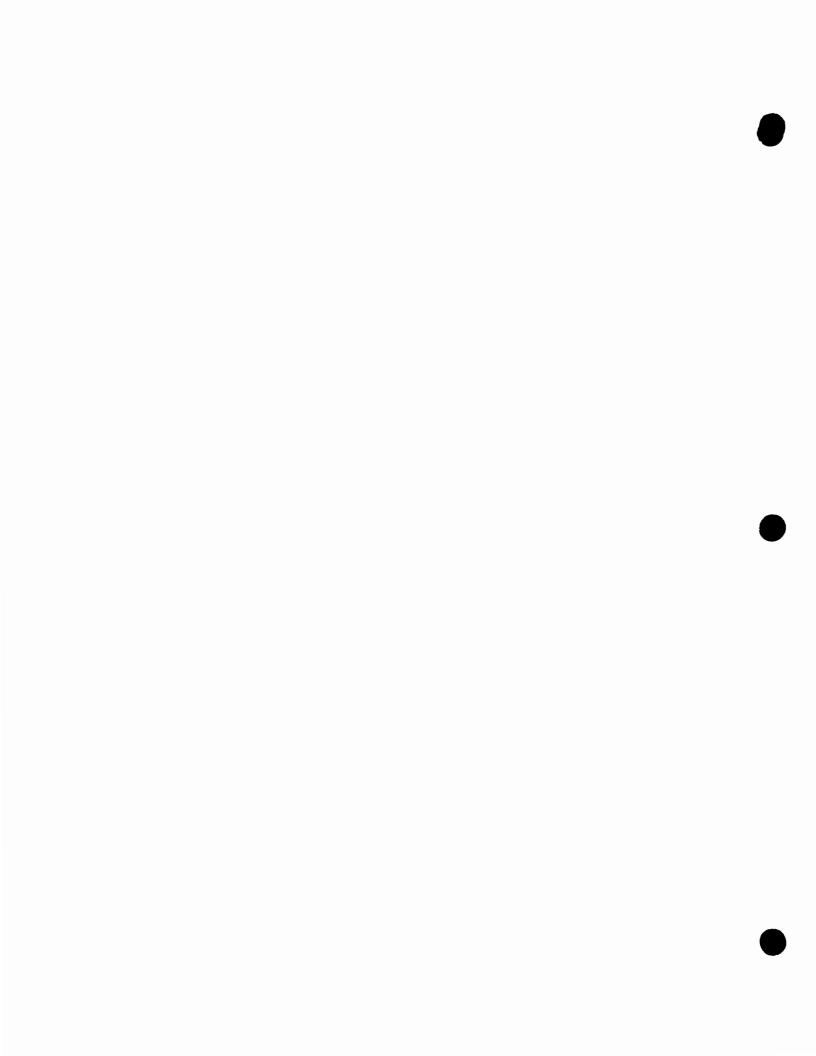
Rep. S. Martin: Very appreciative. We've done a lot of work and we have a lot of work ahead of us. We have the opportunity to see these across the state with a plan that evenly distributes funds. Prospect Zones are working. All are at a place within the plan. We may need metrics to follow the progress. If we are not at that place, we will continue to work at it. Good plan. There is no December meeting. Those interested, please be in touch with one of our offices. Suggest we bring some of these people on the ground to ask if it is really working and how we can be supportive. William let's coordinate.

### Adjournment

There being no further business, the meeting adjourned at 3:44pm.

Representative Susan Martin, Co-Chair

Presiding

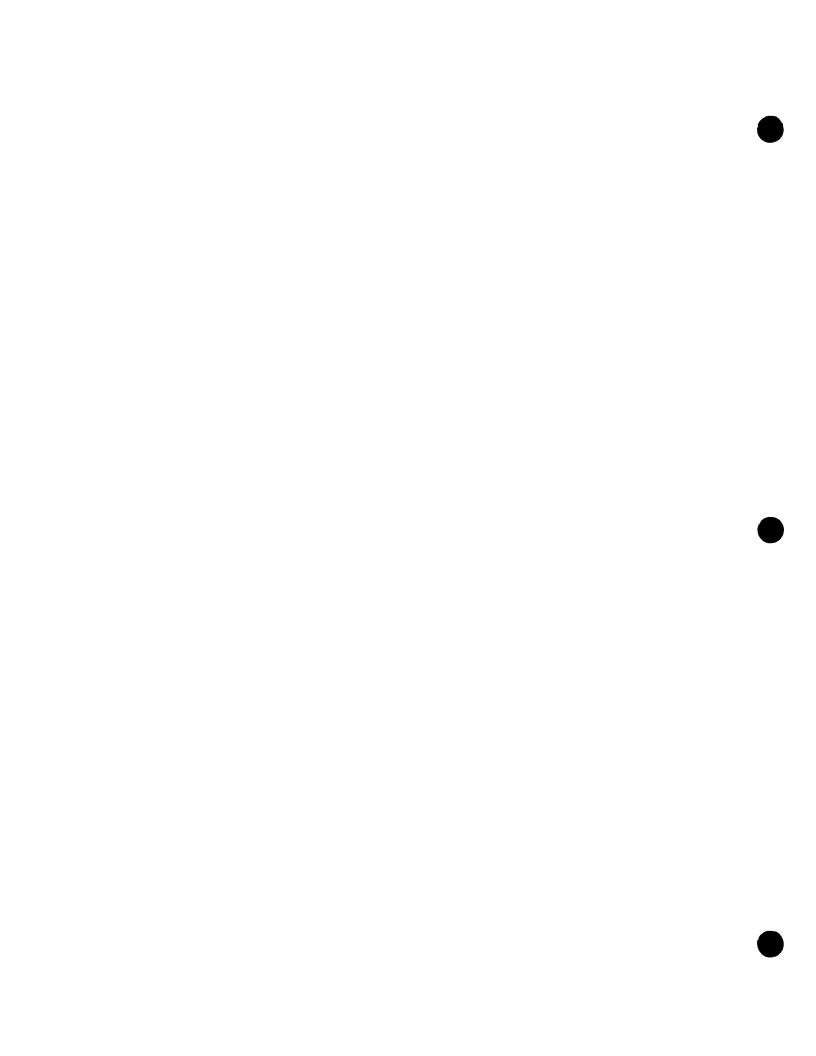




Susie Farrell, Committee Clerk

# Attachments:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from January 10, 2017 meeting
- 4 Visitor's Registration
- Presentation by Christopher Churig, CEO, EDPNC on Economic Development Partnership of NC Performance Measures
- Presentation by Napolean Wallace, Deputy Secretary for Rural Economic Development Division Grants and Reports



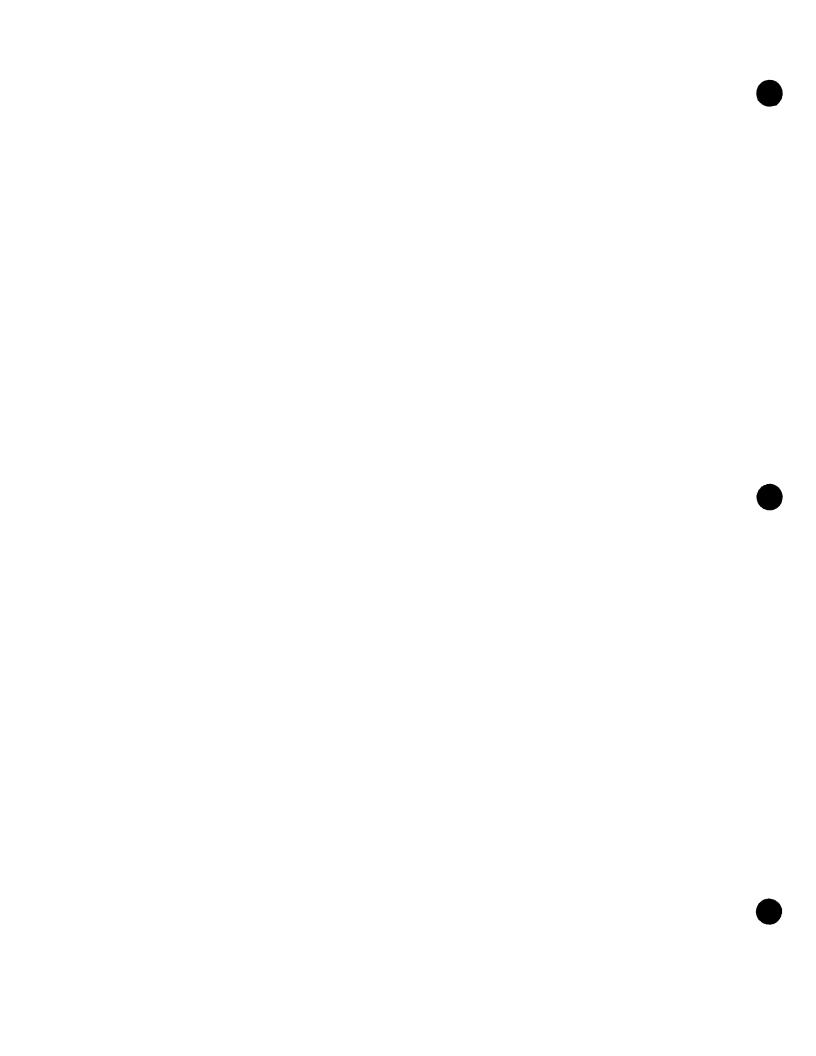
# JDIG Awards by County, 2013-2017

	2013		2014			2015			2016			2017				Total # of Awards	Total # of Jobs	
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs			y figh
1 Alamance	200000000000000000000000000000000000000	7.817.44.00		\$1,340,000	1	1,332	1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1	2 10 May 2 10 May 20 Ma		\$3,893,000	2	2,260			7.76.24	\$5,233,000	3	3,592
2 Ashe	\$4,762,000	1	1,624													\$4,762,000	1	1,624
3 Bladen	\$4,116,000	1	1,065													\$4,116,000	1	1,065
4 Buncombe	\$4,762,000	1	1,624							\$6,536,000	13	608				\$11,298,000	2	2,232
5 Burke	12 . \$2000 A\$40, brazil	- 7		\$2,935,000	1	271					4. 11		\$3,313,000	2	347	\$6,248,000	3	618
6 Cabarrus													\$2,832,000	2	200	\$2,832,000	2	200
7 Catawba				\$3,535,000	1	861				\$4,336,000	2	3,074	\$2,904,000	1	210	\$10,775,000	4	4,145
8 Cleveland	\$2,876,000	1	189				\$1,559,000	1	150			21102200, 2000E9	\$7,721,000	2	350	\$12,156,000	4	689
9 Craven							\$4,552,000	1	1,576							\$4,552,000	1	1,576
10 Davidson													\$5,965,000	1	400	\$5,965,000	1	400
11 Davie	\$4,116,000	1	1,065				\$5,119,000	1	1,676							\$9,235,000	2	2,741
12 Durham	\$8,740,000	2	2,907	\$6,181,000	1	331	\$27,494,000	4	5,440	\$5,073,000	1	289	\$4,287,000	2	1,517	\$51,775,000	10	10,484
13 Edgecombe		3.	10mmey 1452 3		**			3.0 0		\$4,310,000	1	1,025	\$21,362,000	2	911	\$25,672,000	3	1,936
14 Forsyth							\$3,998,750	1	794	\$2,572,000	1	1,448				\$6,570,750	2	2,242
15 Franklin										\$1,261,000	1	302				\$1,261,000	1	302
16 Gaston	\$1,991,000	1	185	1/18						100000			\$1,624,000	1	150	\$3,615,000	2	335
17 Granville	X		-	\$1,549,000	1	381										\$1,549,000	1	381
18 Guilford	\$3,978,000	1	1,283													\$3,978,000	1	1,283
19 Henderson	124. 248									\$5,676,000	1	350				\$5,676,000	1	350
20 Iredell	2000		1	80									\$1,344,000	1	302	\$1,344,000	T	302
21 Johnston							\$21,149,000	1	1,415							\$21,149,000	1	1,415
22 Lee				\$1,340,000	1	1,332				\$1,710,000	建	2,053				\$3,050,000	2	3,385
23 Mecklenburg	\$169,605,000	7	6,272	\$74,023,000	5	5,084	\$28,153,000	5	2,743	\$15,133,000	4	1,518	\$43,270,000	3	3,000	\$330,184,000	24	18,617
24 New Hanover	\$6,413,000	2	2,224				1. 14 (96815) 7888-96 7		AND ANDREAS						100000000000000000000000000000000000000	\$6,413,000	2	2,224
25 Pender	\$1,300,000	1	120													\$1,300,000	1	120
26 Person										\$1,710,000	1	2,053				\$1,710,000	1	2,053
27 Pitt	\$1,477,000	1	736	\$7,437,000	1	2,133										\$8,914,000	2	2,869
28 Randolph	***************************************												\$2,185,000	1	145	\$2,185,000	1	145
29 Richmond				\$1,905,000	1	338										\$1,905,000	1	338
30 Rockingham	\$9,462,000	1	473													\$9,462,000	1	473
31 Rowan	\$4,116,000	1	1,065													\$4,116,000	1	1,065
32 Rutherford	- ANSAR		21-78K-10071							\$3,008,000	1	610				\$3,008,000	1	610
33 Sampson				\$1,905,000	1	338										\$1,905,000	1	338
34 Vance													\$3,161,000	1	153	\$3,161,000	1	153
35 Wake	\$139,858,000	5	5,781	\$66,663,000	3	7,965	\$25,209,000	2	5,163	\$26,067,000	3	3,917	\$92,537,000	5	3,780	\$350,334,000	18	26,606
36 Wilson	1010'8'80'A'6'A' 8T 9,		3,.01	\$993.000	1	270	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						\$8,033,000	- 1	445	\$9,026,000	2	715
Grand Total	\$367.572,000	27	26,613	\$169,806,000	18	20.636	\$117,233,750	16	18.957	\$81,285,000	20	19.507	\$22,918,000	25	11.910	\$758.814.750	106	97.623



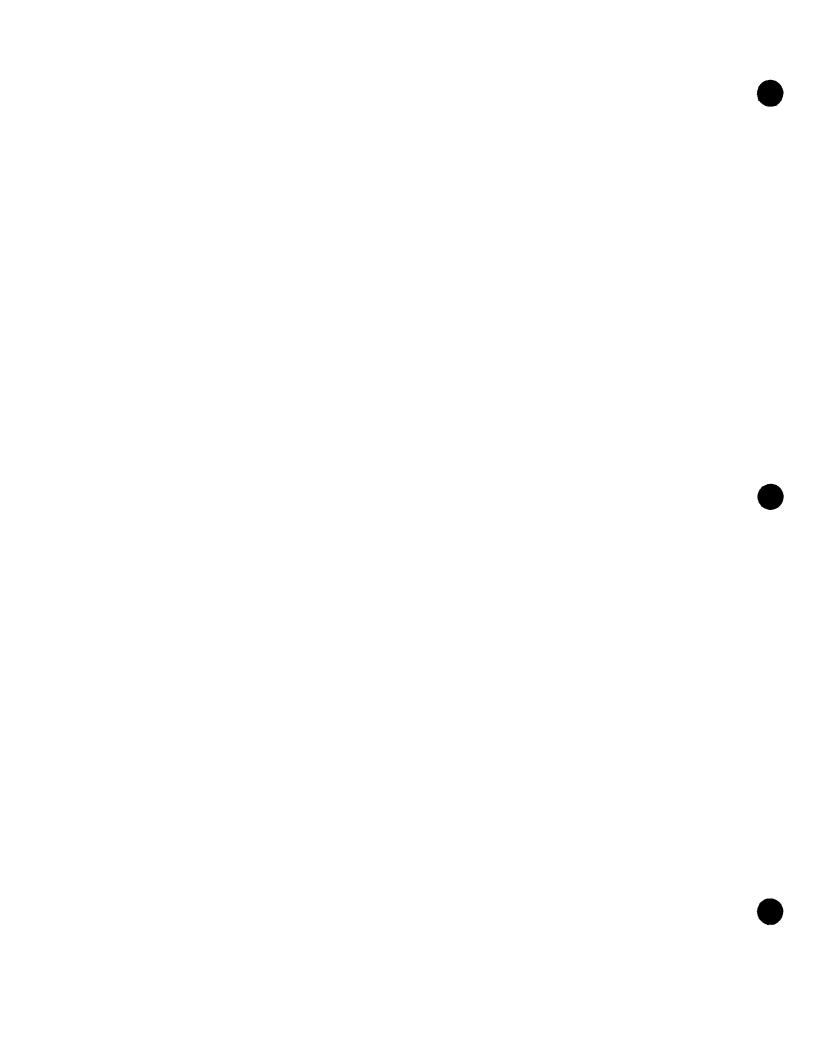
# One NC Awards by County, 2013 - 2017

	2013			2014			2015	2015					2017		* -	Total Amount of Awards	Total # of Awards	Total # of Jobs
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	1 7		
1 Alamance	\$1,100,000	1	450	\$330,000	2	122	\$313,000	2	181	\$265,000	2	102	\$100,000	1	35	\$2,108,000	8	890
2 Alexander				/									\$100,000	€ =	37	\$100,000	1	37
3 Anson										\$300,000	1	100			3,000	\$300,000	1	100
4 Ashe	\$1,250,000	1	242							0						\$1,250,000	1	242
5 Beaufort	\$456,000	2	211													\$456,000	2	211
6 Brunswick	\$40,000	1	77							Y						\$40,000	20001	77
7 Buncombe	\$1,448,000	3	398	\$701,000	3	288	\$40,000	1	56							\$2,189,000	7	742
8 Burke	\$108,000	1	50	\$20,000	1	20				(			\$500,000	1	102	\$628,000	3	172
9 Cabarrus				\$500,000	1	275			٧	\$150,000	1	56			100	\$650,000	2	331
10 Caldwell	\$189,000	1	38	,						\$500,000	1	82	\$350,000	3	118	\$1,039,000	5	238
11 Catawba	\$200,000	1	162				\$485,100	3	281	\$110,000	1	46	\$300,000	1	72	\$1,095,100	6	561
12 Chowan	96			\$100,000	# 1	32	\$156,000	1	78		•			•	-	\$256,000	2	110
13 Clay							\$150,000	7.	15.360 <b>3.34</b>				\$50,000	1	15	\$50,000	1	15
14 Cleveland	\$1,005,000	2	291				\$50,000	1	27	\$1,435,000	- 4	387	\$30,000		15	\$2,490,000	7	705
15 Columbus	\$150,000	1	145				\$50,000	97	-	\$1,435,000						\$150,000	1	145
16 Cumberland	\$64,000	1	32										\$350,000	2	215	\$414,000	3	247
17 Currituck	404,500		250	\$120,000	1 .	60				100			\$550,000		213	\$120,000	1	60
18 Davidson	\$128,000	1	72	\$120,000		00							\$2,500,000	1	232	\$2,628,000	2	304
19 Davie	\$75,000	1	58				\$829,500	1	454				\$2,500,000	8.	And An	\$904,500	2	512
20 Duplin	310,000		50				\$100,000	-	50	\$120,000	1	50				\$220,000	2	100
21 Durham	\$1,770,000	3	386	\$400,000	1	100	\$73,500	1	98	\$177,000	2	131				\$2,420,500	7	715
22 Edgecombe	\$100,000	1	29	\$400,000	1	100	\$75,500	-	70	\$300,000	1	98	\$16,150,000	2	842	\$16,550,000	4	969
23 Forsyth	3100,000	,	to !	\$300,000	1	200				\$300,000	*	. 20	\$250,000	1	260	\$550,000	2	460
24 Franklin				\$400,000	1	100							\$40,000	1	40	\$440,000	2	140
25 Gaston				\$225,000	1	75							340,000		467	\$225,000	1	75
26 Graham				\$156,000	1	114				0.00			/			\$156,000	1	114
27 Granville				\$1,50,000	1	×4.74	\$100,000	1	40				\$100,000	1	55	\$200,000	2	95
28 Greene							\$100,000		40	\$50,000	1	22	\$100,000	1	33	\$50,000	1	22
29 Guilford	\$596,500	3	290	\$100,000	1	50	\$994,000	4	372	\$70,000	1	70	\$160,000	1	80	\$1,920,500	10	862
30 Halifax	\$80,000	- 1	40	\$100,000	1	50	3774,000	-	312	\$600,000	1	155	\$100,000	I.	ου	\$680,000	2	195
31 Harnett	\$200,000	1	220	UNION -						\$000,000	1	133				\$200,000	1	220
32 Henderson		1	40	\$84,000	2	£7:	6500,000	1	2320	6795 000	4	471						25.000
	\$40,000	1	40	2 -527 38	2	67	\$500,000	1	138	\$785,000	4	** f 1				\$1,409,000	8	716
33 Hoke	054 000	- 1	22	\$232,000	1	79	\$150,000	1	367							\$382,000	2	446
34 Hyde	\$64,000	1	32	0115 000	2	(2							050,000	1	44	\$64,000	1	32
35 Iredell	\$218,000	3	124	\$115,000	2	62	E1 000 000		601				\$50,000	1	44	\$383,000	6	230
36 Johnston							\$1,000,000	1	691	000000		2.5	mass oos		40	\$1,000.000	1	691
37 Lee				*****		10	\$225,000	1	76	\$62,000	1	25	\$250,000	1	40	\$537,000	3	141
38 Lenoir				\$80,000	1.	18	\$600,000	3	240	\$68,000	1	34				\$748,000	5	292



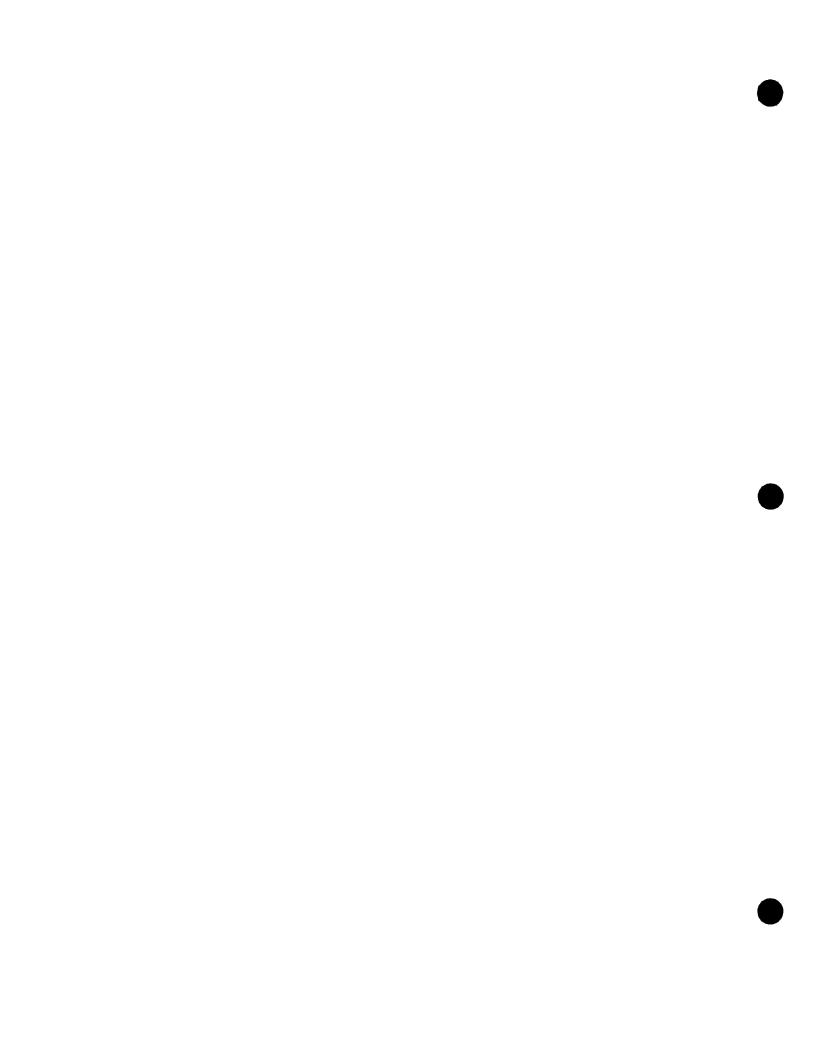
# One NC Awards by County, 2013 - 2017

2013				2014			2015			2016			2017		Total Amount of Awards	Total # of Awards	Total # of Jobs	
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of	# of Awards	# of Jobs			
39 Lincoln	\$99,000	1	86		· cmarcas	0003		-1	0017.1	\$100,000	1	100	33.	2101211013	9793	\$199,000	2	186
40 Macon	\$56,000	1	121						0	\$90,000	3.4	35				\$146,000	2	156
41 Madison	1 1990 1997									And And And About			\$100,000	1	47	\$100,000	1	47
42 Martin				\$120,000	1	24	\$114,400	1	38				\$90,000	1	31	\$324,400	3	93
43 McDowell	\$267,000	2	93	\$90,000	1	30	The state of the s						\$1,084,000	2	118	\$1,441,000	5	241
44 Mecklenburg	\$48,000	1	32	\$2,745,000	3	1.376	\$316,000	2	420	\$1,100,000	2	193				\$4,209,000	8	2.021
45 Montgomery	\$1,543,600	2	536			- P. T. C.	,,	=======================================		ing manyporanizati		TTT	\$200,000	1	71	\$1,743,600	3	607
46 Moore							\$52,000	1	48				/			\$52,000	1	48
47 Nash	\$210,000	1	56				100000000000000000000000000000000000000						\$60,000	1	31	\$270,000	2	87
48 New Hanover	\$1,250,000	1	242				\$50,000	1	37				4.1,010			\$1,300,000	2	279
49 Orange	\$264,000	1	90				1000	-								\$264,000	1	90
50 Person	\$235,000	1	60													\$235,000	1	60
51 Pitt	\$184,000	2	92	Ī			\$550,000	1	110							\$734,000	3	202
52 Randolph	\$10,000	1	10	\$450,000	1	163	and the second						\$625,000	2	155	\$1,085,000	4	328
53 Richmond	7-,,-			* 100 m	_	P 375	\$100,000	1	33	\$940,000	3	299	20.75		99.57 F.	\$1,040,000	4	332
54 Robeson	\$1,030,000	3	344				\$1,100,000	2	1,025	\$150,000	1	50	\$200,000	1	61	\$2,480,000	7	1,480
55 Rockingham	\$13,000	1	11				\$765,000	1	105	4.00,000	•	-				\$778,000	2	116
56 Rowan	410,000	•		\$300,000	-1	149	ψ, σο, σοσ	•	100				\$50,000	1	28	\$350,000	2	177
57 Rutherford	\$440,000	1	76	\$125,000	2	120	\$25,000	1	40				- was a force of		20	\$590,000	4	236
58 Sampson	\$300,000	i	65	ψ120,000	_	120	\$25,000	•					10			\$300,000	1	65
59 Scotland	4500,000		,00	\$402,000	1	68	\$402,500	1	115				\$440,000	3	139	\$1,244,500	5	322
60 Stanly	\$48,000	1	25	\$102,000	- 1	00	\$102,500	•	110				\$110,000		100	\$48,000	1	25
61 Surry	\$350,000	2	110													\$350,000	2	110
62 Transylvania	21.7282.42	_	110	\$80,000	- 1	80										\$80,000	i	80
63 Union				\$40,000	1	41	\$2,540,000	3	387							\$2,580,000	4	428
64 Vance				\$10,000	,	- 11	\$2,5 10,000		507	\$1,000,000	- 1	0	ŀ			\$1,000,000	1	0
65 Wake	\$2,200,000	2	2,697	\$825,700	4	1,505	\$763,000	3	381	\$2,000,000		0				\$3,788,700	9	4,583
66 Wayne	\$60,000	1	38	\$625,700		1,505	100,000	3	201	\$200,000	1	88	\$125,000	1	60	\$3,766,760	3	186
67 Wilkes	400,000	- 1	30	\$180,000	1	63				Jano,000		00	4120,000	1	.00	\$180,000	1	63
68 Wilson	\$300,000	1	100	\$100,000	1	125			-	\$1,100,000	2	37	\$62,000	- 1	31	\$1.562,000	5	293
69 Yadkin	\$200,000		100	\$100,000	4	123				\$1,100,000	1	58	302,000	ı	31	\$1,362,000	1	58
Grand Total	\$18,189,100	58	8.271	\$9,320,700	39	5,406	\$12,394,000	41	5.888	\$9,777,000	36	2.689	\$24,286,000	-34	2,959	\$73,966.800	208	25,213



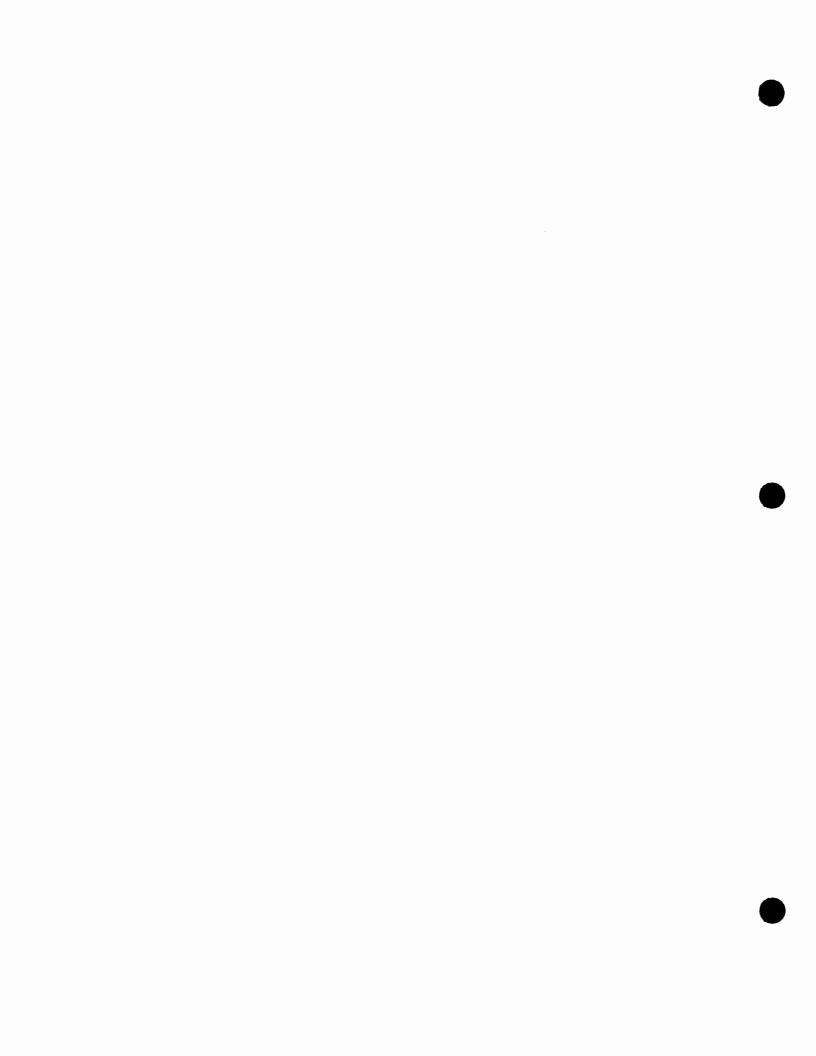
# **Utility Account Awards by County, 2013-2017**

	2013			2014			2015	2015 2016								Total Amount of Awards	Total # of Awards	Total #
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs			
1 Alexander				\$100,000	1	20	\$252,000	2	20	**************************************		200 KM 1947 . 54				\$352,000	3	40
2 Beaufort				\$491,985	a	0	XXXX0		To the second	\$337,000	1	10			7	\$828,985	2	10
3 Bladen							\$417,103	1	0				\$265,000	1	0	\$682,103	2	0
4 Burke							\$898,425	1	25							\$898,425	1	25
5 Catawba							\$120,975	1	5	\$700,109	2	0				\$821,084	3	5
6 Cleveland	\$455,478	1	0	-					- 6				\$1,000,000	1	0	\$1,455,478	2	0
7 Craven	V.									\$515,000	2	0				\$515,000	2	0
8 Davie	1000			-			\$450,000	- 1	0	Tilano.						\$450,000	1	0
9 Edgecombe	\$30,000	1	0	\$750,000	1	100	ALCON TO THE		- COUNTY	\$949,750	1	0	\$1,704,700	1	0	\$3,434,450	4	100
10 Franklin				\$500,000	1.	15							\$1,807,000	1	0	\$2,307,000	2	15
11 Gaston				,		20/1,519				\$750,000	1	0				\$750,000	1	0
12 Haywood				\$2,100,000	1	0	0.0								18	\$2,100,000	1	0
13 Hertford				1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -			\$602,000	1	0							\$602,000	1	0
14 Martin	3			-			\$926,675	1	0.							\$926,675	1	0
15 Montgomery	\$721,020	1	0	\$470,000	1	246			₹							\$1,191,020	2	246
16 Nash	U familia			\$379,087	1	0	1.0		7				Top		- 3	\$379,087	100000	0
17 Northampton	100			III. WOMEN MALES M	70.0					\$568,769	1	0				\$568,769	1	0
18 Onslow	A						\$1,243,875	1	0	0000,100						\$1,243,875		0
19 Perquimans				\$1,500,000	1	0	4134,03010									\$1,500,000	1	0
20 Pitt				01,000,000					- 0	\$773,822	1	0	\$773,822	- 1	0	\$1,547,644	2	0
21 Polk						Y				0110,000	•		\$185,000	1	8	\$185,000	1	8
22 Randolph													\$1,785,500	2	15	\$1,785,500	2	15
23 Richmond							\$1,000,000	1	0	400			41,7,00,000		**	\$1,000,000	1	0
24 Robeson							\$208,000	1	16	\$1,000,000	48	0				\$1,208,000	2	16
25 Rowan				\$1,133,000	1	184	\$200,000	•	10	ψ1,000,000	.*.				1	\$1,133,000	1	184
26 Rutherford	M 1			\$262,035	2	75	\$148,900	1	10							\$410,935	3	85
27 Sampson				\$750,000	1	67	W. 10,700		10,							\$750,000	1	67
28 Scotland	\$500,000	1	0	\$750,000		07	18892			\$708,000	1.	0				\$1,208,000	2	0
29 Stanly	4500,000	-	U	\$500,000	1	0				\$700,000	1.	U	\$950,000	1	0	\$1,450,000	2	0
30 Surry	\$984,159	3	0	3300,000	ı	U	\$148,259	1	0				\$493,480	1	0	\$1,625,898	5	0
31 Vance	\$704,1J9	2	V				\$165,356	2	50				\$217,272	1	1	\$382,628	3	60
32 Washington				\$1,259,550	19	0	3103,330	2	30				\$217,212	1	10	\$1,259,550	3	1
33 Wilkes						0	180 - 5										1	0
				\$1,828,225	4	141				61 377 760	,	0				\$1,828,225 \$1,377,759	4	141
34 Wilson Grand Total	\$2,690,657	_	0	\$12,023,882	18	848	\$6,581,568	15	126	\$1,377,759 \$7,680,209	12	0 10	\$9.181,774	11	33	\$1,377,759	63	1.017



## RIA Awards by County, 2013-2017

	2013			2014			2015			2016	3		2017			Total Amount of Awards	Total # of Awards	Total # ol Jobs
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Award	# of s Jobs	Amount of Awards	# of Awards	# of Jobs			
1 Alamance	Awaitis	A WAI U	Juns	Awarus	/wards	JODA	\$400,000	- Amaius	40		a.u	, 4002	\$360,000	Awarus	36	\$760,000	2	76
2 Alexander	\$480,000	330	48	\$200,000	2	20	\$500,000	1	40	\$385,000	2	42	\$740,000	i	37	\$2,305,000	7	187
3 Alleghany	\$100,000	*	Ker	3200,000	_	,20				9303,000	, -	-	\$225,000	1	35	\$225,000	1	35
4 Ashe				\$50,000	1	5	\$500,000	1	40	\$50,000	1	5	\$349,410	i	0	\$949,410	20 94	50
5 Avery	\$70,000	1	14				4500,000			*********	•			*	,,,,	\$70,000	1	14
6 Beaufort			- 1	\$580,000	2	58	\$419,762	2	52	\$658,000	2	24	\$525,000	2	5	\$2,182,762	8	139
7 Bertie				000000	_		La establishment		300	\$129,143	2	8	\$25,000	1	5	\$154,143	3	13
8 Bladen				N F 3-1 F			\$320,000	2	64				\$280,000	2	28	\$600,000	4	92
9 Brunswick							,		-				\$175,000	1	35	\$175,000	1	35
10 Burke				\$500,000	1	100	\$1,852,500	.5	81	\$650,000	2	62	\$3,130,000	6	272	\$6,132,500	14	515
l 1 Caldwell	\$200,000	1	40	\$200,000	1	20	\$262,500	2	21	\$1,308,075	5	125	\$794,525	4	104	\$2,765,100	13	310
2 Catawba	4,000,000			\$500,000	1	50	\$1,039,400	4	187	\$753,750	2	116	\$70,000	1	7	\$2,363,150	8	360
13 Chatham	100			\$750,000	1	38		70.	4 44.6	\$1,500,000	1	700			50.1	\$2,250,000	2	738
4 Cherokee				\$500,000	1	50	\$157,928	2	58	17	- 00.	, 00				\$657,928	3	108
5 Chowan				\$127,455	1	11	\$580,100	2	80	\$500,000	1	69	\$320,000	1	32	\$1,527,555	5	192
6 Clay				ψ127,133			4500,100	_	00	\$500,000	10	0	\$520,000		J	\$500,000	V	0
7 Cleveland							No.			\$2,047,600	5	115	\$3,000,000	1	180	\$5,047,600	6	295
8 Columbus							0			\$65,500	1	19	\$347,350	2	13	\$412,850	3	32
9 Confidential				\$1,265,000	3	117	\$3,150,000	5	314	303,300		1,7	Maritage.	395	7.45	\$4,415,000	8	431
20 Cumberland				\$1,203,000		117	\$5,150,000		214				\$110,000	1	11	\$110,000		11
21 Dare							\$500,000	1	50				## £ 1 0,000	***	**	\$500,000	1	50
22 Davidson				\$8,595,462	5	93	\$3,223,750	9	195	\$3,540,000	7	258	\$490,000	2	32	\$15,849,212	23	578
23 Davie	1			\$1,671,500	4	450	\$1,221,760	3	140	\$260,000	2	22	3-120,000	de.	all the	\$3,153,260	9	612
24 Duplin				\$240,000	1	20	\$169,821	2	16	\$330,000	2	33				\$739,821	5	69
25 Edgecombe	\$580,000	2	55	92.10,000	- 2	- EV	\$500,000	1	25	3330,000	<b>2</b> 4,	2.7	\$480,500	2	42	\$1,560,500	5	122
26 Franklin	\$360,000	_	23	\$300,000	1	15	\$515,000	2	43	\$2,325,000	3	146	\$865,000	4	79	\$4,005,000	10	283
27 Gaston				\$800,000	2	80	\$633,021	2	71	\$150,000	1	0	\$300,000	1	25	\$1,883,021	6	176
28 Graham	\$10,000	9	2	\$800,000	2	80	\$500,000	1	40	\$150,000	1	U	\$300,000	1	23	\$510,000	2	42
9 Granville	\$10,000	1	4	\$404,826	2	36	\$375,500	2	38	\$999,190	2	100	\$125,000	1	10	\$1,904,516	7	184
0 Greene				3404,620	-	30	\$373,300	2	36	\$55,000	1	17	\$125,000	1	10	\$55,000		17
1 Guilford							\$180,000	1	15	\$33,000	1	等港美.	307 2200			\$180,000	R LA	15
2 Halifax	\$35,871	9 <b>6</b> 5	4	\$83,794	2	9	\$450,000	1	36	\$225,000	2	200	\$510,000	2	£1	\$1,304,665	8	
3 Harnett	333,871		4	363,194	4	9	\$148,868	1	15	\$150,000	2	25 30	3510,000	4	51	\$1,304,663	3	125 45
							3148,808	1	15	0.1 STALE OF STALE	2	42	9677 675	9.5	- 60	1.00	3	
4 Henderson							61 500 000	2	104	\$135,000	1.	42	\$572,575	2	0	\$707,575		42
5 Hoke							\$1,500,000	2	184	050,000	1		\$500,000	1	0	\$2,000,000	3	184
6 Hyde							\$85,000	2	11	\$50,000	1	5.	5050.000	,		\$135,000	3	16
7 Iredell													\$250,000	1	60	\$250,000	1	60
38 Jackson	0050 005			4250.000		70	#1## occ		2.5	9500.005		100	\$50,000	1	10	\$50,000	1	10
39 Johnston	\$250,000	1	50	\$350,000	1	70	\$175,000	1	35	\$500,000	2	100	\$875,000	2	63	\$2,150,000	7	318
10 Lee	1			\$500,000	1	50				\$258,615	3	51	(0)			\$758,615	4	101



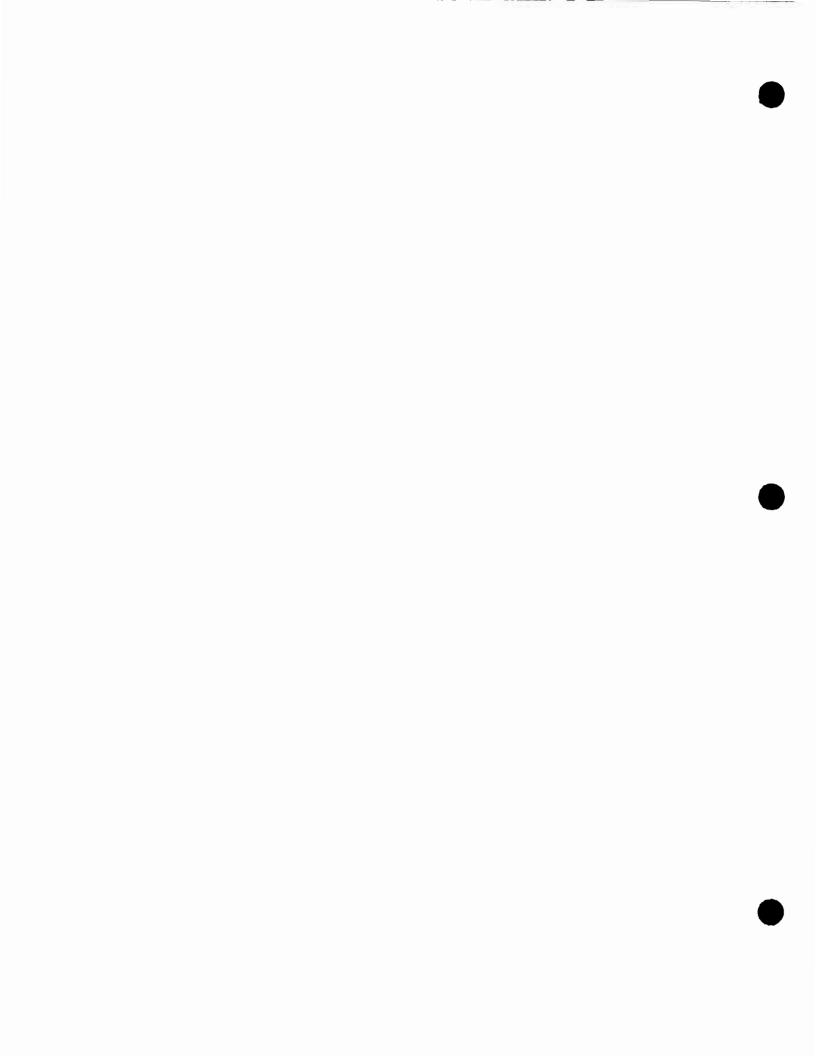
## RIA Awards by County, 2013-2017

	2013			2014			2015			2016			2017			Total Amount of Awards	Total # of Awards	Total # o Jobs
			1492				201			2010			2017					3008
Counties	Amount of Awards	# of Awards	# of	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of	# of	# of Jobs			
41 Lenoir	Awarus	Awaius	3005	Awarus	Awarus	auns	Awarus	Awarus	Jous	\$362,500	Awarus 3	38	Awards	Awards	Jubs	\$362,500	3	38
42 Lincoln	.000		-	\$500,000	1	25				\$250,000	1	54	\$250,000	ì	100	\$1,000,000	3	179
43 Macon				\$300,000	- 1	23	\$87,777	1	9	\$187,500	1	15	\$230,000	1	100	\$275,277	2	24
44 Madison							\$335,000	2	32	\$107,300	1	13				\$335,000	2	32
45 Martin							\$970,000	3	97	\$485,000	2	12	\$1,157,500	2	31	\$2,612,500	8	
46 McDowell	-			\$100,000	- 1	10	\$540,000	2	4		2			3				140
47 Mitchell	1			\$238,575	1	10 232	\$540,000	4	***	\$175,000		5	\$755,462	3	118	\$1,570,462	8	137
	\$50,000		10	\$238,373	1	20	\$200,000		20	\$176,850 \$492,830	3	240	\$101,000		acouteur.	\$415,425	4	472 134
7	\$30,000		10	-				1	20	\$492,630		21		1	63	\$1,043,830	7.	
49 Moore 50 Nash	Has'			\$270,000	3	27	\$40,000	1	8	E202 426		20	\$55,000	1	11	\$365,000	3	46
				\$1,387,500		175				\$292,425	- 1	36	0010 000		2.1	\$1,679,925		211
Northampton										6666.000		60	\$210,000	1	21	\$210,000	1	21
52 Pasquotank 53 Pender				A1 250 000		100				\$500,000	- 1	50				\$500,000	1	50
	6200.000		(0)	\$1,250,000	2	189										\$1,250,000	2	189
4 Person	\$300,000	1	60	40.00.000		-	******		-	*****						\$300,000	1	60
55 Pitt				\$960,000	2	63	\$750,000	2	70	\$209,375	3	22	\$1,095,000	4	68	\$3,014,375	11	223
6 Polk				\$295,755	1	200										\$295,755	1	200
7 Randolph	\$70,000	1	14	\$874,192	5	95	\$490,000	1	163	\$390,000	2	43	\$950,000	4	62	\$2,774,192	13	377
8 Richmond										\$2,945,000	2	196				\$2,945,000	2	196
59 Robeson				\$1,456,638	3	150	\$1,860,041	4	926	\$2,040,000	5	158	\$405,000	3	43	\$5,761,679	15	1,277
60 Rockingham	\$600,000	2	60.	\$1,500,000	2	158	\$1,000,000	2	290	\$2,039,000	2	87	\$275,000	1	0	\$5,414,000	9	595
1 Rowan				\$1,000,000	1	129	\$162,500	1	13	\$180,935	1	15			10	\$1,343,435	3	157
52 Rutherford	\$419,392	2	84	\$1,452,190	5	146				\$3,517,890	7	439	\$360,000	1	36	\$5,749,472	15	705
3 Sampson	1			\$1,346,925	2	145	\$1,110,000	3	111	\$180,000	1	36				\$2,636,925	6	292
54 Scotland													\$1,350,000	1	65	\$1,350,000	1	65
55 Stanly	\$87,385	1	9				\$740,000	2	60				\$76,600	1	8	\$903,985	4	77
66 Surry	\$750,000	2	75	\$300,000	1	30	\$80,000	1	8				\$300,000	1	0	\$1,430,000	.5.	113
7 Transylvania										\$580,000	2	8				\$580,000	2	8
8 Tyrrell										\$125,000	2	13				\$125,000	2	13
9 Union							\$237,500	1	48	\$400,000	1	0				\$637,500	2	48
0 Vance							\$100,000	1	20	\$150,000	1	12	\$500,000	1	76	\$750,000	3	108
1 Warren										\$500,000	1	0	\$41,250	1	0	\$541,250	2	0
2 Wayne	1			100			11/1/			\$200,000	1	20	\$450,000	1	60	\$650,000	2	80
3 Wilkes				\$750,000	1	38	\$112,500	2	9	\$1,900,000	1	75				\$2,762,500	4	122
4 Wilson				Distriction .						\$1,012,500	3	66	\$640,000	2	67	\$1,652,500	5	133
5 Yadkin										\$190,000	1	19	,			\$190,000	1	19
6 Yancey	1						8'			\$20,000	1	4				\$20,000	1	4
Grand Total	\$3,902,648	18	525	\$31,499,812	66	3.124	\$28,175,228	88	3,779	\$37,026,678	108	3,798	\$24,441,172	76	2.001	\$125,045,538	356	13,227



# JMAC Awards by County, 2013 - 2017

1		2014			Total Amount of Awards	Total Number of Awards	Total Number of Jobs
	Counties	Amount of Awards	Number of Awards	Number of Jobs			
1	Haywood	\$12,000,000	1	800	\$12,000,000	1	800
	Grand Total	\$12,000,000	100	800	\$12,000,000	1	800



## **Total State Funded Economic Development Awards by County, 2013-2017**

	2013			2014			Total Amount 2015 2016 2017 Awards						2017			Total Amount of Awards	Total # of Awards	Total #
	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of	# of			
Counties	Awards	Award		Awards	Awards	Jobs	Awards	Awards	Jobs	Awards	Award	10 30, 31 2	Awards	Awards	Jobs			
1 Alamance	\$2,200,000	2	450	\$2,000,000	5	1,454	\$876,000	5	221	\$4,423,000	6	2,362	\$460,000	2	71	\$9,959,000	20	4,558
2 Alexander	\$480,000	1	48	\$300,000	3	40	\$752,000	3	60	\$385,000	2	42	\$940,000	-3	74	\$2,857,000	12	264
3 Alleghany										*******	ias.	400	\$225,000	1	35	\$225,000	1	35
4 Anson	07.0(0.000		1.000	888 888		_	2500.000		40	\$600,000	2	100	****			\$600,000	2	100
5 Ashe	\$7,262,000	3	1,866	\$50,000	1	5	\$500,000	1	40	\$50,000	1	5	\$349,410	1	0	\$8,211,410	7	1,916
6 Avery	\$70,000	1	14	61 071 005			0.410.000		50	****	-	2.4	*****			\$70,000	1	14
7 Beaufort	\$912,000	4	211	\$1,071,985	3	58	\$419,762	2	52	\$995,000	3	34	\$525,000	2	5	\$3,923,747	14	360
8 Bertie										\$129,143	2	8	\$25,000	1	5	\$154,143	3	13
9 Bladen	\$4,116,000	1	1,065				\$737,103	3	64				\$545,000	3	28	\$5,398,103	7	1,157
10 Brunswick	\$80,000	2	77							1			\$175,000	T .	35	\$255,000	3	112
11 Buncombe	\$7,858,000	7	2,022	\$1,377,000	6	288	\$80,000	2	56	\$6,536,000	1	608	- Williams			\$15,851,000	16	2,974
12 Burke	\$216,000	2	50	\$3,475,000	4	391	\$2,750,925	6	106	\$650,000	2	62	\$3,941,000	9	721	\$11,032,925	23	1,330
13 Cabarrus				\$1,000,000	2	275				\$300,000	2	56	\$236,000	2	200	\$1,536,000	6	531
14 Caldwell	\$578,000	3	78	\$200,000	1	20	\$262,500	2	21	\$2,308,075	7.	207	\$1,394,525	9	222	\$4,743,100	22	548
15 Catawba	\$400,000	2	162	\$4,035,000	2	911	\$2,130,575	11	473	\$6,009,859	8	3,236	\$912,000	4	289	\$13,487,434	27	5,071
16 Chatham	100			\$750,000	1	38				\$1,500,000	1	700				\$2,250,000	2	738
17 Cherokee				\$500,000	1	50	\$157,928	2	58							\$657,928	3	108
18 Chowan				\$327,455	3	43	\$892,100	4	158	\$500,000	1	69	\$320,000	1	32	\$2,039,555	9	302
19 Clay										\$500,000	1	0	\$50,000	1	15	\$550,000	2	15
20 Cleveland	\$5,141,478	6	480				\$1,659,000	3	177	\$4,917,600	13	502	\$4,753,000	4	530	\$16,471,078	26	1,689
21 Columbus	\$300,000	2	145							\$65,500	1	19	\$347,350	2	13	\$712,850	5	177
22 Confidential				\$1,265,000	3	117	\$3,150,000	5	314				3000			\$4,415,000	8	431
23 Craven							\$4,552,000	1	1,576	\$515,000	2	0				\$5,067,000	3	1,576
24 Cumberland	\$128,000	2	32									*	\$460,000	3	226	\$588,000	5	258
25 Currituck				\$240,000	2	60										\$240,000	2	60
26 Dare							\$500,000	1	50							\$500,000	1	50
27 Davidson	\$256,000	2	72	\$8,595,462	5	93	\$3,223,750	9	195	\$3,540,000	7	258	\$3,510,000	4	664	\$19,125,212	27	1,282
28 Davie	\$4,266,000	3	1,123	\$1,671,500	4	450	\$8,449,760	7	2,270	\$260,000	2	22	in accountage			\$14,647,260	16	3,865
29 Duplin				\$240,000	1	20	\$519,821	4	66	\$570,000	4	83				\$1,329,821	9	169
30 Durham	\$12,280,000	8	3,293	\$6,981,000	3	431	\$27,641,000	6	5,538	\$5,427,000	5	420	\$4,975,000	2	1,517	\$57,304,000	24	11,199
31 Edgecombe	\$810,000	5	84	\$750,000	1	100	\$500,000	1	25	\$5,859,750	4	1,123	\$20,309,200	8	1,795	\$28,228,950	19	3,127
32 Forsyth	12030000000			\$600,000	2	200	\$3,998,750	1	794	\$2,572,000	1	1,448	\$500,000	2	260	\$7,670,750	6	2,702
33 Franklin				\$1,600,000	4	130	\$515,000	2	43	\$3,586,000	4	448	\$2,752,000	7	119	\$8,453,000	17	740
34 Gaston	\$1,991,000	1	185	\$1,250,000	4	155	\$633,021	2	71	\$900,000	2	0	\$452,000	2	175	\$5,226,021	11	586
35 Graham	\$10,000	1	2	\$312,000	2	114	\$500,000	1	40							\$822,000	4	156
36 Granville	2000			\$1,953,826	3	417	\$575,500	4	78	\$999,190	2	100	\$225,000	2	65	\$3,753,516	110	660
37 Greene				7,7,7		11075379	1	~ ~ ~		\$155,000	3	39				\$155,000	3	39
38 Guilford	\$5,122,500	7	1,573	\$200,000	2	50	\$2,168,000	9	387	\$140,000	2	70	\$160,000	1	80	\$7,790,500	21	2,160
39 Halifax	\$195,871	3	44	\$83,794	2	9	\$450,000	1	36	\$1,425,000	4	180	\$510,000	2	51	\$2,664,665	12	320
40 Harnett	\$400,000	2	220	005,777			\$148,868	1	15	\$150,000	2	30	\$510,000	**		\$698,868	5	265
41 Haywood	W.120.70.0	A.	200	\$14,100,000	2	800	SEATING OF THE SEATON		440	4100,000		2.0	-			\$14,100,000	2	800

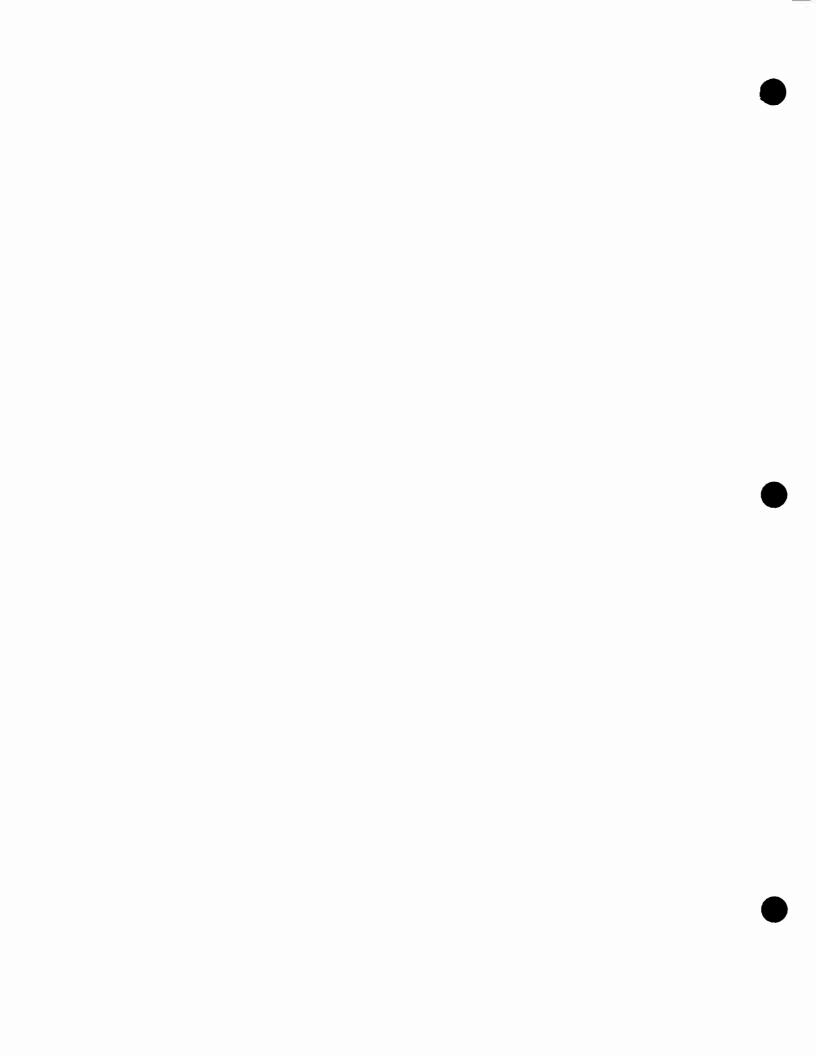
## **Total State Funded Economic Development Awards by County, 2013-2017**

	2013		\$	2014			2015			2016			2017			Total Amount of Awards	Total # of Awards	Total # of Jobs
	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of	# of	Amount of	# of _	# of			
Counties	_	Awards 2	Jobs	Awards	Awards	Jobs	. <u> </u>	Awards		Awards	Awards	Jobs	Awards	Awards	Jobs	40.000 575	20	1.100
42 Henderson	\$90,000	2	40	\$168,000	4	67	\$1,000,000	2	138	\$7,381,000	10	863	\$572,575	2	0	\$9,211,575	20	1,108
43 Hertford 44 Hoke				#424.000	20.	79	\$602,000	1	551				### 000	- 20	0	\$602,000	1	0
	6130.000	2	22	\$464,000	2	1/9	\$1,800,000	4		050,000		-	\$500,000	1	0	\$2,764,000	7	630
45 Hyde 46 Iredell	\$128,000	2 <b>6</b>	32 124	6220.000	4	62	\$85,000	2	11	\$50,000	1	5	6420.000	3	406	\$263,000	5	48 592
	\$436,000	G	124	\$230,000	4	02							\$430,000	-	000000000000000000000000000000000000000	\$1,096,000	13	C. L.
47 Jackson	#3#0 DO0		50	F250 000		an.	200 004 000 W		2 141	P.COO 000	100.	100	\$50,000	1 %	10	\$50,000	1	10
48 Johnston	\$250,000		30	\$350,000	2	70	\$23,324,000	4	2,141	\$500,000	2	100	\$875,000	2	63	\$25,299,000	10	2,424
49 Lee				\$1,840,000	2	1,382	\$450,000	2	76	\$2,092,615	6	2,129	\$250,000	1	40	\$4,632,615	11	3,627
50 Lenoir	#100.000		06	\$160,000	- 18 miles	18	\$1,200,000	6	240	\$498,500	5	72	****		100	\$1,858,500	13	330
51 Lincoln	\$198,000	2	86	\$500,000	1	25	400 000			\$450,000	3	154	\$250,000	1	100	\$1,398,000	7	365
52 Macon	\$112,000	2	121				\$87,777	1	9	\$367,500	3	50	100			\$567,277	6	180
53 Madison				75505050	VI	43.01	\$335,000	2	32	Constitution of Constitution	-		\$100,000	1	47	\$435,000	3	79
54 Martin	100			\$240,000	2	24	\$2,125,475	6	135	\$485,000	2	12	\$1,337,500	5	62	\$4,187,975	15	233
55 McDowell	\$534,000	4	93	\$280,000	3	40	\$540,000	2	4	\$175,000	2	5	\$2,923,462	7	236	\$4,452,462	18	378
56 Mecklenburg	\$169,701,000	9	6,304	\$79,513,000	11	6,460	\$28,785,000	9	3,163	\$17,333,000	8	1,711	\$4,206,000	3	3,000	\$299,538,000	40	20,638
57 Mitchell				\$238,575	1	232				\$176,850	3	240				\$415,425	4	472
58 Montgomery	\$3,858,220	6	546	\$670,000	2	266	\$200,000	1	20	\$492,830	3	21	\$501,000	3	134	\$5,722,050	15	987
59 Moore				\$270,000	1	27	\$144,000	3	56	State in a		Val. 25	\$55,000	1	11	\$469,000	5	94
60 Nash	\$420,000	2	56	\$1,766,587	4	175				\$292,425	1	36	\$60,000	1	31	\$2,539,012	8	298
61 New Hanover	\$8,913,000	4	2,466				\$100,000	2	37							\$9,013,000	6	2,503
62 Northampton				100						\$568,769	1	0	\$210,000	1	21	\$778,769	2	21
63 Onslow							\$1,243,875	1	0							\$1,243,875	1	0
64 Orange	\$528,000	2	90													\$528,000	2	90
65 Pasquotank										\$500,000	1	50				\$500,000	1	50
66 Pender	\$1,300,000	1	120	\$1,250,000	2	189										\$2,550,000	3	309
67 Perquimans				\$1,500,000	1	0										\$1,500,000	1	0
68 Person	\$770,000	3	120							\$1,710,000	1	2,053				\$2,480,000	4	2,173
69 Pitt	\$2,031,000	5	828	\$8,397,000	3	2,196	\$1,850,000	4	180	\$983,197	4	22	\$1,868,822	5	68	\$15,130,019	21	3,294
70 Polk	\$ 0.00000000000000000000000000000000000			\$295,755	1	200							\$185,000	1	8	\$480,755	2	208
71 Randolph	\$90,000	3	24	\$1,774,192	7	258	\$490,000	1	163	\$390,000	2	43	\$4,185,500	11	377	\$6,929,692	24	865
72 Richmond				\$1,905,000	1	338	\$1,200,000	3	33	\$4,825,000	8	495	/			\$7,930,000	12	866
73 Robeson	\$2,060,000	6	344	\$1,456,638	3	150	\$4,268,041	9	1,967	\$3,340,000	8	208	\$805,000	5	104	\$11,929,679	31	2,773
74 Rockingham	\$10,136,500	.5	544	\$1,500,000	2	158	\$2,530,000	4	395	\$2,039,000	2	87	\$1,272,000	2	0	\$17,477,500	15	1,184
75 Rowan	\$4,116,000	1	1,065	\$2,733,000	4	462	\$162,500	1	13	\$180,935	1	15	\$50,000	1	28	\$7,242,435	8	1,583
76 Rutherford	\$1,299,392	4	160	\$1,989,225	11	341	\$198,900	3	50	\$6,525,890	8	1,049	\$360,000	1	36	\$10,373,407	27	1,636
77 Sampson	\$414,000	2	65	\$4,001,925	4	550	\$1,110,000	3	111	\$180,000	1	36			,	\$5,705,925	10	762
78 Scotland	\$500,000	1	0	\$804,000	2	68	\$805,000	2	115	\$708,000	1	0	\$2,080,000	6	204	\$4,897,000	12	387
79 Stanly	\$183,385	3	34	\$500,000	1	0	\$740,000	2	60	The state of the s			\$1,026,600	2	8	\$2,449,985	8	102
80 Surry	\$2,424,159	9	185	\$300,000	1	30	\$228,259	2	8				\$793,480	2	0	\$3,745,898	14	223
81 Transylvania	, 1,			\$160,000	2	80	Ţ-11.,20,			\$580,000	2	8	0,55,100	-		\$740,000	4	88
82 Tyrrell				\$150,000	-	50				\$125,000	2	13				\$125,000	2	13

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## **Total State Funded Economic Development Awards by County, 2013-2017**

	2013			2014			2015	×.		2016			2017			Tetal Amount of Awards	Total # of Awards	Total # of Johs
Counties	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	n of Awards	# of Jobs			
83 Union				\$80,000	2	41	\$5,317,500	7	435	\$400,000	1	0				\$5,797,500	10	476
84 Vance	-						\$265,356	3	70	\$2,150,000	3.	12	\$998,272	3	239	\$3,413,628	9	321
85 Wake	\$144,258,000	9	8,478	\$68,314,400	11	9,470	\$26,735,000	8	5,544	\$26,067,000	3	3,917	\$8,301,000	5	3,780	\$273,675,400	36	31,189
86 Warren									nidadaa	\$500,000	1	0	\$41,250	1	0	\$541,250	2	0
87 Washington				\$1,259,550	1	0										\$1,259,550	1	0
88 Wayne	\$120,000	2	38				1000			\$600,000	3	108	\$700,000	3	120	\$1,420,000	8	266
89 Wilkes				\$2,938,225	7	242	\$112,500	2	9	\$1,900,000	1	75				\$4,950,725	10	326
90 Wilson	\$600,000	2	100	\$1,193,000	3	395				\$4,590,259	8	103	\$1,489,000	4	543	\$7,872,259	17	1,141
91 Yadkin										\$400,000	3	77				\$400,000	3	77
92 Yancey										\$20,000	1	4	1			\$20,000	1	4
Grand Total	\$410,543,505	168	35,409	\$243.971,094	181	30.814	\$176,778,546	201	28,750	\$145.545,887	212	26,004	585,527.946	164	16,903	\$1,062,366,978	926	137,880



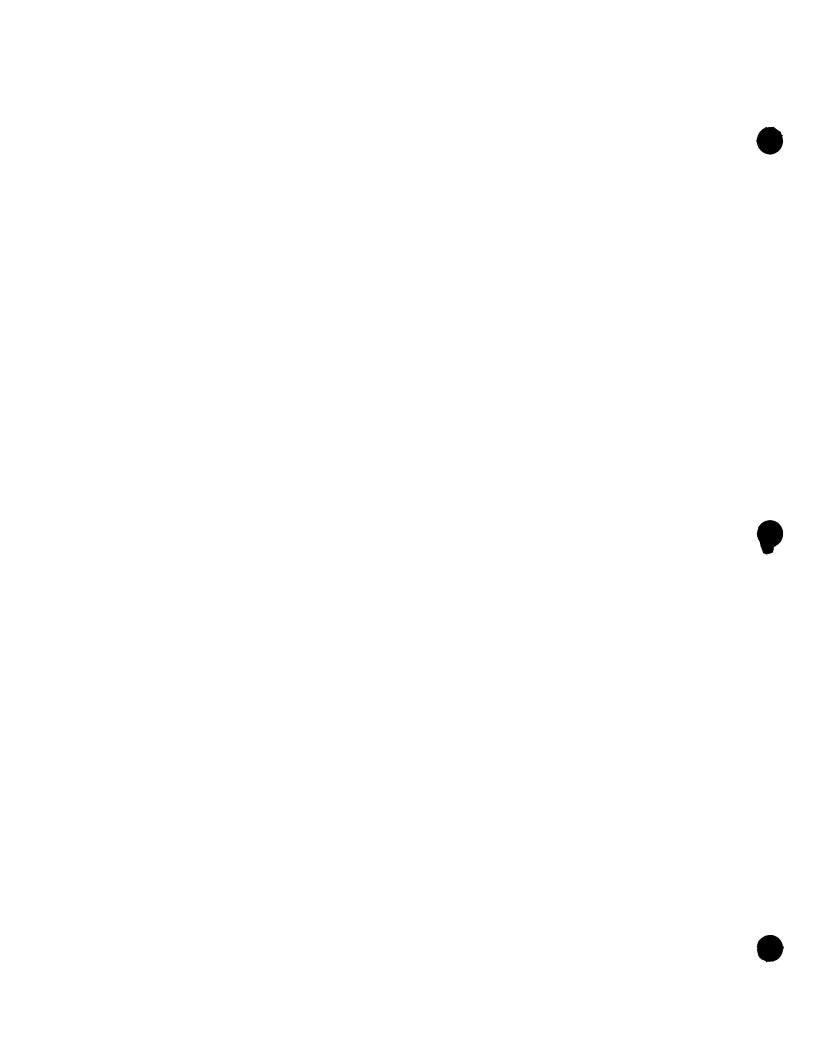
### **EDGE January 11, 2018 Follow-Up**

### **Commerce Follow-Up**

- 1. When will the EDPNC Annual Report be available? March 1, 2018.
- 2. Are there opportunities for the State to provide capital to help companies grow? Please elaborate on this question.
- 3. How are the planners in the Prosperity Zones reaching out to business owners, specifically small business owners?

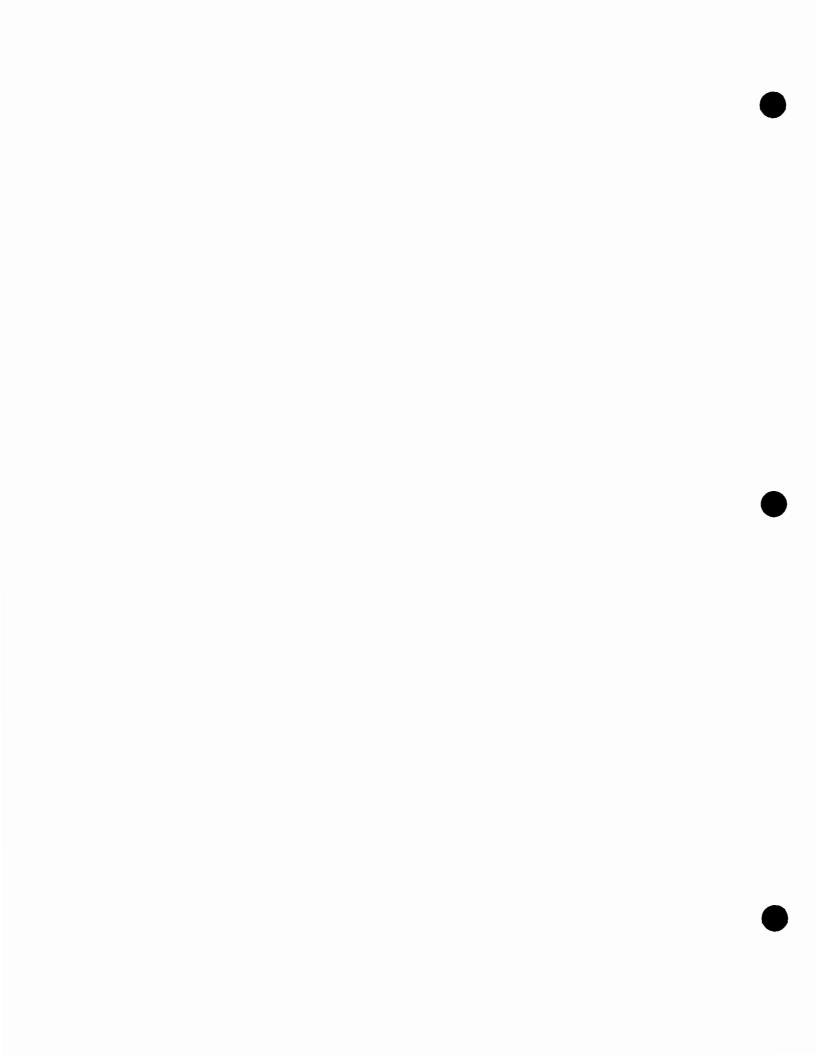
  Planners in the Prosperity Zones work with local units of government to build capacity through asset-based strategic economic development planning that will lead to economic development including investment, business development and job creation.
- 4. Are counties that are labeled Tier 1 solely because of the population adjustment factor receiving grants for water sewer infrastructure? If so, which counties, and how much are they receiving?
  No counties (or units of government within those counties) that have been designated as a tier one by virtue of having less than 12,000 residents have received a Utility Account award over the last five years. Additionally, of the counties that receive a designation as either a tier 1 or tier 2 location as a result of automatic tier adjustments (population, poverty rate, etc.), with the exception of two (Currituck and Polk), all would otherwise qualify for Utility Account funds as a result of being ranked as one of the 80 most distressed before any adjustment.
- Could Commerce share a list of all projects, their locations, and the number of jobs they created by Prosperity Zone?
   Please see the document titled, "Commerce\_Projects\_by\_County\_Follow-Up\_2018-01-11."
- 6. What are the specific number of jobs created in each Prosperity Zone as a result of coordinated efforts by Commerce and the EDPNC? Please see the document titled, "Commerce\_Projects\_by\_Prosperity\_Zone\_Follow-Up\_2018-01-11."

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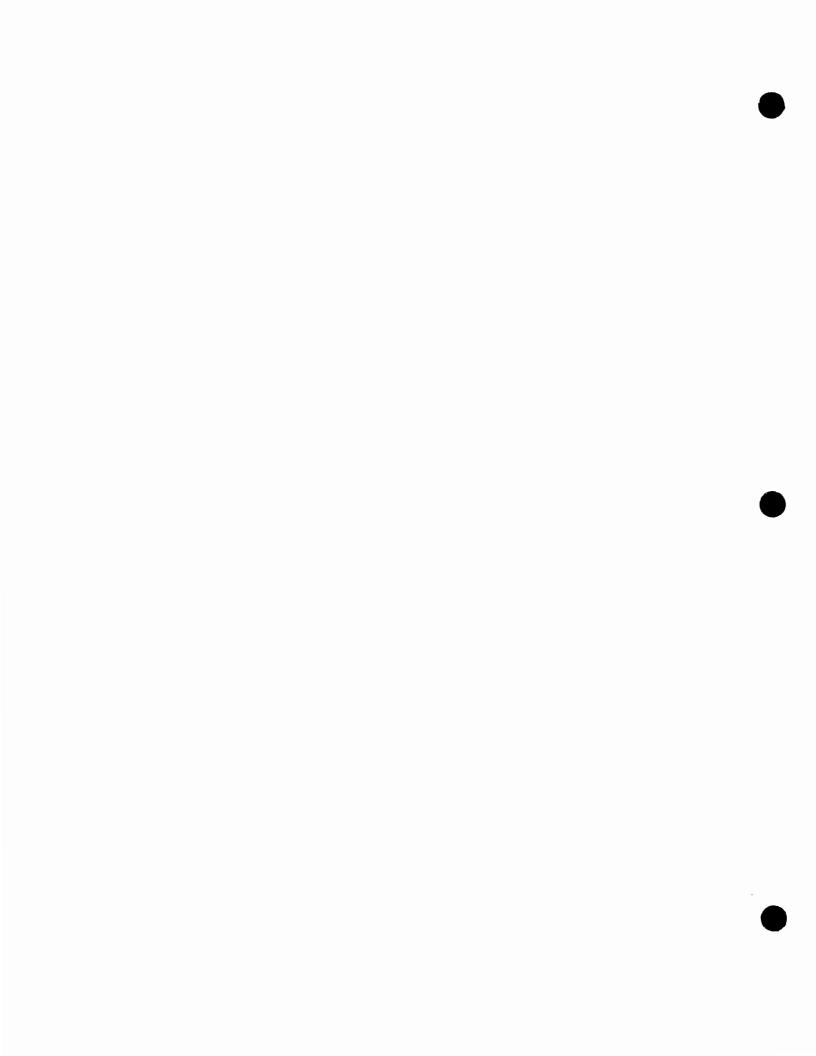


### Announced Jobs and Capital Investment by County October 6, 2014 thru December 31, 2017

		Jobs	Investment
County	Projects Won	Announced	Announced
Alamance	10	1,232	\$ 312,417,104.00
Alexander	2	7 <b>7</b>	\$ 16,800,000.00
Alleghany	1	35	\$ 1,500,000.00
Anson	3	190	\$ 16,029,240.00
Ashe	1	5	\$ 316,000.00
Avery	. 0	0	\$ _
Beaufort	5	177	\$ 23,250,000.00
Bertie	2	10	\$ 8,250,000.00
Bladen	2	300	\$ 115,848,000.00
Brunswick	3	78	\$ 8,913,060.00
Buncombe	5	830	\$ 144,794,000.00
Burke	9	804	\$ 129,229,932.00
Cabarrus	11	1,721	\$ 744,800,000.00
Caldwell	5	239	\$ 40,405,000.00
Camden	0	0	\$ 
Carteret	0	0	\$ _
Caswell	0	0	\$ *
Catawba	12	1,373	\$ 326,240,437.00
Chatham	2	635	\$ 52,900,000.00
Cherokee	2	26	\$ 14,400,000.00
Chowan	2	110	\$ 33,200,000.00
Clay	1	15	\$ 6,000,000.00
Cleveland	10	1,051	\$ 495,350,000.00
Columbus	2	40	\$ 661,000.00
Craven	3	563	\$ 95,524,000.00
Cumberland	6	338	\$ 54,586,810.00
Currituck	0	0	\$ 51,500,010.00
Dare	0	0	\$ -
Davidson	6	526	\$ 361,500,848.00
Davie	7	667	\$ 67,330,690.00
Duplin	3	140	\$ 123,100,000.00
Durham	14	2,638	\$ 397,456,285.00
Edgecombe	5	1,200	\$ 868,202,000.00
Forsyth	4	850	75,400,000.00
Franklin	3	250	\$ 150,200,000.00
Gaston	7	366	\$ 85,533,400.00
Gaston	0	0	\$ 55,555,400.00
Graham	1	114	\$ 10,100,000.00
Granville	5	205	\$ 52,195,000.00
Greene	1	22	\$ 560,000.00
Guilford	18	2,387	\$ 195,305,000.00
Halifax	4	2,387	\$ 59,603,000.00



Harnett	2	30	\$ 2,843,000.00
Haywood	1	0	\$ 51,350,000.00
Henderson	7	657	\$ 275,641,782.00
Hertford	0	0	\$ -
Hoke	2	170	\$ 24,000,000.00
Hyde	0	0	\$ -
Iredell	9	758	\$ 134,419,000.00
Jackson	1	10	\$ 2,615,000.00
Johnston	5	1,277	\$ 1,470,154,426.00
Jones	0	0	\$ -
Lee	8	856	\$ 318,734,000.00
Lenoir	11	1,505	\$ 233,900,000.00
Lincoln	3	293	\$ 32,188,124.00
Macon	1	35	\$ 3,200,000.00
Madison	2	73	\$ 26,635,000.00
Martin	6	160	\$ 34,165,000.00
McDowell	7	202	\$ 9,150,000.00
Mecklenburg	50	12,076	\$ 766,688,716.00
Mitchell	1	5	\$ 150,000.00
Montgomery	4	113	\$ 3,401,189.00
Moore	2	59	\$ 6,840,000.00
Nash	2	131	\$ 22,500,000.00
New Hanover	4	1,483	\$ 74,180,000.00
Northampton	2	21	\$ 22,800,000.00
Onslow	1	15	\$ 1,000,000.00
Orange	1	185	\$ 30,000,000.00
Pamlico	0	0	\$ <i>H.</i>
Pasquotank	2	60	\$ 613,000,000.00
Pender	3	191	\$ 8,467,000.00
Perquimans	1	15	\$ 350,000.00
Person	2	120	\$ 35,400,000.00
Pitt	5	198	\$ 71,605,000.00
Polk	1	8	\$ 2,000,493.00
Randolph	12	856	\$ 212,036,996.00
Richmond	5	395	\$ 55,960,731.00
Robeson	9	638	\$ 135,877,706.00
Rockingham	3	218	\$ 486,000,000.00
Rowan	5	280	\$ 37,658,000.00
Rutherford	7	959	\$ 130,789,895.00
Sampson	3	234	\$ 52,283,000.00
Scotland	5	306	\$ 116,326,500.00
Stanly	1	12	\$ 1,700,000.00
Stokes	0	0	\$ -,,,
Surry	2	125	\$ 5,074,000.00
Swain	0	0	\$ -,-,,3100
Transylvania	1	8	\$ 350,000.00
Tyrell	1	10	\$ 500,000.00

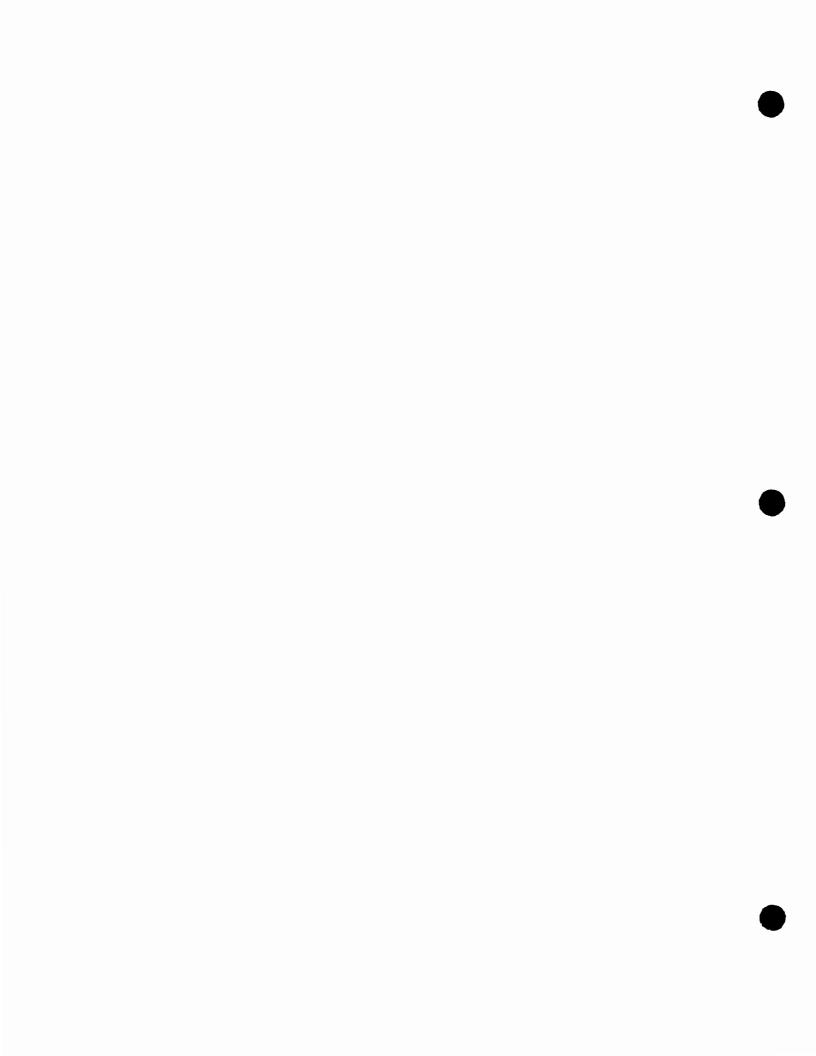


TOTAL	421	52,820	\$ 1	11,854,643,635.00
Yancey	2	170	\$	16,500,000.00
Yadkin	2	77	\$	10,701,281.00
Wilson	8	682	\$	584,503,788.00
Wilkes	1	75	\$	14,000,000.00
Wayne	3	178	\$	26,350,000.00
Watauga	0	0	\$	*
Washington	0	0	\$	-
Warren	0	0	\$	40-
Wake	20	6,829	\$	300,358,202.00
Vance	3	153	\$	81,095,000.00
Union	5	469	\$	221,300,000.00



# Announced Jobs and Capital Investment by Prosperity Zone October 6, 2014 thru December 31, 2017

Prosperity Zone	Projects Won	Jobs Announced	Inv	vestment Announced
Western	30	2,735	\$	667,876,170.00
Northwest	41	2,985	\$	554,291,369.00
Southwest	104	17,216	\$	2,535,666,480.00
Piedmont-Triad (Central)	64	6,938	\$	1,725,765,919.00
North Central	80	15,191	\$	4,366,541,701.00
Sandhills (South Central)	40	2,593	\$	565,784,936.00
Southeast	32	4,175	\$	571,994,060.00
Northeast	30	987	\$	866,723,000.00
TOTAL	421	52,820	\$	11,854,643,635.00



### EDGE January 11, 2018 Follow-Up

### Fiscal Research Division Follow-Up

What awards did Robeson County receive over the last five years?
 The following tables list the economic development awards granted to Robeson County by program. Robeson County did not receive any JDIG or JMAC awards in the last 5 years.

Table 1: One NC Awards Granted to Robeson County, 2013-2017

Year	Recipient	Amount
2013	Trinity Frozen Foods LLC	\$500,000
2013	Cape Fear Arsenal, Inc.	\$490,000
2013	Due Process Stable Trading Company LLC	\$40,000
2015	Sanderson Farms, Inc. (Processing Division)	\$1,000,000
2015	Asbury Graphite of NC, Inc.	\$100,000
2016	Pepsi Bottling Ventures, LLC	\$150,000
2017	Ventura Coach Corp	\$200,000
	TOTAL	\$2,480,000

Table 2: Utility Account Awards Granted to Robeson County, 2013-2017

Year	Recipient	Amount
2015	Asbury Carbons Rail Spur	\$208,000
2016	Prestage Farms	\$1,000,000
	TOTAL	\$1,208,000

Table 3: REDD Awards Granted to Robeson County, 2013-2017

Year	Program	Recipient	Amount
2014	CDBG - ED	Town of Pembroke	\$456,638
2014	Building Reuse	Robeson County	\$500,000
2014	Building Reuse	City of Lumberton	\$500,000
2014	CDBG - ED	Robeson County	\$240,000
2015	CDBG - ED	Town of St Paul's	\$1,000,000
2015	CDBG - ED	City of Lumberton	\$495,041
2015	Building Reuse	Robeson County	\$125,000
2015	Building Reuse	Robeson County	\$500,000
2016	Building Reuse	Town of Pembroke	\$40,000
2016	Building Reuse	Robeson County	\$500,000
2016	Building Reuse	Robeson County	\$500,000
2016	Economic Infrastructure	Robeson County	\$500,000
2016	Building Reuse	Town of Maxton	\$40,000
2017	Building Reuse	Town of Pembroke	\$25,000
2017	Building Reuse	Robeson County	\$340,000
2017	CDBG - ED	Town of Pembroke	\$456,638
		TOTAL	\$5,761,679

<sup>2.</sup> Which companies were associated with the economic development incentives grants awarded across the State over the last five years?

Please see the document titled, "FRD\_ED\_Incentives\_2013-2017\_2018-01-11."



Voor	County	Tior	Award Type	Business	Award	# of
Tear	County	Her	Awaru Type	Dusiness	Amount	Jobs
2012	Alamance	2	JDIG	Sheetz Distribution Services, LLC	\$2,272,000	254
2013	Alamance	2	One NC	Walmart Stores, Inc.	\$1,100,000	450
2014	Alamance	2	JDIG	GKN Driveline North America, Inc. II	\$1,340,000	1,332
2014	Alamance	2	One NC	Cambro Manufacturing Company	\$250,000	100
2014	Alamance	2	One NC	CS CAROLINA, INC.	\$80,000	22
2015	Alamance	2	One NC	CBC AMERICAS Corp.	\$63,000	101
2015	Alamance	2	One NC	Lidl US Operations, LLC	\$250,000	80
2015	Alamance	2	RIA, RG - Building Reuse	Peak of Graham	\$400,000	40
2016	Alamance	2	JDIG	PrescientCo Inc.	\$2,183,000	207
2016	Alamance	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2016	Alamance	2	One NC	CS Carolina, Inc.	\$85,000	42
2016	Alamance	2	One NC	Lotus Bakeries US, LLC	\$180,000	60
2017	Alamance	2	One NC	Airgas USA, LLC	\$100,000	35
2017	Alamance	2	RIA, RG - Building Reuse	GKN Driveline	\$360,000	36
2013	Alexander	2	RIA, RG - Building Reuse	Craftmaster Furniture	\$480,000	48
2014	Alexander	2	RIA, RG - Building Reuse	Town of Taylorsville Urgent Care	\$50,000	5
2014	Alexander	2	RIA, RG - Building Reuse	Precision Materials	\$150,000	15
2014	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$100,000	20
2015	Alexander	2	RIA, RG - Building Reuse	Huntington House	\$500,000	40
2015	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$100,000	20
2015	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$152,000	0
2016	Alexander	2	RIA, RG - Building Reuse	Craftmaster Furniture	\$300,000	30
2016	Alexander	2	RIA, RG - Building Reuse	Addiction Recovery Medical Services	\$85,000	12
2017	Alexander	2	One NC	Borealis Compounds Inc.	\$100,000	37
2017	Alexander	2	RIA, CDBG - ED		\$740,000	37
2017	Alleghany	1	RIA, RG - Building Reuse		\$225,000	35
2016	Anson	1	One NC	King Charles Industries, LLC	\$300,000	100
2013	Ashe	2	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2013	Ashe	2	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2014	Ashe	2	RIA, RG - Building Reuse	Ashe Medics	\$50,000	5
2015	Ashe	1	RIA, RG - Building Reuse	American Emergency Vehicles	\$500,000	40
2016	Ashe	1	RIA, RG - Building Reuse	Doc's on Main	\$50,000	5
2017	Ashe	1	RIA, CDBG - ED		\$349,410	0
2013	Avery	2	RIA, RG - Building Reuse	Bridging the Gap Health Center	\$70,000	14
2013	Beaufort	2	One NC	ProNamic Industries LLC	\$156,000	52
2013	Beaufort	2	One NC	idX Impressions, LLC	\$300,000	159
2014	Beaufort	1	RIA, RG - Building Reuse	Tavern at Jack's Neck	\$80,000	8
2014	Beaufort	1	RIA, RG - Building Reuse	idX Impressions	\$500,000	50
2014	Beaufort	1	Utility Account	facebook	\$491,985	0
2015	Beaufort	1	RIA, RG - Building Reuse	Oak Ridge Metal Works	\$319,762	32
2015	Beaufort	1	RIA, RG - Econ. Inf.		\$100,000	20
2016	Beaufort	1	RIA, CDBG - ED		\$500,000	10
2016	Beaufort	1	RIA, RG - Building Reuse	Hysucat USA	\$158,000	14
2016	Beaufort	1	Utility Account	Hysucat USA	\$337,000	10
2017	Beaufort	1	RIA, CDBG - ED		\$500,000	0
2017	Beaufort	1	RIA, RG - Building Reuse	Ribeye's of Washington	\$25,000	5
2016	Bertie	1	RIA, RG - Building Reuse	Baker's Southern Traditions	\$100,000	8
2016	Bertie	1	RIA, RG - Econ. Inf.		\$29,143	0
2017	Bertie	1	RIA, RG - Building Reuse	Abrams Inc.	\$25,000	5
2013	Bladen	1	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2015	Bladen	1	RIA, RG - Building Reuse	Carrol Poultry, LLC	\$250,000	50
2015	Bladen	1	RIA, RG - Econ. Inf.		\$70,000	14
2015	Bladen	1	Utility Account	N/A	\$417,103	0
2017	Bladen	1	RIA, RG - Building Reuse	Specialty Product Technologies	\$200,000	20
2017	Bladen	1	RIA, RG - Building Reuse	Southeastern Health Clinic	\$80,000	8
2017	Bladen	1	Utility Account	N/A	\$265,000	0



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2013	Brunswick	3	One NC	Lee Controls, LLC	\$40,000	77
2017	Brunswick	3	RIA, RG - Building Reuse	ITI Technologies (Project Blue Steel)	\$175,000	35
2012	Buncombe	3	JDIG	Linamar North Carolina, Inc.	\$2,602,000	613
2013	Buncombe	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	Buncombe	3	One NC	Tutco, Inc.	\$98,000	90
2013	Buncombe	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2013	Buncombe	3	One NC	Jacob Holm Industries (America), Inc.	\$100,000	66
2014	Buncombe	3	One NC	Kearfott Corporation	\$75,000	75
2014	Buncombe	3	One NC	BorgWarner Turbo Systems Inc.	\$126,000	63
2014	Buncombe	3	One NC	Linamar North Carolina, Inc.	\$500,000	150
2015	Buncombe	3	One NC	White Labs Inc.	\$40,000	56
2016	Buncombe	3	JDIG	Avadim Technologies Inc.	\$6,536,000	608
2012	Burke	1	JDIG	Leviton Manufacturing Co., Inc.	\$1,101,000	683
2013	Burke	1	One NC	Saft America, Inc.	\$108,000	50
2014	Burke	1	JDIG	Richelieu Hosiery USA Inc.	\$2,935,000	271
2014	Burke	1	One NC	CE FoamSolutions, LLC	\$20,000	20
2014	Burke	1	RIA, RG - Building Reuse	Richelieu Legwear	\$500,000	100
2015	Burke	2	RIA, CDBG - ED		\$1,000,000	0
2015	Burke	2	RIA, RG - Building Reuse	American Hospitality Furniture	\$212,500	17
2015	Burke	2	RIA, RG - Building Reuse	Duralee Fine Furniture	\$410,000	41
2015	Burke	2	RIA, RG - Building Reuse	SpartaCraft	\$200,000	20
2015	Burke	2	RIA, RG - Building Reuse	Old World Baking Company	\$30,000	3
2015	Burke	2	Utility Account	Meridian Yarns	\$898,425	25
2016	Burke	2	RIA, RG - Building Reuse	Fonta Flora Brewery	\$150,000	12
2016	Burke	2	RIA, RG - Building Reuse	Peds Legwear	\$500,000	50
2017	Burke	2	JDIG	Continental Automotive Systems, Inc. (Burke)	\$151,000	160
2017	Burke	2	JDIG	Sunrise Global Marketing LLC	\$160,000	187
2017	Burke	2	One NC	VEKA East, Inc	\$500,000	102

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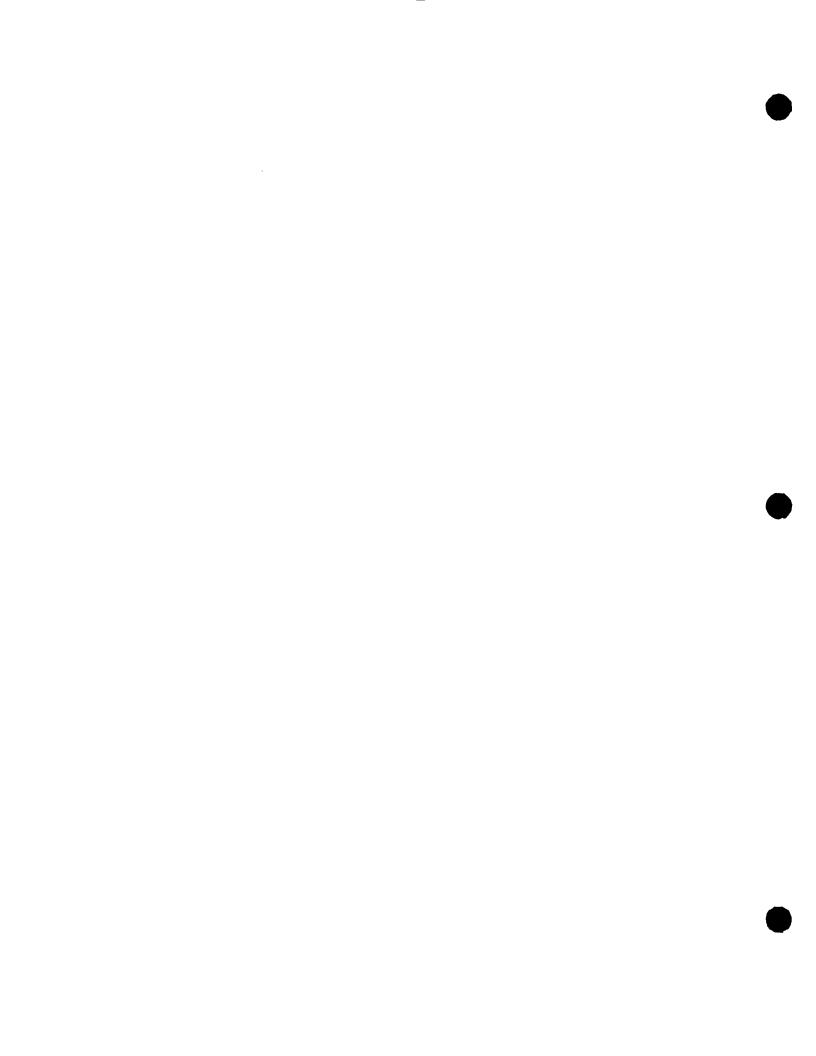


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Burke	2	RIA, CDBG - ED		\$500,000	0
2017	Burke	2	RIA, CDBG - ED	N/A	\$500,000	0
2017	Burke	2	RIA, RG - Building Reuse	Continental Automotive	\$1,000,000	135
2017	Burke	2	RIA, RG - Building Reuse	Kellex Seating	\$400,000	32
2017	Burke	2	RIA, RG - Building Reuse	A Caring Alternative	\$230,000	23
2017	Burke	2	RIA, RG - Building Reuse	Critical Resources (Project Rampart)	\$500,000	82
2012	Cabarrus	3	JDIG	S & D Coffee, Inc.	\$2,084,000	813
2014	Cabarrus	3	One NC	Gordon Food Service LLC	\$500,000	275
2016	Cabarrus	3	One NC	Yokohama Corporation of North America	\$150,000	56
2017	Cabarrus	3	JDIG	Corning Incorporated (Fiber)	\$236,000	200
2017	Cabarrus	3	JDIG	Alevo Manufacturing, Inc.	\$0	0
2013	Caldwell	1	One NC	Exela Pharma Sciences, LLC	\$189,000	38
2013	Caldwell	1	RIA, RG - Building Reuse	Exela Pharma Sciences	\$200,000	40
2014	Caldwell	1	RIA, RG - Building Reuse	A McGee Wood Products	\$200,000	20
2015	Caldwell	2	RIA, RG - Building Reuse	Associated Hardwoods	\$125,000	10
2015	Caldwell	2	RIA, RG - Building Reuse	Ccon Metals	\$137,500	11
2016	Caldwell	1	One NC	Hoffman Materials LLC	\$500,000	82
2016	Caldwell	1	RIA, RG - Building Reuse	Bakers Waste Equipment	\$411,375	42
2016	Caldwell	1	RIA, RG - Building Reuse	Jordan-Holman Lumber	\$222,450	23
2016	Caldwell	1	RIA, RG - Building Reuse	Belle Torte Bistro & Bakery	\$49,250	10
2016	Caldwell	1	RIA, RG - Building Reuse	80 Acres Investments	\$125,000	10
2016	Caldwell	1	RIA, RG - Building Reuse	Exela Pharma Sciences	\$500,000	40
2017	Caldwell	1	One NC	Ryan-Al, Inc.	\$150,000	53
2017	Caldwell	1	One NC	Adhezion Biomedical, LLC	\$100,000	40
2017	Caldwell	1	One NC	Sealed Air Corporation (US)	\$100,000	25
2017	Caldwell	1	RIA, RG - Building Reuse	White Wholesale Tire	\$50,000	10
2017	Caldwell	1	RIA, RG - Building Reuse	AMP Services	\$400,000	40
2017	Caldwell	1	RIA, RG - Building Reuse	Ryan-Al Door	\$44,525	29

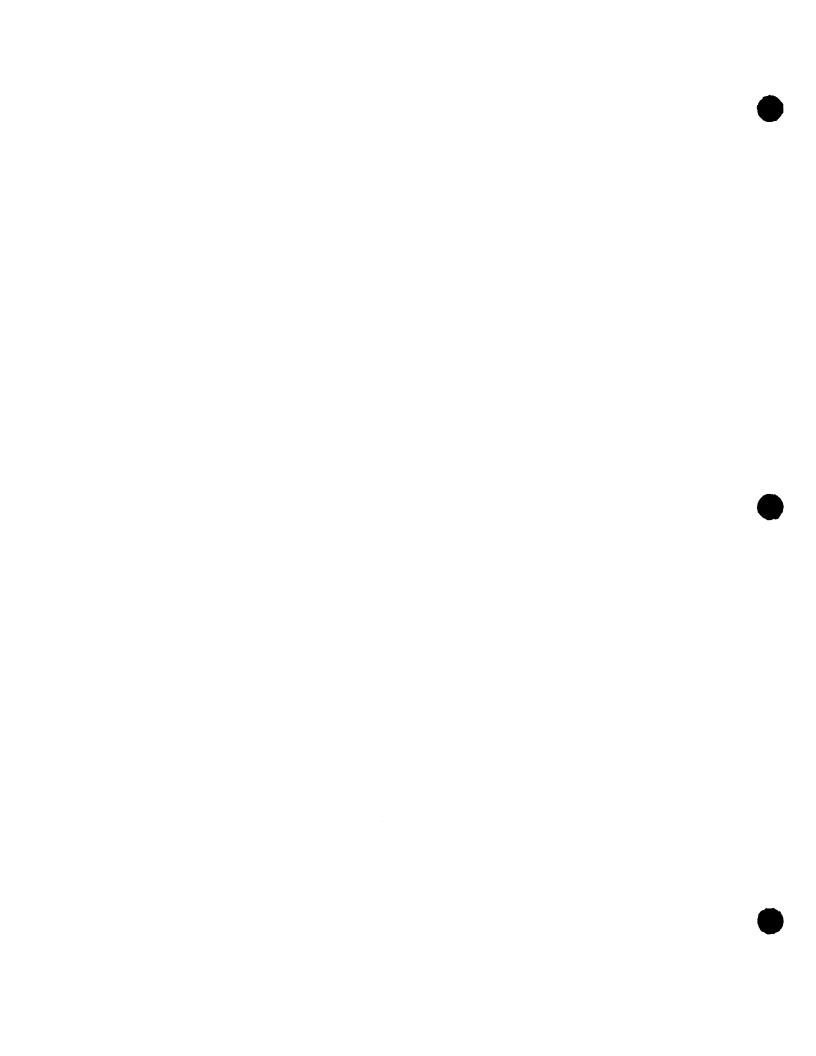


Vear	County	Tier	Award Type	Business	Award	# of
1 car	County	Tici	Award Type	Dusiness	Amount	Jobs
2017	Caldwell	1	RIA, RG - Building Reuse	Sealed Air (Project Joynes)	\$300,000	25
2013	Catawba	2	One NC	Hickory Springs Manufacturing Company	\$200,000	162
2014	Catawba	2	JDIG	GKN Driveline Newton, LLC	\$3,535,000	861
2014	Catawba	2	RIA, RG - Building Reuse	Transportation Insight, LLC	\$500,000	50
2015	Catawba	2	One NC	Carolina Nonwovens LLC	\$70,000	35
2015	Catawba	2	One NC	Blue Bloodhound, LP	\$305,600	191
2015	Catawba	2	One NC	GKN Sinter Metals, LLC	\$109,500	55
2015	Catawba	2	RIA, RG - Building Reuse	Prysmian Cables and Systems USA	\$240,000	24
2015	Catawba	2	RIA, RG - Building Reuse	Blue Bloodhound, LP	\$259,400	105
2015	Catawba	2	RIA, RG - Building Reuse	Century Furniture	\$500,000	50
2015	Catawba	2	RIA, RG - Building Reuse	West Penn Hardwoods	\$40,000	8
2015	Catawba	2	Utility Account	Substance, Inc.	\$120,975	5
2016	Catawba	2	JDIG	Corning Optical Communications LLC (Cable)	\$2,572,000	1,448
2016	Catawba	2	JDIG	GKN Driveline Newton, LLC II	\$1,764,000	1,626
2016	Catawba	2	One NC	Dynamic Air Engineering, Inc.	\$110,000	46
2016	Catawba	2	RIA, RG - Building Reuse	Temprano Techvestors	\$253,750	21
2016	Catawba	2	RIA, RG - Building Reuse	Prysmian Group	\$500,000	95
2016	Catawba	2	Utility Account	N/A	\$671,920	0
2016	Catawba	2	Utility Account	Substance, Inc.	\$28,189	0
2017	Catawba	2	JDIG	Corning Optical Communications LLC (Cable II)	\$242,000	210
2017	Catawba	2	One NC	Sutter Street Manufacturing, Inc.	\$300,000	72
2017	Catawba	2	RIA, RG - Building Reuse	Newton Urgent Care	\$70,000	7
2014	Chatham	3	RIA, CDBG - ED		\$750,000	38
2016	Chatham	3	RIA, CDBG - ED		\$1,500,000	700
2014	Cherokee	2	RIA, RG - Econ. Inf.		\$500,000	50
2015	Cherokee	2	RIA, RG - Building Reuse	TEAM Industries	\$86,250	9
2015	Cherokee	2	RIA, RG - Econ. Inf.		\$71,678	49
2014	Chowan	1	One NC	Standard Medical Acceptance (NC), LLC	\$100,000	32

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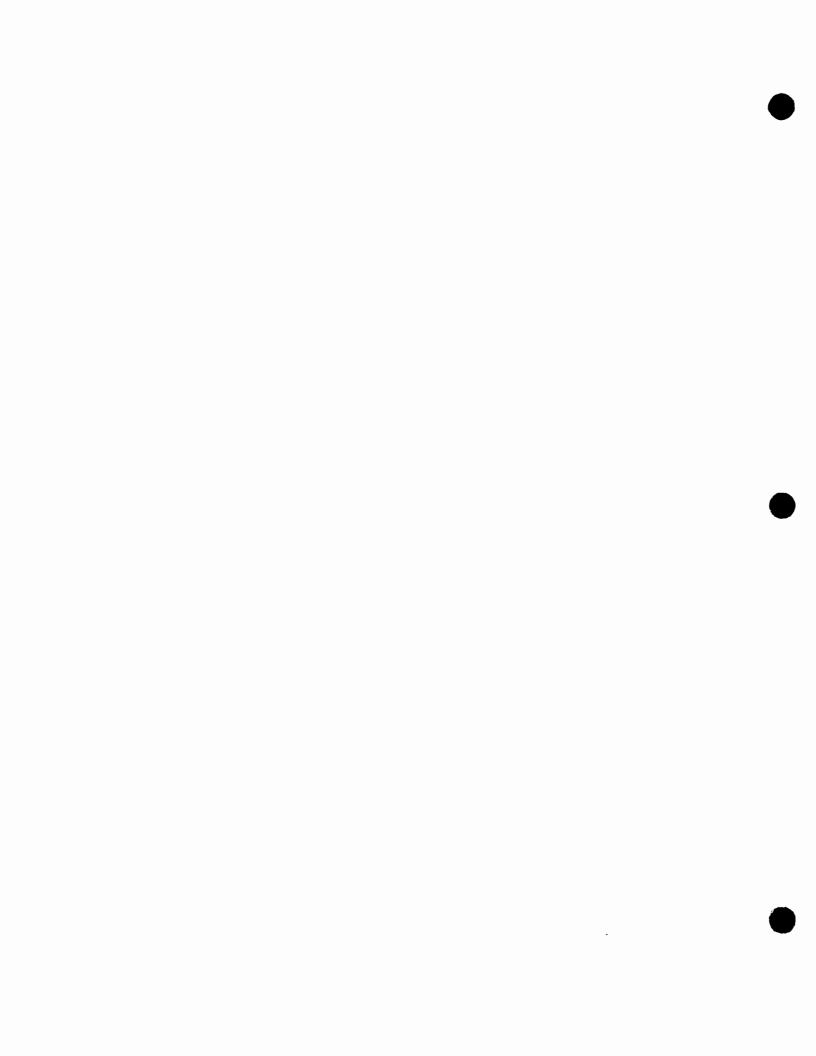
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Chowan	1	RIA, RG - Building Reuse	Standard Medical Acceptance, Inc.	\$127,455	11
2015	Chowan	1	One NC	Jimbo's Jumbos, Inc.	\$156,000	78
2015	Chowan	1	RIA, CDBG - ED		\$562,080	78
2015	Chowan	1	RIA, RG - Building Reuse	Albemarle Urgent Care	\$18,020	2
2016	Chowan	1	RIA, CDBG - ED		\$500,000	69
2017	Chowan	1	RIA, RG - Building Reuse	Regulator Marine (Project Elite)	\$320,000	32
2016	Clay	1	RIA, CDBG - ED		\$500,000	0
2017	Clay	1	One NC	Advanced Digital Cable, Inc.	\$50,000	15
2012	Cleveland	1	JDIG	Schletter, Inc.	\$2,930,000	305
2012	Cleveland	1	Utility Account		\$500,000	0
2013	Cleveland	1	JDIG	KSM Castings NC, Inc.	\$2,876,000	189
2013	Cleveland	2	One NC	KSM Castings USA Inc.	\$705,000	189
2013	Cleveland	2	One NC	Greenheck Fan Corporation	\$300,000	102
2013	Cleveland	1	Utility Account		\$455,478	0
2015	Cleveland	2	JDIG	Metal Works Mfg. Co.	\$1,559,000	150
2015	Cleveland	2	One NC	Ivar's Cabinet Shop, Inc.	\$50,000	27
2016	Cleveland	2	One NC	KSM Castings NC Inc.	\$320,000	80
2016	Cleveland	2	One NC	Uniquetex, LLC	\$800,000	150
2016	Cleveland	2	One NC	Porters Group, LLC	\$90,000	44
2016	Cleveland	2	One NC	Mafic USA LLC	\$225,000	113
2016	Cleveland	2	RIA, CDBG - ED		\$500,000	0
2016	Cleveland	2	RIA, CDBG - ED		\$500,000	0
2016	Cleveland	2	RIA, RG - Building Reuse	Mafic USA	\$500,000	71
2016	Cleveland	3	RIA, RG - Econ. Inf.		\$297,600	24
2016	Cleveland	2	RIA, RG - Econ. Inf.		\$250,000	20
2017	Cleveland	2	JDIG	Clearwater Paper Corporation II	\$244,000	180
2017	Cleveland	2	JDIG	Albemarle Corporation II	\$509,000	170
2017	Cleveland	2	RIA, CDBG - ED		\$3,000,000	180



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Cleveland	2	Utility Account	Clearwater Paper Corporation*	\$1,000,000	0
2013	Columbus	1	One NC	Ply Gem Industries, Inc.	\$150,000	145
2016	Columbus	1	RIA, RG - Building Reuse	RADIX-Bay	\$65,500	19
2017	Columbus	1	RIA, CDBG - ED	DMA Holdings (Project 522)*	\$250,000	0
2017	Columbus	1	RIA, RG - Building Reuse	DMA Holdings (Project 522)	\$97,350	13
2014	Confidential	2	RIA, CDBG - ED		\$600,000	50
2014	Confidential	1	RIA, RG - Building Reuse	Project Ellen	\$165,000	17
2014	Confidential	2	RIA, RG - Building Reuse	Project Nano	\$500,000	50
2015	Confidential	2	RIA, CDBG - ED		\$600,000	50
2015	Confidential	1	RIA, CDBG - ED		\$750,000	38
2015	Confidential	2	RIA, CDBG - ED		\$1,000,000	122
2015	Confidential	1	RIA, RG - Building Reuse	Project Hook	\$300,000	24
2015	Confidential	2	RIA, RG - Econ. Inf.		\$500,000	80
2015	Craven	2	JDIG	BSH Home Appliances Corporation II	\$4,552,000	1,576
2016	Craven	2	Utility Account	N/A	\$320,000	0
2016	Craven	2	Utility Account	N/A	\$195,000	0
2013	Cumberland	2	One NC	UAV Communications, BOSH Global Services	\$64,000	32
2017	Cumberland	2	One NC	Advanced Computer Learning Company, LLC	\$150,000	75
2017	Cumberland	2	One NC	Exel Inc.	\$200,000	140
2017	Cumberland	2	RIA, RG - Building Reuse	Kinlaw's Supermarket (Project Ribeye)	\$110,000	11
2014	Currituck	2	One NC	Government Contracting Specialists, Inc.	\$120,000	60
2015	Dare	2	RIA, RG - Building Reuse	Peak Resources - Outer Banks	\$500,000	50
2013	Davidson	2	One NC	Custom Nonwoven, Inc.	\$128,000	72
2014	Davidson	2	RIA, CDBG - ED		\$200,000	10
2014	Davidson	2	RIA, CDBG - ED		\$7,000,000	0
2014	Davidson	2	RIA, CDBG - ED		\$750,000	38
2014	Davidson	2	RIA, CDBG - ED		\$400,000	20
2014	Davidson	2	RIA, RG - Building Reuse	Atrium Windows & Doors	\$245,462	25



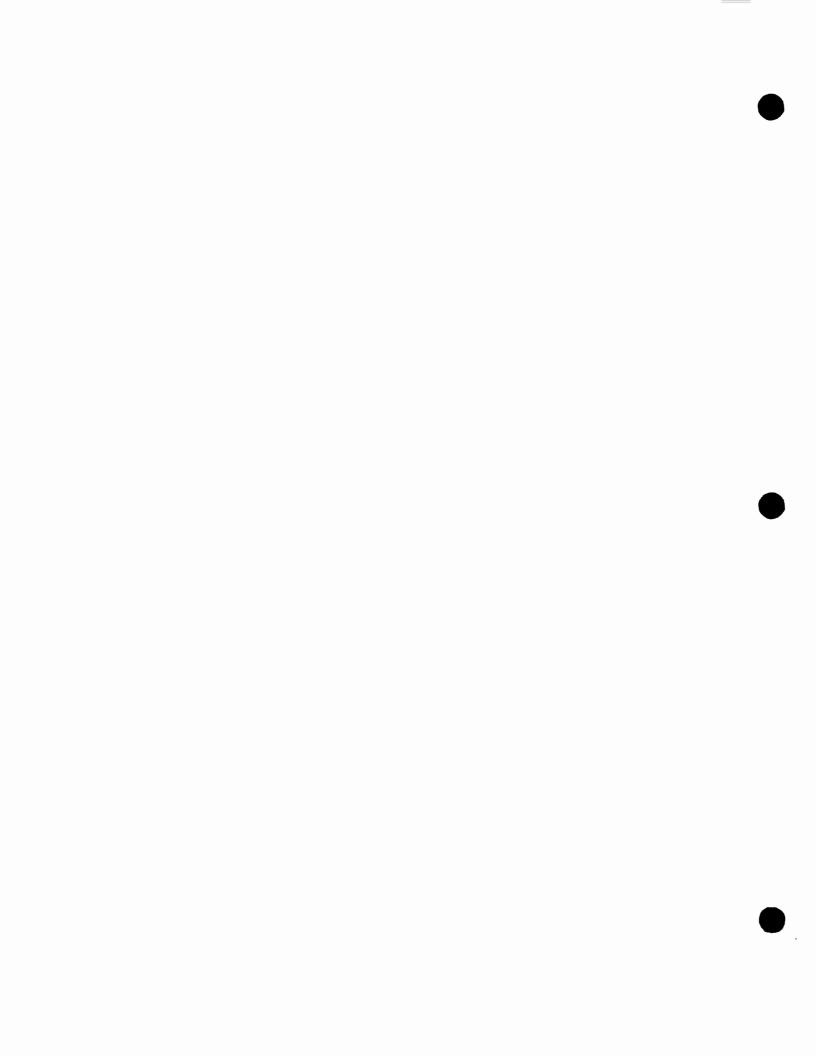
Year	County	Tier	Award Type	Business	Award	# of
					Amount	Jobs
	Davidson	2	RIA, CDBG - ED		\$120,000	6
	Davidson	2	RIA, CDBG - ED		\$240,000	12
	Davidson	2	RIA, CDBG - ED		\$131,250	11
	Davidson	2	RIA, CDBG - ED		\$750,000	38
	Davidson	2	RIA, CDBG - ED		\$750,000	38
	Davidson	2	RIA, CDBG - ED		\$400,000	20
	Davidson	2	RIA, RG - Building Reuse		\$500,000	40
2015	Davidson	2	RIA, RG - Building Reuse	Wildcat Territory	\$170,000	17
2015	Davidson	2	RIA, RG - Econ. Inf.		\$162,500	13
2016	Davidson	2	RIA, CDBG - ED		\$750,000	38
2016	Davidson	2	RIA, CDBG - ED		\$750,000	38
2016	Davidson	2	RIA, CDBG - ED		\$750,000	38
2016	Davidson	2	RIA, CDBG - ED		\$500,000	25
2016	Davidson	2	RIA, CDBG - ED		\$200,000	10
2016	Davidson	2	RIA, RG - Building Reuse	Thermo Products	\$90,000	9
2016	Davidson	2	RIA, RG - Building Reuse	Mohawk Industries	\$500,000	100
2017	Davidson	2	JDIG	EGGER Wood Products LLC	\$520,000	400
2017	Davidson	2	One NC	EGGER Wood Products LLC	\$2,500,000	232
2017	Davidson	2	RIA, CDBG - ED		\$240,000	12
2017	Davidson	2	RIA, RG - Building Reuse	Ennis-Flint	\$250,000	20
2012	Davie	2	JDIG	Ashley Furniture Industries, Inc.	\$3,753,000	560
2013	Davie	2	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2013	Davie	2	One NC	ProRefrigeration Inc.	\$75,000	58
2014	Davie	2	RIA, CDBG - ED		\$789,000	205
2014	Davie	1	RIA, CDBG - ED		\$50,000	0
2014	Davie	2	RIA, RG - Building Reuse	Dunlop Aircraft Tyres, Inc.	\$500,000	40
2014	Davie	2	RIA, RG - Econ. Inf.		\$332,500	205
2015	Davie	2	JDIG	Ashley Furniture Industries, Inc. II	\$5,119,000	1,676



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Davie	2	One NC	Ashley Furniture Industries, Inc. I	\$829,500	454
2015	Davie	2	RIA, CDBG - ED		\$221,760	50
2015	Davie	2	RIA, RG - Building Reuse	Avgol American	\$500,000	50
2015	Davie	2	RIA, RG - Building Reuse	AccuMed	\$500,000	40
2015	Davie	2	Utility Account	N/A, Industrial park development	\$450,000	0
2016	Davie	2	RIA, RG - Building Reuse	Gesipa Fasteners USA	\$160,000	12
2016	Davie	2	RIA, RG - Building Reuse	REEB Millwork	\$100,000	10
2014	Duplin	2	RIA, CDBG - ED		\$240,000	20
2015	Duplin	2	One NC	National Spinning Co., Inc.	\$100,000	50
2015	Duplin	2	RIA, RG - Building Reuse	Villari Bros. Foods	\$106,218	9
2015	Duplin	2	RIA, RG - Building Reuse	Villari Bros. Trucking	\$63,603	7
2016	Duplin	2	One NC	United States Cold Storage, Inc.	\$120,000	50
2016	Duplin	2	RIA, RG - Building Reuse	United Cold Storage	\$300,000	30
2016	Duplin	2	RIA, RG - Building Reuse	Vantage South Atlantic	\$30,000	3
2013	Durham	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	Durham	3	JDIG	Syngenta Biotechnology, Inc.	\$3,978,000	1,283
2013	Durham	3	One NC	bioMerieux, Inc.	\$220,000	44
2013	Durham	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2013	Durham	3	One NC	Purdue Pharma Manufacturing L.P.	\$300,000	100
2014	Durham	3	JDIG	Argos Therapeutics, Inc.	\$6,181,000	331
2014	Durham	3	One NC	Novozymes North America, Inc.	\$400,000	100
2015	Durham	3	JDIG	Fidelity Global Brokerage Group, Inc. II	\$20,697,000	4,163
2015	Durham	3	JDIG	Premier Research International LLC	\$3,440,000	373
2015	Durham	3	JDIG	Interactive Purecloud, Inc.	\$2,183,000	306
2015	Durham	3	JDIG	Frontier Communications of the Carolinas LLC	\$1,174,000	598
2015	Durham	3	One NC	WillowTree, Inc.	\$73,500	98
2016	Durham	3	JDIG	Aurobindo Pharma USA Inc.	\$5,073,000	289
2016	Durham	3	One NC	Braeburn Pharmaceuticals, Inc.	\$100,000	52

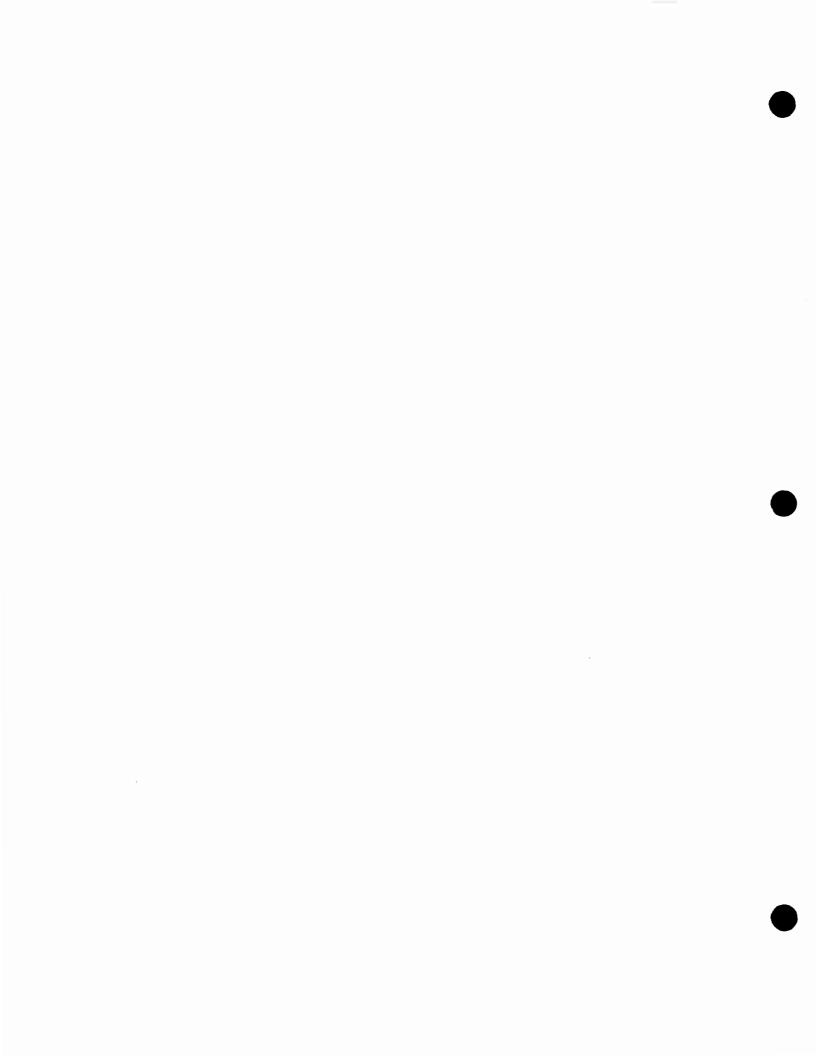
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2016	Durham	3	One NC	Almac Group Inc	\$77,000	79
2017	Durham	3	JDIG	Credit Suisse Securities (USA) LLC (III)	\$4,615,000	1,200
2017	Durham	3	JDIG	Corning Incorporated (Excalibur)	\$360,000	317
2013	Edgecombe	1	One NC	Nash Building Systems, Inc.	\$100,000	29
2013	Edgecombe	1	RIA, RG - Building Reuse	SePRO	\$180,000	15
2013	Edgecombe	1	RIA, RG - Building Reuse	Acme United	\$400,000	40
2013	Edgecombe	1	Utility Account		\$30,000	0
2014	Edgecombe	1	Utility Account	General Foam Plastics	\$750,000	100
2015	Edgecombe	1	RIA, CDBG - ED		\$500,000	25
2016	Edgecombe	1	JDIG	CSX Intermodal Terminals, Inc.	\$4,310,000	1,025
2016	Edgecombe	1	One NC	The Hillshire Brands Company	\$300,000	98
2016	Edgecombe	1	Utility Account	N/A	\$949,750	0
2017	Edgecombe	1	JDIG	Corning Incorporated (Agate)	\$103,000	111
2017	Edgecombe	1	JDIG	New Co. 1 (Grantee)	\$1,721,000	800
2017	Edgecombe	1	One NC	Keihin Carolina System Technology, LLC	\$150,000	42
2017	Edgecombe	1	One NC	New Co. 1 (Grantee)	\$16,000,000	800
2017	Edgecombe	1	RIA, CDBG - ED		\$367,000	0
2017	Edgecombe	1	RIA, RG - Building Reuse	Keihin Carolina System Technology	\$113,500	42
2017	Edgecombe	3	Utility Account	N/A	\$1,704,700	0
2012	Forsyth	3	JDIG	Deere-Hitachi Construction Machinery Corp.	\$3,509,000	1,083
2012	Forsyth	3	JDIG	Herbalife International Of America, Inc.	\$7,412,000	493
2012	Forsyth	3	JDIG	Inmar, Inc.	\$5,556,000	935
2014	Forsyth	3	One NC	United Furniture Industries NC, LLC	\$300,000	200
2015	Forsyth	3	JDIG	Herbalife International of America, Inc. II	\$3,998,750	794
2016	Forsyth	3	JDIG	Corning Optical Communications LLC (Cable)	\$2,572,000	1,448
2017	Forsyth	3	One NC	HPFABRICS, INC.	\$250,000	260
2014	Franklin	2	One NC	Novozymes North America, Inc.	\$400,000	100
2014	Franklin	2	RIA, CDBG - ED		\$300,000	15

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Franklin	2	Utility Account	DCN Cables	\$500,000	15
2015	Franklin	2	RIA, RG - Building Reuse	Youngsville Animal Hospital	\$15,000	3
2015	Franklin	2	RIA, RG - Building Reuse	Palziv North Ameroca	\$500,000	40
2016	Franklin	2	JDIG	K-Flex USA L.L.C.	\$1,261,000	302
2016	Franklin	2	RIA, CDBG - ED		\$1,700,000	66
2016	Franklin	2	RIA, RG - Building Reuse	Network South	\$125,000	10
2016	Franklin	2	RIA, RG - Building Reuse	K-Flex USA	\$500,000	70
2017	Franklin	2	One NC	PALZIV NORTH AMERICA, INC.	\$40,000	40
2017	Franklin	2	RIA, CDBG - ED		\$750,000	63
2017	Franklin	2	RIA, RG - Building Reuse	Farmers Home Furniture	\$25,000	5
2017	Franklin	2	RIA, RG - Building Reuse	State Farm	\$20,000	4
2017	Franklin	2	RIA, RG - Building Reuse	Impact Healthcare	\$70,000	7
2017	Franklin	4	Utility Account	N/A	\$1,807,000	0
2013	Gaston	2	JDIG	Owens Corning Composite Materials, LLC	\$1,991,000	185
2014	Gaston	2	One NC	Tosaf USA Inc.	\$225,000	75
2014	Gaston	2	RIA, RG - Building Reuse	Pacific Coast Feather	\$500,000	50
2014	Gaston	2	RIA, RG - Building Reuse	Carolina Care Center	\$300,000	30
2015	Gaston	2	RIA, RG - Building Reuse	Modern Polymers	\$133,021	11
2015	Gaston	2	RIA, RG - Econ. Inf.		\$500,000	60
2016	Gaston	2	RIA, CDBG - ED		\$150,000	0
2016	Gaston	2	Utility Account	Pharr Yarns	\$750,000	0
2017	Gaston	2	JDIG	Dhollandia MFG, LLC	\$152,000	150
2017	Gaston	2	RIA, RG - Building Reuse	Firestone Fibers & Textiles Company	\$300,000	25
2013	Graham	1	RIA, RG - Building Reuse	The Hub Coffee Shop	\$10,000	2
2014	Graham	1	One NC	Oak Valley Hardwoods, Inc.	\$156,000	114
2015	Graham	1	RIA, RG - Building Reuse	Oak Valley Hardwoods	\$500,000	40
2014	Granville	2	JDIG	Ideal Fastener Corporation	\$1,549,000	381
2014	Granville	2	RIA, RG - Building Reuse	PRM, Inc.	\$150,000	15

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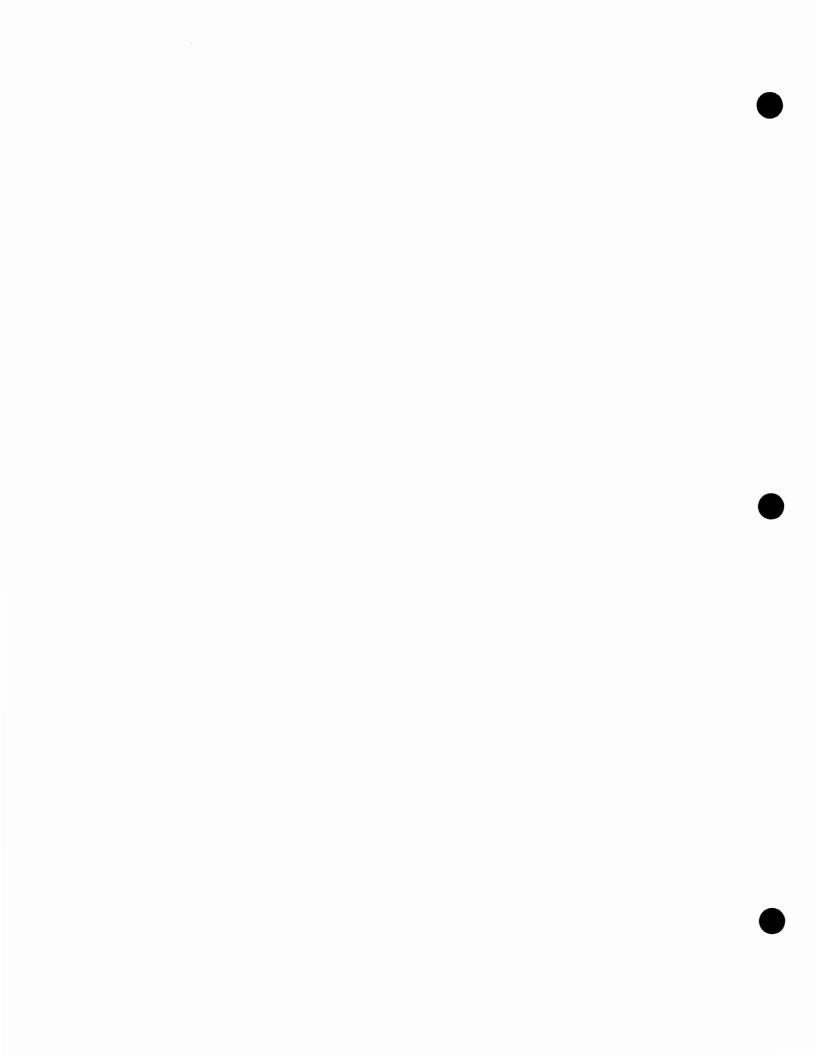
Vear	County	Tier	Award Type	Business	Award	# of
- Cai	County	1101	Award Type	Dusiness	Amount	Jobs
2014	Granville	2	RIA, RG - Building Reuse	IDEAL Fastener	\$254,826	21
2015	Granville	2	One NC	Shalag US Inc.	\$100,000	40
2015	Granville	2	RIA, RG - Building Reuse	NT Techno USA	\$200,000	20
2015	Granville	2	RIA, RG - Building Reuse	Builder Services	\$175,500	18
2016	Granville	2	RIA, RG - Building Reuse	Altec Industries	\$500,000	50
2016	Granville	2	RIA, RG - Building Reuse	Stay Online	\$499,190	50
2017	Granville	2	One NC	Revlon Consumer Products Corporation	\$100,000	55
2017	Granville	2	RIA, RG - Building Reuse	Shalag US (2nd Line Spooling)	\$125,000	10
2016	Greene	1	One NC	Home Elevator & Lift Products, LLC	\$50,000	22
2016	Greene	1	RIA, RG - Building Reuse	Home Elevators & Lift	\$55,000	17
2012	Guilford	3	JDIG	Ralph Lauren Corporation II	\$3,274,000	1,922
2013	Guilford	2	JDIG	Syngenta Biotechnology, Inc.	\$3,978,000	1,283
2013	Guilford	2	One NC	Qualicaps, Inc.	\$235,000	123
2013	Guilford	2	One NC	N. S. Flexibles, LLC	\$61,500	41
2013	Guilford	2	One NC	OFS Brands Holdings, Inc.	\$300,000	126
2014	Guilford	2	One NC	BuzziSpace, Inc.	\$100,000	50
2015	Guilford	2	One NC	Ecolab Inc.	\$100,000	45
2015	Guilford	2	One NC	Packrite LLC	\$100,000	100
2015	Guilford	2	One NC	TIMCO Aerosystems, LLC	\$294,000	127
2015	Guilford	2	One NC	RF MICRO DEVICES, INC., d/b/a QORVO	\$500,000	100
2015	Guilford	2	RIA, RG - Building Reuse	Vault	\$180,000	15
2016	Guilford	3	One NC	Total Quality Logistics, LLC	\$70,000	70
2017	Guilford	2	One NC	Superion, LLC	\$160,000	80
2012	Halifax	1	JDIG	Klausner Lumber Two, LLC	\$3,913,000	350
2013	Halifax	1	One NC	Meherrin River Forest Products, Inc.	\$80,000	40
2013	Halifax	1	RIA, RG - Building Reuse	Project Chamber	\$35,871	4
2014	Halifax	1	RIA, RG - Building Reuse	Ventosa K9 Elite	\$50,000	5
2014	Halifax	1	RIA, RG - Building Reuse	Weldon Steel	\$33,794	4

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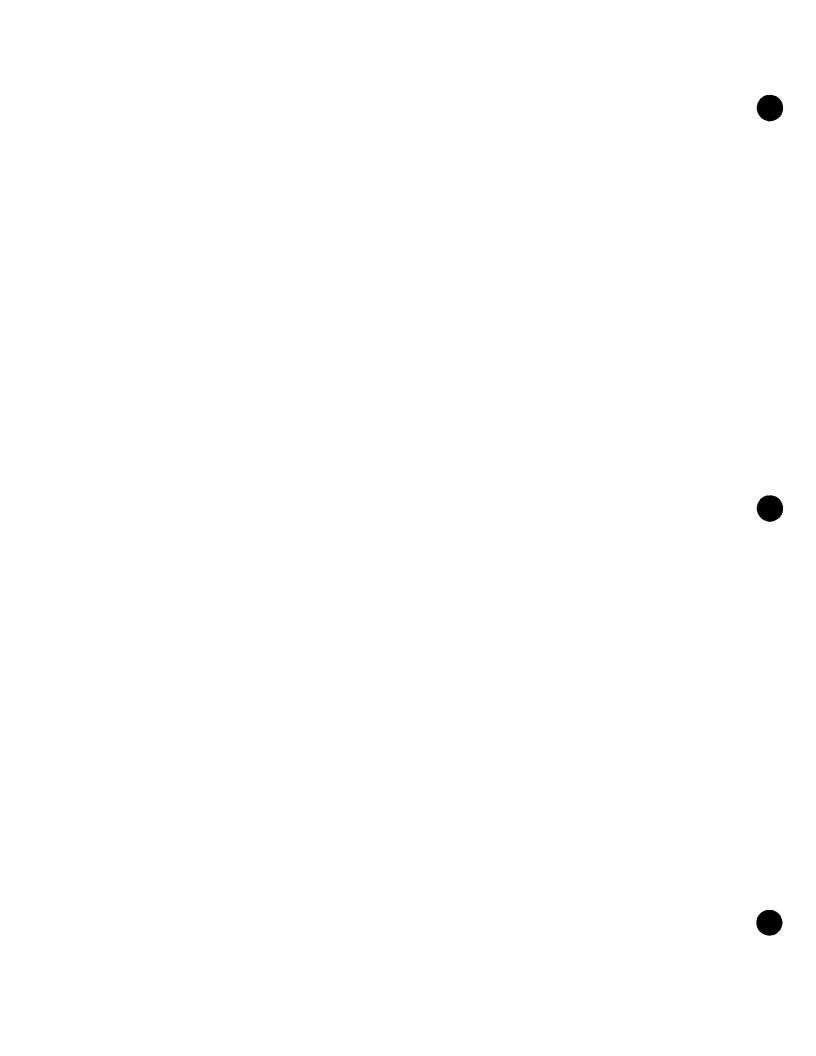
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Voor County	Tion	Award Type	Business	Award	# of
Year County	Tier	Awaru Type	Business	Amount	Jobs
2015 Halifax	1	RIA, RG - Building Reuse	Enfield Timber	\$450,000	36
2016 Halifax	1	One NC	Swelect Energy Systems LLC	\$600,000	155
2016 Halifax	1	RIA, RG - Building Reuse	Café 59	\$25,000	5
2016 Halifax	1	RIA, RG - Building Reuse	Meherrin River Forest Products	\$200,000	20
2017 Halifax	1	RIA, RG - Building Reuse	Scotland House Assisted Living	\$450,000	45
2017 Halifax	1	RIA, RG - Econ. Inf.		\$60,000	6
2013 Harnett	2	One NC	RTG Furniture Corp of Georgia	\$200,000	220
2015 Harnett	2	RIA, RG - Building Reuse	Saab Barracuda	\$148,868	15
2016 Harnett	2	RIA, RG - Building Reuse	Organic Butcher Shop	\$25,000	5
2016 Harnett	2	RIA, RG - Econ. Inf.		\$125,000	25
2014 Haywood	3	JMAC	Blue Ridge Paper Products Inc.	\$12,000,000	800
2014 Haywood	2	Utility Account	Evergreen Packaging	\$2,100,000	0
2013 Henderson	3	One NC	Continental Automotive Systems, Inc.	\$40,000	40
2014 Henderson	3	One NC	Shorewood Packaging LLC	\$60,000	47
2014 Henderson	3	One NC	Elkamet, Inc.	\$24,000	20
2015 Henderson	3	One NC	RAUMEDIC Inc.	\$500,000	138
2016 Henderson	3	JDIG	GF Linamar LLC	\$5,676,000	350
2016 Henderson	3	One NC	GF Linamar LLC	\$500,000	350
2016 Henderson	3	One NC	Demmel Inc.	\$150,000	50
2016 Henderson	3	One NC	Norafin (Americas) Inc	\$100,000	46
2016 Henderson	3	One NC	Elkamet, Inc.	\$35,000	25
2016 Henderson	3	RIA, RG - Econ. Inf.		\$135,000	42
2017 Henderson	3	RIA, CDBG - ED		\$500,000	0
2017 Henderson	3	RIA, RG - Econ. Inf.		\$72,575	0
2015 Hertford	1	Utility Account	N/A	\$602,000	0
2014 Hoke	1	One NC	Tyton BioSciences LLC	\$232,000	79
2015 Hoke	2	One NC	Butterball, LLC	\$150,000	367
2015 Hoke	2	RIA, CDBG - ED		\$1,000,000	84

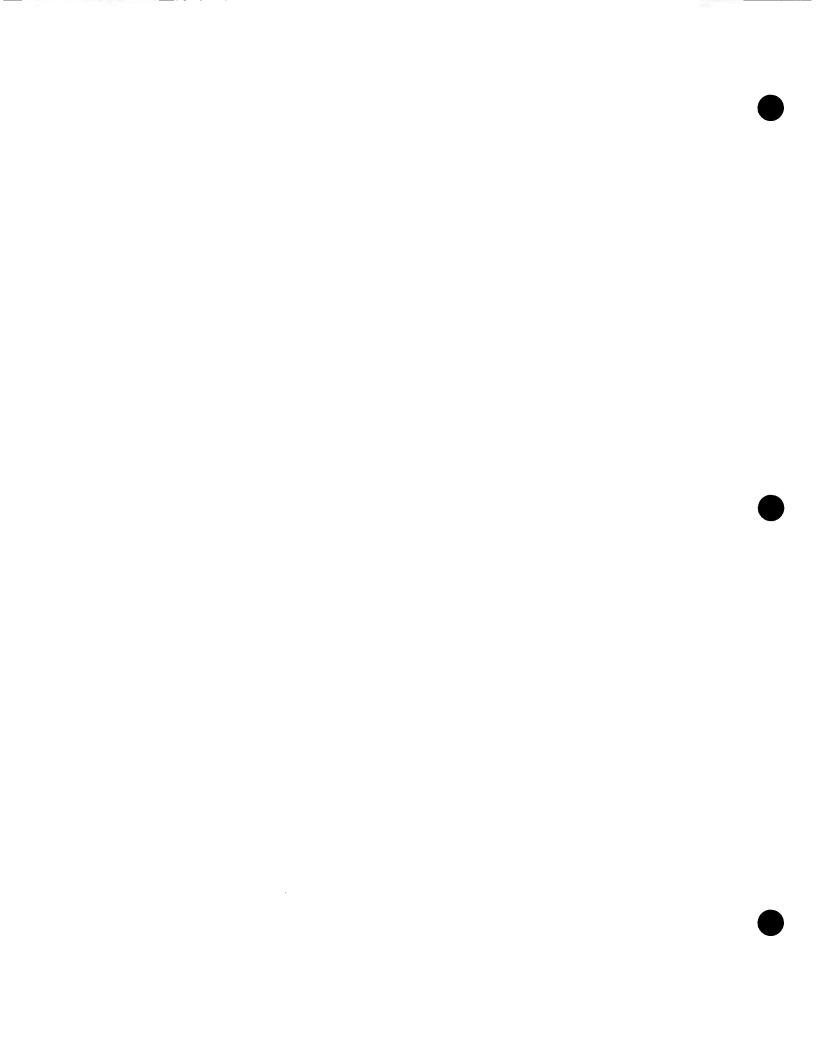
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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Hoke	2	RIA, RG - Building Reuse	Butterball	\$500,000	100
2017	Hoke	2	RIA, RG - Building Reuse	Butterball (Project Chief)*	\$500,000	0
2013	Hyde	1	One NC	UAV Communications, BOSH Global Services	\$64,000	32
2015	Hyde	1	RIA, RG - Building Reuse	1718: Ocracoke Brewing Company	\$25,000	5
2015	Hyde	1	RIA, RG - Building Reuse	Dare to Hyde	\$60,000	6
2016	Hyde	1	RIA, RG - Building Reuse	Courthouse Café	\$50,000	5
2013	Iredell	3	One NC	IOMAX USA, Inc.	\$75,000	35
2013	Iredell	3	One NC	Pactiv LLC	\$103,000	51
2013	Iredell	3	One NC	Weber Screwdriving Systems, Inc.	\$40,000	38
2014	Iredell	3	One NC	Highland Industries, Inc.	\$70,000	29
2014	Iredell	3	One NC	Harvest Garden Pro, LLC	\$45,000	33
2017	Iredell	3	JDIG	Tristone Flowtech USA Inc.	\$130,000	302
2017	Iredell	3	One NC	TrueLearn, LLC	\$50,000	44
2017	Iredell	3	RIA, RG - Building Reuse	Mack Molding Company (Project Victory)	\$250,000	60
2017	Jackson	1	RIA, RG - Econ. Inf.		\$50,000	10
2012	Johnston	3	JDIG	Caterpillar, Inc. (Bee)	\$2,192,000	1,477
2013	Johnston	3	RIA, RG - Building Reuse	Teknion Studio	\$250,000	50
2014	Johnston	3	RIA, RG - Econ. Inf.		\$350,000	70
2015	Johnston	3	JDIG	Novo Nordisk Pharmaceutical Industries, Inc. III	\$21,149,000	1,415
2015	Johnston	3	One NC	Novo Nordisk Pharmaceutical Industries, LP III	\$1,000,000	691
2015	Johnston	3	RIA, RG - Building Reuse	Atlantic Resources	\$175,000	35
2016	Johnston	3	RIA, RG - Econ. Inf.		\$250,000	50
2016	Johnston	3	RIA, RG - Econ. Inf.		\$250,000	50
2017	Johnston	3	RIA, CDBG - ED		\$750,000	38
2017	Johnston	3	RIA, RG - Building Reuse	Metallum Recycling	\$125,000	25
2012	Jones	1	Utility Account		\$150,000	0
2012	Jones	1	Utility Account		\$380,000	0
2014	Lee	2	JDIG	GKN Driveline North America, Inc. II	\$1,340,000	1,332
2014	Lee	2	RIA, RG - Building Reuse	GKN Driveline	\$500,000	50
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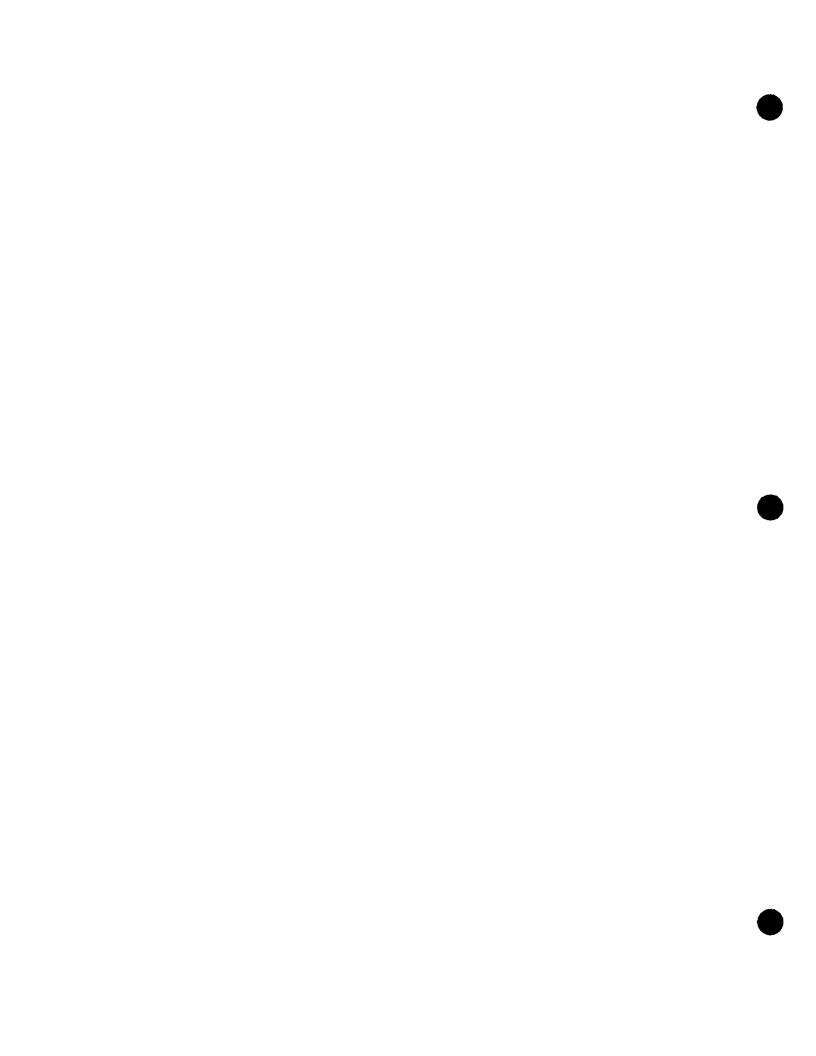
Year County	Tier	Award Type	Business	Award Amount	# of Jobs
2015 Lee	2	One NC	Magneti Marelli Powertrain USA LLC	\$225,000	76
2016 Lee	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2016 Lee	2	One NC	COTY US LLC	\$62,000	25
2016 Lee	2	RIA, RG - Building Reuse	Boston Fruit Slice	\$80,000	16
2016 Lee	2	RIA, RG - Building Reuse	Seal It Services	\$75,000	15
2016 Lee	2	RIA, RG - Econ. Inf.		\$103,615	20
2017 Lee	2	One NC	Wyeth Holdings LLC	\$250,000	40
2014 Lenoir	1	One NC	E.I. duPont de Nemours and Company	\$80,000	18
2015 Lenoir	1	One NC	Pactiv LLC	\$150,000	59
2015 Lenoir	1	One NC	Associated Materials, LLC	\$200,000	72
2015 Lenoir	1	One NC	NSA Holdings,Inc.	\$250,000	109
2016 Lenoir	1	One NC	The Social Beverage Company, LLC	\$68,000	34
2016 Lenoir	1	RIA, RG - Building Reuse	Midtown Motor Lodge	\$100,000	10
2016 Lenoir	1	RIA, RG - Building Reuse	Mother Earth Brewing	\$62,500	5
2016 Lenoir	1	RIA, RG - Building Reuse	The Social Beverage Co/Project Spirits	\$200,000	23
2012 Lincoln	3	JDIG	Denver Global Products, Inc.	\$3,663,000	477
2013 Lincoln	3	One NC	Borghetti Turbos North America, Inc.	\$99,000	86
2014 Lincoln	3	RIA, CDBG - ED		\$500,000	25
2016 Lincoln	3	One NC	Kaco USA Inc.	\$100,000	100
2016 Lincoln	3	RIA, RG - Building Reuse	Robert Bosch Tool	\$250,000	54
2017 Lincoln	3	RIA, RG - Building Reuse	Kaco USA	\$250,000	100
2013 Macon	2	One NC	Franklin Tubular Products Inc	\$56,000	121
2015 Macon	1	RIA, RG - Building Reuse	Brasstown Beef	\$87,777	9
2016 Macon	1	One NC	TekTone Sound & Signal Mfg., Inc.	\$90,000	35
2016 Macon	1	RIA, RG - Building Reuse	TekTone	\$187,500	15
2015 Madison	2	RIA, RG - Building Reuse	Buchi Tea	\$75,000	6
2015 Madison	2	RIA, RG - Building Reuse	Punker	\$260,000	26
2017 Madison	2	One NC	Advanced Superabrasives Inc	\$100,000	47



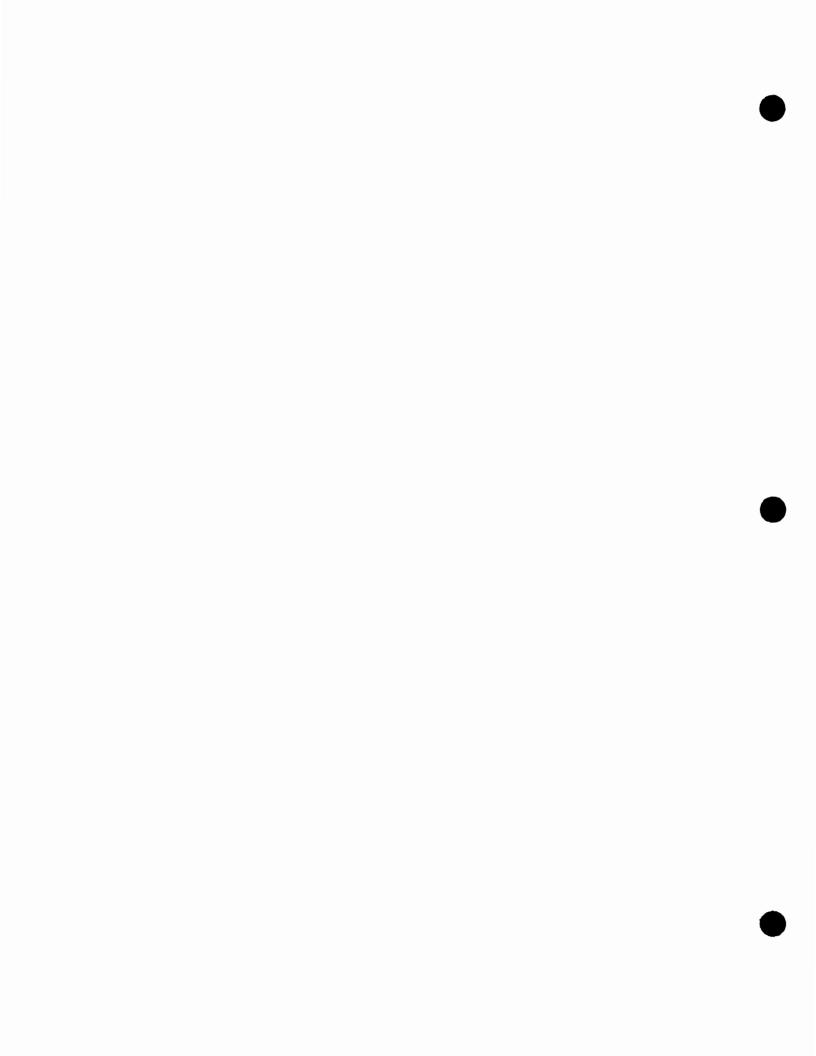
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Martin	1	One NC	Syfan Manufacturing, Inc.	\$120,000	24
2015	Martin	1	One NC	AR TEXTILES LTD	\$114,400	38
2015	Martin	1	RIA, RG - Building Reuse	Ann's House of Nuts	\$500,000	50
2015	Martin	1	RIA, RG - Building Reuse	Syfan Manufacturing	\$250,000	25
2015	Martin	1	RIA, RG - Building Reuse	Penco Products	\$220,000	22
2015	Martin	1	Utility Account	Everetts Industrial Park	\$926,675	0
2016	Martin	1	RIA, CDBG - ED		\$335,000	0
2016	Martin	1	RIA, RG - Building Reuse	Metcore Industrial Solutions	\$150,000	12
2017	Martin	1	One NC	Weitron, Inc.	\$90,000	31
2017	Martin	1	RIA, CDBG - ED		\$150,000	0
2017	Martin	1	RIA, CDBG - ED		\$620,000	31
2017	Martin	1	RIA, RG - Econ. Inf.		\$387,500	0
2013	McDowell	1	One NC	The Solar Connection, LLC	\$156,000	50
2013	McDowell	1	One NC	Key Gas Components, Inc.	\$111,000	43
2014	McDowell	2	One NC	XOSTEEL LLC	\$90,000	30
2014	McDowell	2	RIA, RG - Econ. Inf.		\$100,000	10
2015	McDowell	2	RIA, CDBG - ED		\$500,000	0
2015	McDowell	2	RIA, RG - Building Reuse	Auto Tech Collision Center	\$40,000	4
2016	McDowell	1	RIA, RG - Building Reuse	Fat Boy's Burritos	\$25,000	5
2016	McDowell	1	RIA, RG - Econ. Inf.		\$150,000	0
2017	McDowell	1	One NC	Baxter Healthcare Corporation	\$1,000,000	90
2017	McDowell	1	One NC	Taylor Stave, LLC	\$84,000	28
2017	McDowell	1	RIA, RG - Building Reuse	Baxter Healthcare	\$500,000	90
2017	McDowell	1	RIA, RG - Building Reuse	Ethan Allen	\$195,462	16
2017	McDowell	1	RIA, RG - Econ. Inf.		\$60,000	12
2012	Mecklenburg	3	JDIG	JELD-WEN, Inc.	\$3,395,000	142
2012	Mecklenburg	3	JDIG	Sid Tool Co, Inc.	\$15,697,000	464
2012	Mecklenburg	3	JDIG	United Technologies Corporation	\$22,052,000	325

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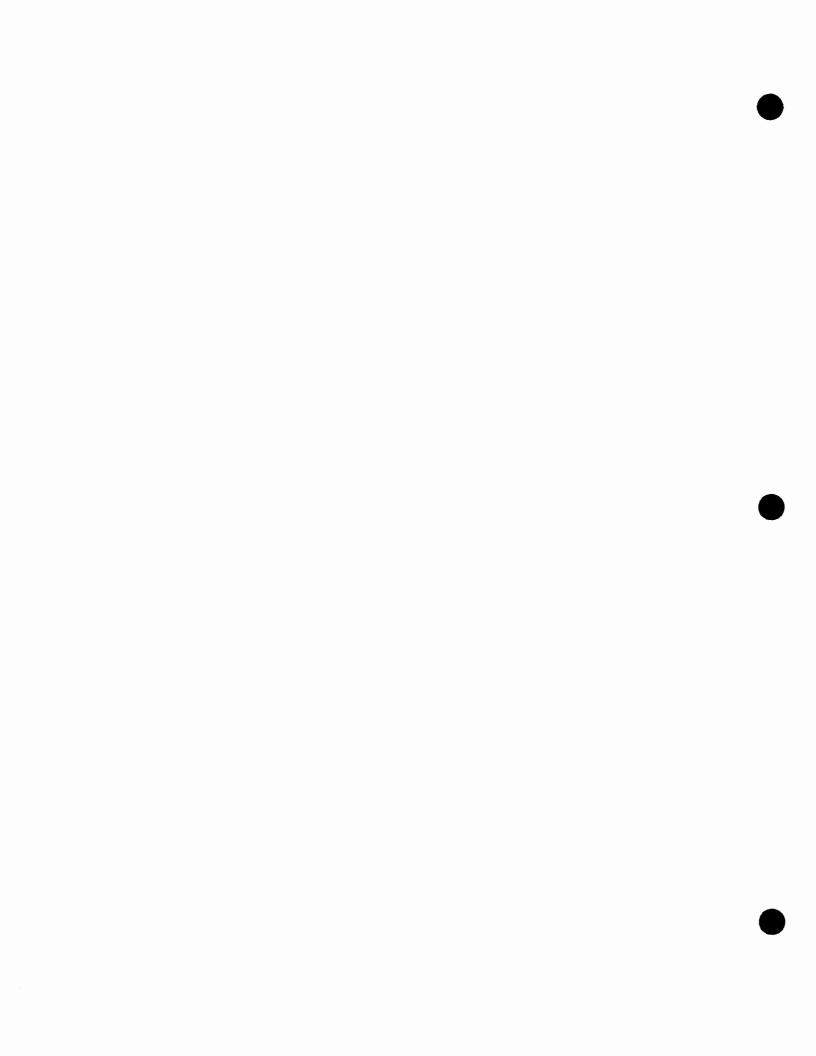
Vear	County	Tier	Award Type	Business	# of
	County	1101	ziwara rype	Amount	Jobs
2012	Mecklenburg	3	JDIG	XPO Logistics, Inc. \$4,293,000	205
2013	Mecklenburg	3	JDIG	AIG PC Global Services, Inc. \$6,659,000	230
2013	Mecklenburg	3	JDIG	Areva NP, Inc. \$3,406,000	770
2013	Mecklenburg	3	JDIG	Electrolux Home Products, Inc. III \$36,560,000	1,570
2013	Mecklenburg	3	JDIG	InVue Security Products, Inc. \$937,000	158
2013	Mecklenburg	3	JDIG	MetLife Group, Inc. \$116,362,000	2,765
2013	Mecklenburg	3	JDIG	Rack Room Shoes, Inc. \$884,000	247
2013	Mecklenburg	3	JDIG	XPO Logistics, Inc. II \$4,797,000	532
2013	Mecklenburg	3	One NC	Otto Environmental Systems (NC) LLC \$48,000	32
2014	Mecklenburg	3	JDIG	AvidXchange, Inc. \$10,023,000	808
2014	Mecklenburg	3	JDIG	Cognizant Technology Solutions U.S. Corp. \$6,784,000	1,986
2014	Mecklenburg	3	JDIG	RBUS, Inc. \$4,325,000	778
2014	Mecklenburg	3	JDIG	Sealed Air Corporation \$48,956,000	1,262
2014	Mecklenburg	3	JDIG	Spectra Group Inc. \$3,935,000	250
2014	Mecklenburg	3	One NC	YG-1 America, Inc. \$135,000	53
2014	Mecklenburg	3	One NC	Sealed Air Corporation \$2,500,000	1,262
2014	Mecklenburg	3	One NC	Burkert Contromatic Corp. \$110,000	61
2015	Mecklenburg	3	JDIG	Dimensional Fund Advisors LP \$13,747,000	316
2015	Mecklenburg	3	JDIG	Royal Appliance Mfg. Co. \$5,004,000	200
2015	Mecklenburg	3	JDIG	RBUS, Inc. II \$3,546,000	1,278
2015	Mecklenburg	3	JDIG	Corning Optical Communications LLC \$3,136,000	708
2015	Mecklenburg	3	JDIG	Albemarle Corporation \$2,720,000	241
2015	Mecklenburg	3	One NC	Nutec Inc. \$100,000	61
2015	Mecklenburg	3	One NC	Republic Services Customer Center East, LLC \$216,000	359
2016	Mecklenburg	3	JDIG	LendingTree, LLC \$6,514,000	609
2016	Mecklenburg	3	JDIG	PayPal, Inc. * \$3,730,000	400
2016	Mecklenburg	3	JDIG.	JELD-WEN, Inc. II \$3,255,000	378
2016	Mecklenburg	3	JDIG	Dollar Express Stores LLC * \$1,634,000	131



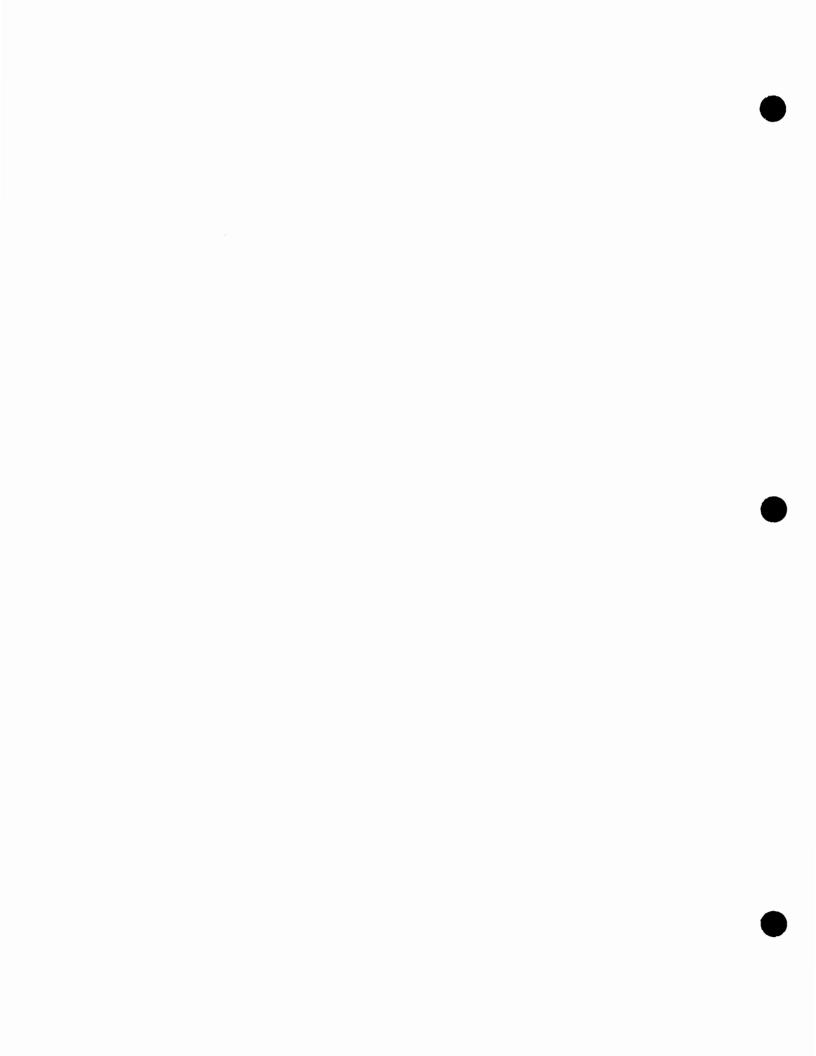
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2016	Mecklenburg	3	One NC	Snyder's-Lance, Inc.	\$100,000	
2016	Mecklenburg	3	One NC	Oerlikon AM US Inc.	\$1,000,000	93
2017	Mecklenburg	3	JDIG	AXA Equitable Life Insurance Company	\$1,695,000	550
2017	Mecklenburg	3	JDIG	Allstate Insurance Company	\$2,148,000	2,250
2017	Mecklenburg	3	JDIG	NN, Inc.	\$363,000	200
2014	Mitchell	1	RIA, CDBG - ED		\$238,575	232
2016	Mitchell	2	RIA, CDBG - ED		\$100,000	235
2016	Mitchell	2	RIA, RG - Building Reuse	New Buck Corp.	\$46,850	5
2016	Mitchell	2	RIA, RG - Econ. Inf.		\$30,000	0
2013	Montgomery	1	One NC	Jordan Forest Products, LLC	\$43,600	31
2013	Montgomery	1	One NC	Wright Foods, Inc.	\$1,500,000	505
2013	Montgomery	1	RIA, RG - Building Reuse	Project Peaches	\$50,000	10
	Montgomery	1	Utility Account		\$721,020	0
2014	Montgomery	1	RIA, RG - Building Reuse	Grede Holdings, LLC	\$200,000	20
2014	Montgomery	1	Utility Account	Wright Foods	\$470,000	246
2015	Montgomery	1	RIA, RG - Building Reuse	Sandy Ridge Memory Care	\$200,000	20
2016	Montgomery	1	RIA, CDBG - ED		\$322,830	4
2016	Montgomery	1	RIA, RG - Building Reuse	Tractor Supply Company	\$50,000	5
2016	Montgomery	1	RIA, RG - Building Reuse	Alandale Knitting	\$120,000	12
2017	Montgomery	1	One NC	Carolina Structural Systems LLC	\$200,000	71
2017	Montgomery	1	RIA, RG - Building Reuse	Carolina Structural Systems	\$101,000	63
2014	Moore	3	RIA, CDBG - ED		\$270,000	27
2015	Moore	3	One NC	Reliance Packaging, LLC	\$52,000	48
2015	Moore	3	RIA, RG - Building Reuse	Reliance Packaging, LLC	\$40,000	8
2017	Moore	3	RIA, RG - Building Reuse		\$55,000	11
2013	Nash	2	One NC	Nutkao USA Inc.	\$210,000	56
2014	Nash	2	RIA, CDBG - ED		\$750,000	47
2014	Nash	2	RIA, CDBG - ED		\$479,925	64
2014	Nash	2	RIA, RG - Econ. Inf.		\$157,575	64
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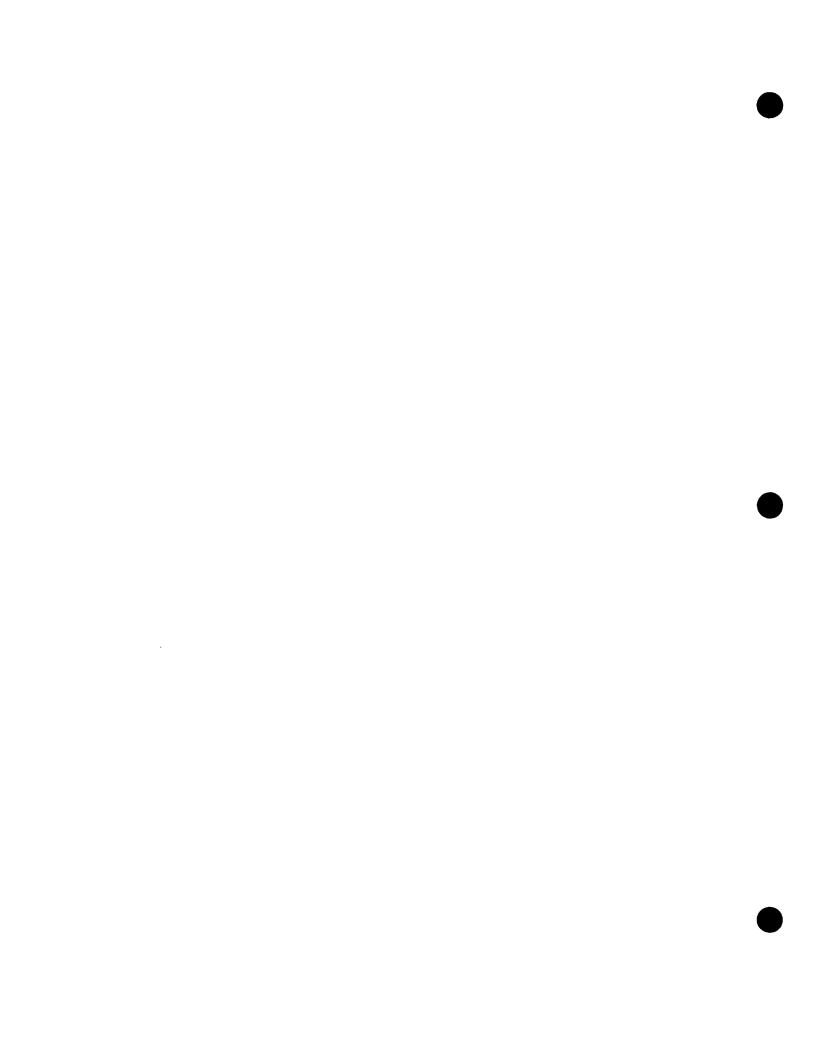
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Nash	2	Utility Account	Industrial Park	\$379,087	0
2016	Nash	1	RIA, RG - Econ. Inf.		\$292,425	36
2017	Nash	2	One NC	LS Tractor USA, LLC	\$60,000	31
2013	New Hanover	3	JDIG	Castle Branch, Inc.	\$1,651,000	600
2013	New Hanover	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	New Hanover	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2015	New Hanover	3	One NC	AAIPharma Services Corp.	\$50,000	37
2012	Northampton	1	Utility Account		\$500,000	0
2016	Northampton	1	Utility Account	West Fraser Timber	\$568,769	0
2017	Northampton	1	RIA, RG - Building Reuse	Northampton Peanut Company	\$210,000	21
2015	Onslow	2	Utility Account	N/A	\$1,243,875	0
2013	Orange	3	One NC	Morinaga America Foods, Inc.	\$264,000	90
2016	Pasquotank	1	RIA, CDBG - ED		\$500,000	50
2013	Pender	3	JDIG	RC Creations, LLC	\$1,300,000	120
2014	Pender	3	RIA, CDBG - ED		\$750,000	89
2014	Pender	3	RIA, RG - Econ. Inf.		\$500,000	100
2014	Perquimans	1	Utility Account	N/A	\$1,500,000	0
2012	Person	2	JDIG	GKN Driveline North America, Inc.	\$1,319,000	1,127
2013	Person	2	One NC	Spuntech Industries, Inc.	\$235,000	60
2013	Person	2	RIA, RG - Building Reuse	Project Line5	\$300,000	60
2016	Person	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2013	Pitt	2	JDIG	ASMO Greenville of North Carolina, Inc.	\$1,477,000	736
2013	Pitt	2	One NC	Attends Healthcare Products, INC	\$70,000	35
2013	Pitt	2	One NC	Natural Blend Vegetable Dehydration, LLC	\$114,000	57
2014	Pitt	2	JDIG	Patheon Manufacturing Services LLC	\$7,437,000	2,133
2014	Pitt	2	RIA, CDBG - ED		\$750,000	42
2014	Pitt	2	RIA, RG - Building Reuse	Purilum	\$210,000	21
2015	Pitt	2	One NC	Metrics, Inc.	\$550,000	110



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Pitt	2	RIA, RG - Building Reuse	Metrics Inc.	\$500,000	50
2015	Pitt	2	RIA, RG - Building Reuse	DR Burton Healthcare Products	\$250,000	20
2016	Pitt	2	RIA, RG - Building Reuse	Metallix Refining	\$125,000	10
2016	Pitt	2	RIA, RG - Building Reuse	Uptown Brewing Company	\$60,000	12
2016	Pitt	2	RIA, RG - Econ. Inf.		\$24,375	0
2016	Pitt	2	Utility Account	N/A	\$773,822	0
2017	Pitt	1	RIA, CDBG - ED		\$500,000	0
2017	Pitt	2	RIA, RG - Building Reuse	Pitt Street Brewing	\$45,000	9
2017	Pitt	2	RIA, RG - Building Reuse	Caremaster	\$150,000	15
2017	Pitt	2	RIA, RG - Building Reuse	Grady White Boats	\$400,000	44
2017	Pitt	5	Utility Account	N/A	\$773,822	0
2014	Polk	2	RIA, CDBG - ED		\$295,755	200
2017	Polk	2	Utility Account	Looking Glass Creamery	\$185,000	8
2013	Randolph	2	One NC	Novamelt Americas, LLC	\$10,000	10
2013	Randolph	2	RIA, RG - Building Reuse	Project Hot Melt	\$70,000	14
2014	Randolph	2	One NC	Technimark LLC	\$450,000	163
2014	Randolph	2	RIA, CDBG - ED		\$168,000	14
2014	Randolph	2	RIA, RG - Building Reuse	Brookline Furniture	\$110,000	11
2014	Randolph	2	RIA, RG - Building Reuse	Ambella Home Collection	\$116,192	12
2014	Randolph	2	RIA, RG - Building Reuse	PetPro	\$380,000	38
2014	Randolph	2	RIA, RG - Building Reuse	H&H Furniture	\$100,000	20
2015	Randolph	2	RIA, CDBG - ED		\$490,000	163
2016	Randolph	2	RIA, RG - Building Reuse	Petty's Garage	\$170,000	21
2016	Randolph	2	RIA, RG - Building Reuse	Ace Avant Concrete Construction	\$220,000	22
2017	Randolph	2	JDIG	Fibertex Personal Care Corporation	\$200,000	145
2017	Randolph	2	One NC	MAS US Holdings Inc	\$575,000	133
2017	Randolph	2	One NC	SouthCorr, L.L.C.	\$50,000	22
2017	Randolph	2	RIA, CDBG - ED		\$400,000	15

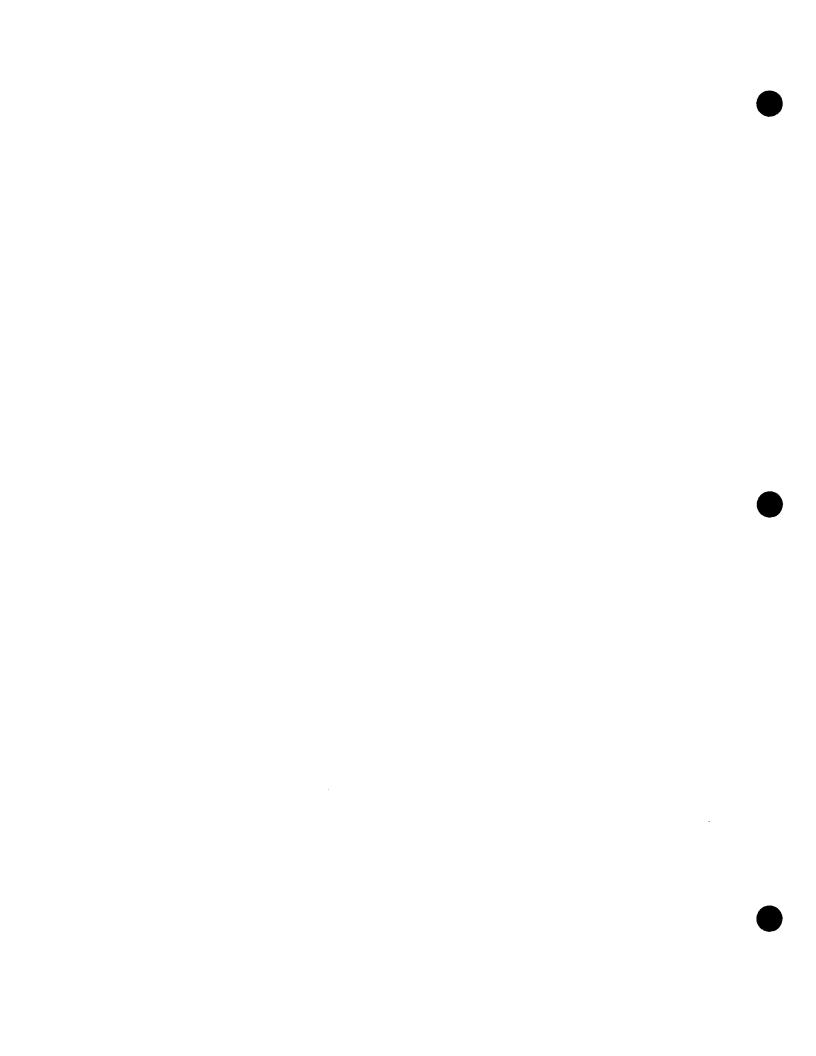


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Randolph	2	RIA, RG - Building Reuse	Pilgrim's Pride*	\$75,000	0
2017	Randolph	2	RIA, RG - Building Reuse	Sapona Plastics	\$250,000	25
2017	Randolph	2	RIA, RG - Building Reuse	SouthCorr	\$225,000	22
2017	Randolph	6	Utility Account	N/A	\$1,418,000	0
2017	Randolph	2	Utility Account	Younts Machine Co.	\$367,500	15
2014	Richmond	1	JDIG	Enviva Management Company, LLC	\$1,905,000	338
2015	Richmond	1	One NC	Global Packaging, Inc	\$100,000	33
2015	Richmond	1	Utility Account	N/A	\$1,000,000	0
2016	Richmond	1	One NC	Perdue Foods, LLC	\$90,000	30
2016	Richmond	1	One NC	RSI Home Products Manufacturing, Inc.	\$550,000	175
2016	Richmond	1	One NC	Direct Pack Inc.	\$300,000	94
2016	Richmond	1	RIA, CDBG - ED		\$2,400,000	158
2016	Richmond	1	RIA, CDBG - ED		\$545,000	38
2013	Robeson	1	One NC	Trinity Frozen Foods LLC	\$500,000	149
2013	Robeson	1	One NC	Cape Fear Arsenal, Inc.	\$490,000	150
2013	Robeson	1	One NC	Due Process Stable Trading Company LLC	\$40,000	45
2014	Robeson	1	RIA, CDBG - ED		\$456,638	50
2014	Robeson	1	RIA, RG - Building Reuse	Capel Rugs	\$500,000	50
2014	Robeson	1	RIA, RG - Building Reuse	SE Health Medical Education Center	\$500,000	50
2015	Robeson	1	One NC	Sanderson Farms, Inc.(Processing Division)	\$1,000,000	1,000
2015	Robeson	1	One NC	Asbury Graphite of North Carolina, INC	\$100,000	25
2015	Robeson	1	RIA, CDBG - ED		\$240,000	16
2015	Robeson	1	RIA, CDBG - ED		\$1,000,000	900
2015	Robeson	1	RIA, CDBG - ED		\$495,041	0
2015	Robeson	1	RIA, RG - Building Reuse	Smith's Refridgeration	\$125,000	10
2015	Robeson	1	Utility Account	Asbury Carbons Rail Spur	\$208,000	16
2016	Robeson	1	One NC	Pepsi Bottling Ventures, LLC	\$150,000	50
2016	Robeson	1	RIA, RG - Building Reuse	Alamac Investors	\$500,000	14
2016	Robeson	1	RIA, RG - Building Reuse		\$40,000	4
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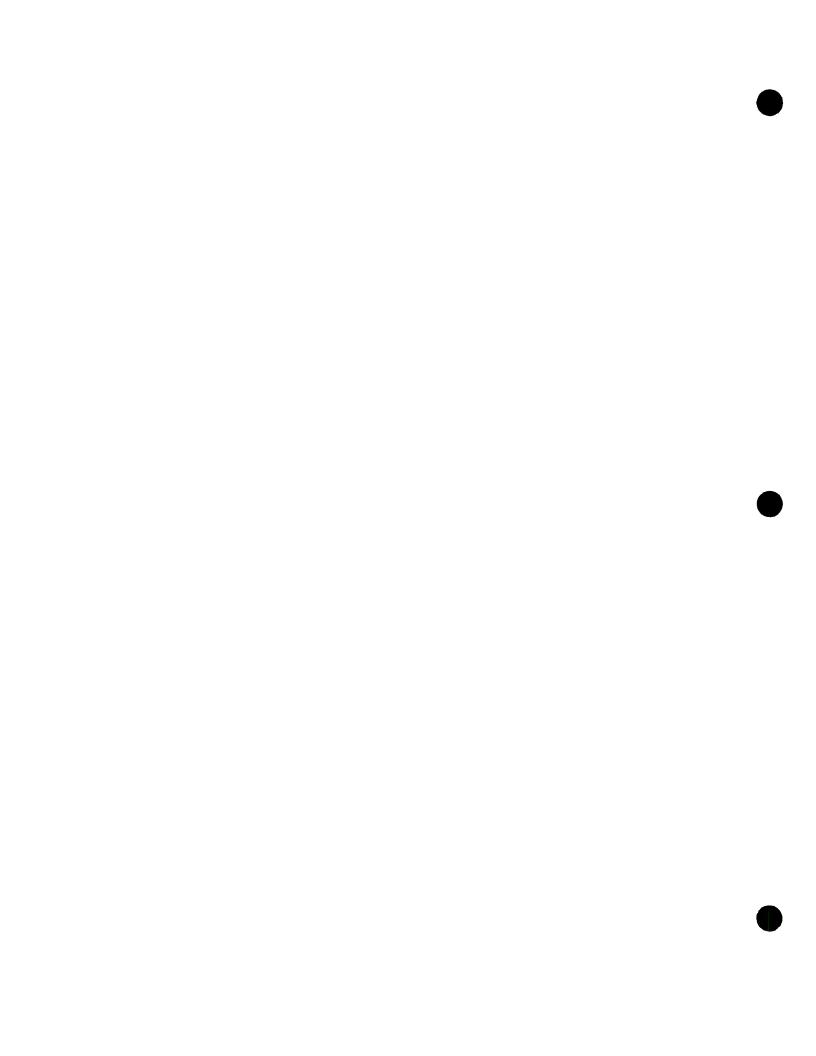
Voor	County	Tior	Award Type	Business	Award	# of
1 ear	County	Her	Award Type	Dusiness	Amount	Jobs
2016	Robeson	1	RIA, RG - Building Reuse	Trinity Frozen Foods	\$500,000	50
2016	Robeson	1	RIA, RG - Building Reuse	Watts Water Technology	\$500,000	50
2016	Robeson	1	RIA, RG - Econ. Inf.		\$500,000	40
2016	Robeson	1	Utility Account	Prestage Farms	\$1,000,000	0
2017	Robeson	1	One NC	Ventura Coach Corp	\$200,000	61
2017	Robeson	1	RIA, RG - Building Reuse	Driven Contractors	\$40,000	4
2017	Robeson	1	RIA, RG - Building Reuse	Speech Fundamentals	\$25,000	5
2017	Robeson	1	RIA, RG - Building Reuse	Absolute Bus	\$340,000	34
2013	Rockingham	1	JDIG	Sturm, Ruger & Company, Inc.	\$9,462,000	473
2013	Rockingham	1	One NC	The Southern Finishing Company, Incorporated	\$13,000	11
2013	Rockingham	1	RIA, RG - Building Reuse	Loparex	\$120,000	12
2013	Rockingham	1	RIA, RG - Building Reuse	Sturm, Ruger, & Company	\$480,000	48
2014	Rockingham	1	RIA, CDBG - ED		\$750,000	120
2014	Rockingham	1	RIA, CDBG - ED		\$750,000	38
2015	Rockingham	1	One NC	Aladdin Manufacturing Corporation	\$765,000	105
2015	Rockingham	1	RIA, RG - Building Reuse	Karastan Rug Mills	\$500,000	40
2015	Rockingham	1	RIA, RG - Building Reuse	SGRTEX, LLC	\$500,000	250
2016	Rockingham	2	RIA, CDBG - ED		\$1,539,000	87
2016	Rockingham	2	RIA, RG - Building Reuse	Unifi*	\$500,000	0
2017	Rockingham	2	RIA, CDBG - ED		\$275,000	0
2017	Rockingham	2	Utility Account	N/A	\$997,000	0
2012	Rowan	2	JDIG	CanAm Yarns, LLC	\$1,833,000	598
2013	Rowan	2	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2014	Rowan	2	One NC	AFS MFG LLC	\$300,000	149
2014	Rowan	2	RIA, CDBG - ED		\$1,000,000	129
2014	Rowan	2	Utility Account	Gildan Yarns	\$1,133,000	184
2015	Rowan	2	RIA, RG - Building Reuse	Morgan Ridge Vineyards	\$162,500	13
2016	Rowan	2	RIA, RG - Building Reuse	Aldo Products	\$180,935	15
2017	Rowan	2	One NC	New York Air Brake LLC	\$50,000	28

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2012	Rutherford	1	JDIG	Valley Fine Foods Company, Inc.	\$2,786,000	305
2012	Rutherford	1	Utility Account		\$1,000,000	0
2013	Rutherford	1	One NC	Trelleborg Coated Systems US, Inc.	\$440,000	76
2013	Rutherford	1	RIA, RG - Building Reuse	Project Cozy (Sunrise, USA)	\$39,392	8
2013	Rutherford	1	RIA, RG - Building Reuse	Trelleborg Coated Systems US, Inc.	\$380,000	76
2014	Rutherford	1	One NC	Team Air, Inc.	\$50,000	70
2014	Rutherford	1	One NC	Bonita Packaging Products, Inc.	\$75,000	50
2014	Rutherford	1	RIA, RG - Building Reuse	Team Air, Inc.	\$110,000	11
2014	Rutherford	1	RIA, RG - Building Reuse	Bonita Pioneer	\$430,000	43
2014	Rutherford	1	RIA, RG - Building Reuse	Ameridial	\$290,000	29
2014	Rutherford	1	RIA, RG - Building Reuse	Family Preservation Services of NC, Inc.	\$122,190	13
2014	Rutherford	1	RIA, RG - Econ. Inf.		\$500,000	50
2014	Rutherford	1	Utility Account	Alliance Precision Plastics	\$150,000	20
2014	Rutherford	1	Utility Account	Team Air	\$112,035	55
2015	Rutherford	1	One NC	CAP White Oak Carpet Mills, LLC	\$25,000	40
2015	Rutherford	1	Utility Account	Facebook	\$148,900	10
2016	Rutherford	1	JDIG	Everest Textile USA, LLC	\$3,008,000	610
2016	Rutherford	1	RIA, CDBG - ED		\$600,000	30
2016	Rutherford	1	RIA, CDBG - ED		\$311,000	0
2016	Rutherford	1	RIA, CDBG - ED		\$1,500,000	307
2016	Rutherford	1	RIA, RG - Building Reuse	US Precision Construction	\$500,000	40
2016	Rutherford	1	RIA, RG - Building Reuse	Main Street Market	\$10,000	2
2016	Rutherford	1	RIA, RG - Building Reuse	Parkdale	\$500,000	40
2016	Rutherford	1	RIA, RG - Econ. Inf.		\$96,890	20
2017	Rutherford	2	RIA, RG - Econ. Inf.		\$360,000	36
2013	Sampson	2	One NC	Carolina Cellulosic Biofuels, LLC	\$300,000	65
2014	Sampson	2	JDIG	Enviva Management Company, LLC	\$1,905,000	338
2014	Sampson	2	RIA, CDBG - ED		\$780,000	65

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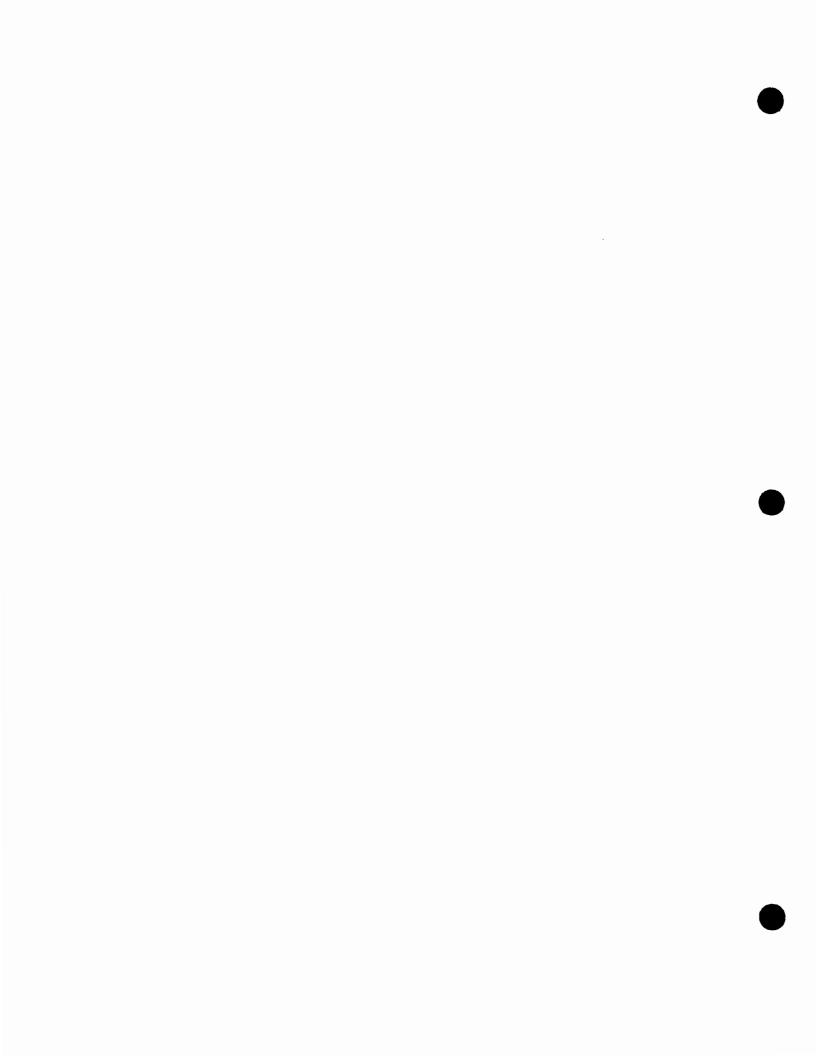


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Sampson	2	RIA, CDBG - ED		\$566,925	80
	Sampson	2	Utility Account	Chemtex	\$750,000	67
	Sampson	2	RIA, CDBG - ED		\$500,000	50
2015	Sampson	2	RIA, RG - Building Reuse	Brooks Brothers	\$110,000	11
2015	Sampson	2	RIA, RG - Econ. Inf.		\$500,000	50
2016	Sampson	2	RIA, RG - Building Reuse	Farm Fresh Produce Distribution	\$180,000	36
2013	Scotland	1	Utility Account		\$500,000	0
2014	Scotland	1	One NC	Cascades Tissue Group - North Carolina Inc.	\$402,000	68
2015	Scotland	1	One NC	BlueScope Buildings North America, Inc.	\$402,500	115
2016	Scotland	1	Utility Account	N/A	\$708,000	0
2017	Scotland	1	One NC	Mountaire Farms Inc.	\$200,000	65
2017	Scotland	1	One NC	FCC (North Carolina), LLC	\$90,000	28
2017	Scotland	1	One NC	Edwards Wood Products, Inc	\$150,000	46
2017	Scotland	1	RIA, CDBG - ED		\$1,350,000	65
2013	Stanly	2	One NC	Fiber Composites, LLC	\$48,000	25
2013	Stanly	2	RIA, RG - Building Reuse	United Forest Products	\$87,385	9
2014	Stanly	2	Utility Account	N/A	\$500,000	0
2015	Stanly	2	RIA, RG - Building Reuse	Kraftsman	\$240,000	20
2015	Stanly	2	RIA, RG - Building Reuse	Piedmont Custom Meats	\$500,000	40
2017	Stanly	2	RIA, RG - Building Reuse	Locust Pediatric Dentistry	\$76,600	8
2017	Stanly	2	Utility Account	N/A	\$950,000	0
2013	Surry	2	One NC	Awesome Products, Inc.	\$300,000	90
2013	Surry	2	One NC	Ottenweller Co Inc.	\$50,000	20
2013	Surry	2	RIA, RG - Building Reuse	Shenandoah Furniture	\$480,000	48
2013	Surry	2	RIA, RG - Building Reuse	Willow Tex	\$270,000	27
2013	Surry	2	Utility Account		\$255,900	0
2013	Surry	2	Utility Account		\$80,000	0
2013	Surry	2	Utility Account		\$648,259	0



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Surry	1	RIA, RG - Building Reuse	Prism Medical Products, LLC	\$300,000	30
2015	Surry	1	RIA, RG - Building Reuse	Johnson Granite	\$80,000	8
2015	Surry	2	Utility Account	Pittsburgh Glass Works	\$148,259	0
2017	Surry	2	RIA, CDBG - ED		\$300,000	0
2017	Surry	2	Utility Account	Weyerhaeuser Company	\$493,480	0
2014	Transylvania	2	One NC	New Excelsior Inc.	\$80,000	80
2016	Transylvania	2	RIA, CDBG - ED		\$500,000	0
2016	Transylvania	2	RIA, RG - Building Reuse	Stone Mountain Cabinetry and Millwork	\$80,000	8
2016	Tyrrell	1	RIA, RG - Building Reuse	Stiletto Manufacturing	\$100,000	8
2016	Tyrrell	1	RIA, RG - Building Reuse	Waypoint Oyster Bar	\$25,000	5
2014	Union	3	One NC	Harris Teeter, LLC	\$40,000	41
2015	Union	3	One NC	Scott Technologies Inc.	\$150,000	67
2015	Union	3	One NC	O'Neil Digital Solutions, LLC	\$2,250,000	250
2015	Union	3	One NC	TDY Industries LLC	\$140,000	70
2015	Union	3	RIA, RG - Econ. Inf.		\$237,500	48
2016	Union	3	RIA, CDBG - ED		\$400,000	0
2015	Vance	1	RIA, RG - Building Reuse	Profilform US	\$100,000	20
2015	Vance	1	Utility Account	N/A	\$90,955	50
2015	Vance	1	Utility Account	N/A	\$74,401	0
2016	Vance	1	One NC	Ardagh Glass Inc.	\$1,000,000	0
2016	Vance	1	RIA, RG - Building Reuse	Hoyle's Tire & Axle	\$150,000	12
2017	Vance	1	JDIG	Mako Medical Laboratories LLC	\$281,000	153
2017	Vance	1	RIA, RG - Building Reuse	Mako Medical Laboratories	\$500,000	76
2017	Vance	1	Utility Account	Robco Manufacturing	\$217,272	10
2012	Wake	3	JDIG	Citrix Systems, Inc.	\$11,540,000	490
2012	Wake	3	JDIG	NetApp, Inc. III	\$15,709,000	1,910
2012	Wake	3	JDIG	Reed Elsevier Inc.	\$11,814,000	661
2013	Wake	3	JDIG	Allscripts Healthcare, LLC	\$7,138,000	1,614

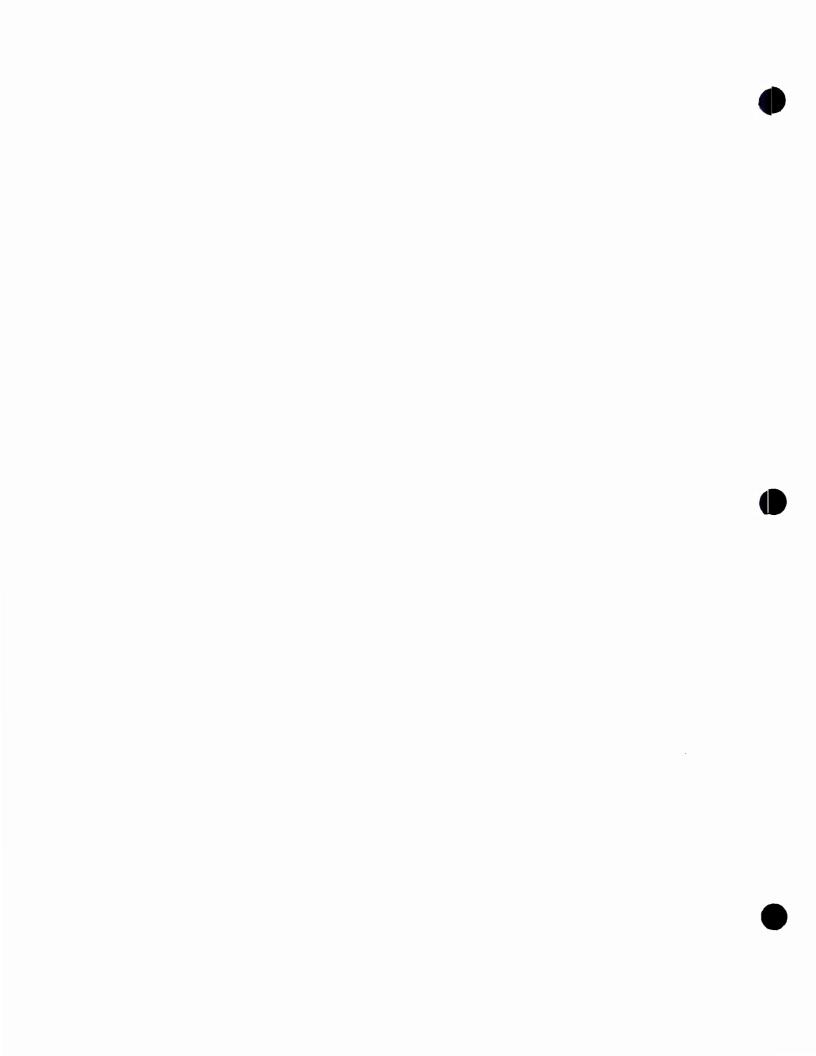
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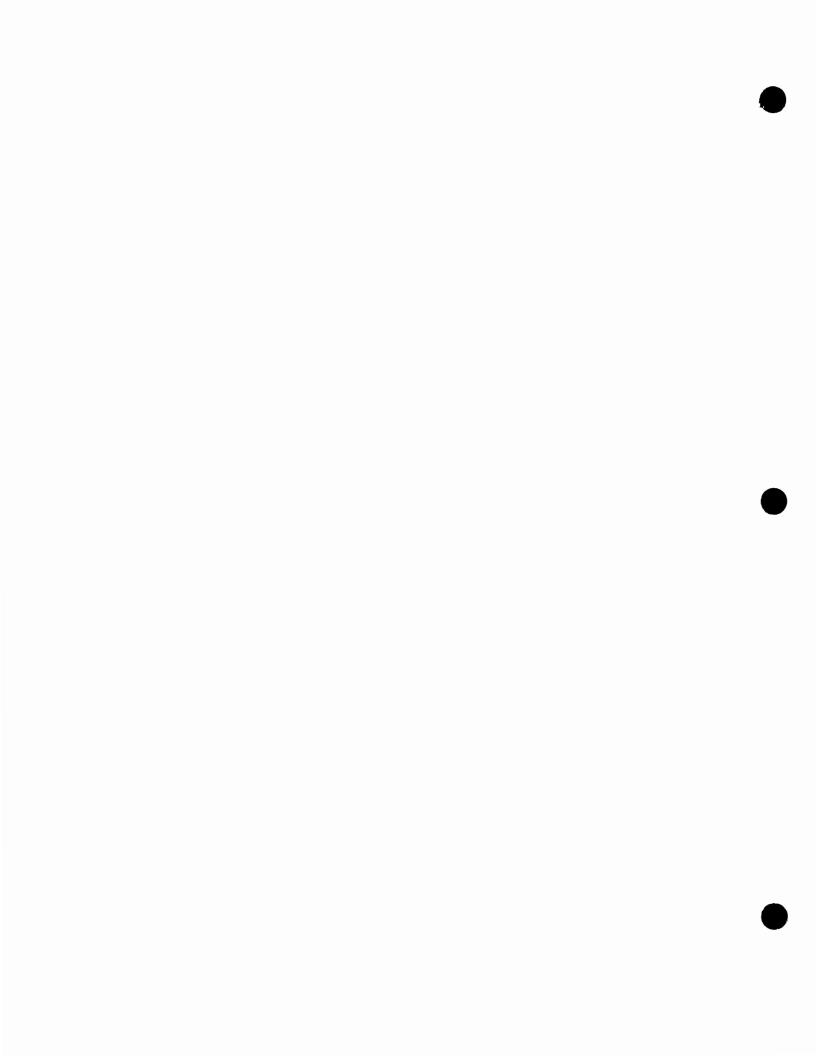
Year	County	Tier	Award Type	Business	Award	# of
2012	Walsa	2	IDIC	DD Clobal Tachnology, Inc. II	Amount	<b>Jobs</b> 750
	Wake	3	JDIG	DB Global Technology, Inc. II	\$7,413,000	
	Wake	3	JDIG	Evalueserve, Inc.	\$3,901,000	400
	Wake	3	JDIG	Ipreo US, LLC	\$5,044,000	252
	Wake	3	JDIG	MetLife Group, Inc.	\$116,362,000	2,765
	Wake	3	One NC	MetLife Group, Inc.	\$2,000,000	,
	Wake	3	One NC	Teleflex Medical, Inc.	\$200,000	75
	Wake	3	JDIG	Advance Stores Company, Incorporated	\$23,210,000	600
2014	Wake	3	JDIG	Cisco Systems, Inc.	\$17,309,000	5,297
2014	Wake	3	JDIG	HCL America Inc. II	\$26,144,000	2,068
2014	Wake	3	One NC	Novozymes North America, Inc.	\$400,000	100
2014	Wake	3	One NC	Tyton BioSciences LLC	\$232,000	79
2014	Wake	3	One NC	HCL America Inc. II	\$123,700	1,237
2014	Wake	3	One NC	Overland Contracting Inc.	\$70,000	89
2015	Wake	3	JDIG	Fidelity Global Brokerage Group, Inc. II	\$20,697,000	4,163
2015	Wake	3	JDIG	DB Global Technology, Inc. III	\$4,512,000	1,000
2015	Wake	3	One NC	CBC AMERICAS Corp.	\$63,000	101
2015	Wake	3	One NC	Proto Labs, Inc.	\$150,000	170
2015	Wake	3	One NC	Metrics, Inc.	\$550,000	110
2016	Wake	3	JDIG	INC Research, LLC II	\$11,209,000	1,933
	Wake	3	JDIG	Citrix Systems, Inc. II		•
	Wake	3	JDIG	Relias Learning LLC	\$7,151,000	763
	Wake	3	JDIG	Trilliant Networks, Inc.	\$169,000	130
	Wake	3	JDIG	Credit Suisse Securities (USA) LLC (III)	\$4,615,000	1,200
	Wake	3	JDIG	Infosys Limited (d/b/a Infosys Limited of India)	\$2,869,000	•
	Wake	3	JDIG	ABC Phones of North Carolina, Inc.	\$399,000	250
	Wake	3	JDIG	Conduent Business Services, LLC	\$249,000	200
	Warren	1	RIA, CDBG - ED	Conductivities Services, EEC	\$500,000	0
	Warren	1	RIA, RG - Econ. Inf.		\$41,250	0
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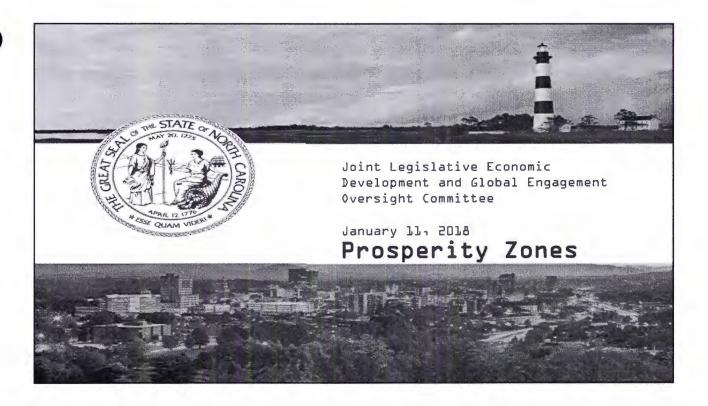


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Washington	1	Utility Account	County Commerce Center	\$1,259,550	0
2013	Wayne	2	One NC	ACX Pacific Northwest, Inc.	\$60,000	38
2016	Wayne	2	One NC	yet to be formed (U-Play)	\$200,000	88
2016	Wayne	2	RIA, RG - Building Reuse	Goldsboro Pediatric Dentistry & Orthodontics	\$200,000	20
2017	Wayne	2	One NC	Stormberg Foods LLC	\$125,000	60
2017	Wayne	2	RIA, RG - Building Reuse	Stormberg Foods	\$450,000	60
2014	Wilkes	1	One NC	InterFlex Acquisition Company, LLC	\$180,000	63
2014	Wilkes	2	RIA, CDBG - ED		\$750,000	38
2014	Wilkes	2	Utility Account	Aaron Aerospace	\$178,225	10
2014	Wilkes	2	Utility Account	Interflex/PSG Custom Fabricators	\$1,100,000	101
2014	Wilkes	2	Utility Account	Gardner Glass	\$500,000	30
2014	Wilkes	2	Utility Account	Jeld-Wen, Inc.	\$50,000	0
2015	Wilkes	2	RIA, RG - Building Reuse	Cub Creek Kitchens & Baths	\$62,500	5
2015	Wilkes	2	RIA, RG - Building Reuse	Carolina Heritage Cabinetry	\$50,000	4
2016	Wilkes	2	RIA, CDBG - ED		\$1,900,000	75
2013	Wilson	1	One NC	Purdue Pharma Manufacturing L.P.	\$300,000	100
2014	Wilson	1	JDIG	Linamar Forgings, Inc.	\$993,000	270
2014	Wilson	1	One NC	Linamar Forgings Carolina Inc.	\$100,000	125
2016	Wilson	2	One NC	Ardagh Glass Inc.	\$1,000,000	0
2016	Wilson	2	One NC	Peak Demand Inc.	\$100,000	37
2016	Wilson	2	RIA, CDBG - ED		\$500,000	19
2016	Wilson	2	RIA, RG - Building Reuse	217 Brew Works	\$50,000	10
2016	Wilson	2	RIA, RG - Building Reuse	Peak Demand	\$462,500	37
2016	Wilson	2	Utility Account	N/A	\$1,377,759	0
2017	Wilson	2	JDIG	Fresenius Kabi USA, LLC	\$787,000	445
2017	Wilson	2	One NC	Linamar Forgings Carolina, Inc	\$62,000	31
2017	Wilson	2	RIA, RG - Building Reuse	Duke LifePoint Wilson Medical Center	\$360,000	36
2017	Wilson	2	RIA, RG - Building Reuse	Linamar Forging Carolina (Project Pewter)	\$280,000	31



Voor Country	Tion	Amoud Tyme	Dusinass	Award	# of
Year County	Her	Award Type	Business	Amount	Jobs
2016 Yadkin	2	One NC	B&G Foods Snacks, Inc.	\$105,000	58
2016 Yadkin	2	RIA, RG - Building Reuse	Unifi	\$190,000	19
2016 Yancey	1	RIA, RG - Building Reuse	Blind Squirrel Brewery	\$20,000	4





# Prosperity Zones 1 Creation In 2014, the enabling legislation that created the public-private partnership (HB 1031) also created 8 Collaboration for Prosperity Zones. The zones range in size from 10 to 17 counties each. There is one dedicated EDPNC representative in each prosperity zone. 2 Purpose The main goal of the prosperity zones is to enhance collaboration and cooperation between State agencies, local governmental agencies and other regional entities and to facilitate administrative efficiencies within State government. 3 Colocation Departments of Commerce, Environmental Quality and Transportation were tasked with establishing and staffing a colocation in each prosperity zone.

## Who's Involved

Launching and supporting the prosperity zones has been a shared responsibility coordinated between agencies to ensure collaboration and adoption of the co-location mandate.

- NC Department of Environmental Quality
- NC Department of Transportation
- NC Community College Customized Training
- NC Department of Commerce
  - NC Works Regional Operations
  - NC Commerce Community Economic Development Planners
  - Economic Development Partnership of North Carolina

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# Regional Teams Acting as Resource Matchmakers

EDPNC Regional Industry Managers act as a conduit to a wide variety of services and programs for businesses in all 100 counties.

- Workforce development and training
- Export assistance programs
- Supply chain connections
- Manufacturing and process improvement
- Transportation-related business programs
- Environmental assistance programs
- Access to local, state and federal programs



#### What s Worked so Far...

- DOT, DEQ and NC Commerce continue to maintain co-locations in all eight prosperity zones.
- Several cross-training events to introduce new programs and services.
- Regional teams conducting joint client visits, bringing the one-stop shop directly to the client.
- Each agency makes and tracks client referrals to other agencies and organizations



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# Success Story Environmental Solutions for NC business community

- Event held in Huntersville in November 2017
- Event organized by EDPNC Representative Melanie O'Connell Underwood
- Corporate Host Burkert Fluid Controls
- More than 20 companies attended
- NC Division of Environmental Assistance and Customer Service presented on a variety of free services including:
  - Recycling and waste reduction assistance
  - Environmental technical and permit assistance
  - Onsite energy and water use audit



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# 2017 Performance Metrics EDPNC Regional Industry Team

Key Performance Indicators	2017 Results
# of existing employers supported	1141
% of employers supported in T1/T2 counties	L5%
# of expansion projects won	75
# of expansion projects won in TL/T2 counties	61
# of announced new jobs	3514
\$ in announced <mark>new ca</mark> pital investment	\$866M

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# Rural Planning Services and Assistance

Planners work with local municipalities, counties, and local economic development organizations.



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## Rural Planning Services and Assistance Offered

#### **Strategic Planning**

- Assistance in creating local economic development strategies
- · Identification of economic development opportunities

#### **Implementation Services**

- Assistance in implementing community economic development strategies
  - · Implementation guides
  - Mapping
  - · Appropriate topical expert contacts
  - · Funding programs

#### **Technical Assistance**

- · Site-specific project assistance
  - Land development planning
  - · Small area planning
  - Ordinance review/revision
  - · Other assistance as needed



# Northwest Region Prosperity Zone Planning Examples

#### 31 communities contacted to offer planning assistance

#### **Strategic Planning**

Town of Lansing - Create a strategic economic development plan

#### **Implementation Services**

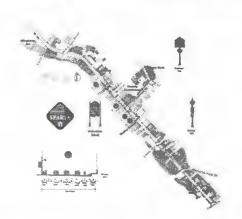
 Town of Sparta – Establish an implementation plan to enhance streetscape improvements

#### **Technical Assistance**

Town of Catawba - Review zoning/land use ordinances

#### **Prosperity Zone Collaboration**

 Collaborated with Bill Slagle, EDPNC, to evaluate regional needs with four counties and their municipalities



## Piedmont Region Prosperity Zone Planning Examples

#### 51 communities contacted to offer planning assistance

#### Strategic Planning

· Town of Boonville - Economic Development Strategic Plan

#### **Implementation Services**

- · Growing Economic Impact of Community Festivals Analysis
  - · Partnership with UNCG, Dobson, Boonville, Mount Airy, and Pilot

#### **Technical Assistance**

· City of Mebane - Downtown Revitalization Grant Implementation Services

#### **Prosperity Zone Collaboration**

· Planners have monthly meetings with EDPNC Regional Representatives and quarterly meetings with additional prosperity zone partners



## Model Strategic Planning Process

An asset based approach to Economic Development Planning

- Gather Local and Regional Economic Data
- Review Existing Plans
- Identify Community Assets and Economic Drivers Complete Market Analysis and Gather Stakeholder Input
- Define Economic Position and Vision
- Develop an Economic Development Strategy with Actions

- Create 5 year Strategic Plan with 1 year Implementation Plan
  - · Complete Annual Review of Progress (and revise as needed)

# Town of Boonville Strategic Planning Process

Economic Development Strategic Plan (2017-2021) & Year One Implementation Plan (2017-2018)

Economic Positioning Statement/Vision: Boorwile is the Crossroads of the Yadun Valley and the center of small town living, small business opportunely, vibrant community life, recreation, and tourism located in the heart of wine country.

Five-Year Economic Development Strategic Plan and Year One Implementation Plan:

The Town of Boanville's five Year Economic Development Strategies shown below. Its Year One Implementation Plan shown below, focuses on goals and objectives, as well as actions/projects and tasks (grouped by strategy) that will make the town more economically vibrant.

COMMUNITY ECONOMIC DEVELOPMENT STRATEGIES

# Conveniently Events and Marketing

GOAL: Create a strong environment (infrastructure, available and ready land, etc.) to encourage small business development and support existing businesses

GOAL: Continue to provide community events and information that promote the community and increases spending in local/downtown businesses

GOAL: Improve community appearance, and provide more open space and recreational opportunities to promote increased activity in local/ downtown business

Encourage growth and vitality in existing local/downtown businesses by offering resources, support, and technical assistance

Expand advertisement of festivals and events and information about Boonville to

Objective 3.1 Create a park space to hold events near downtown and continue beautification

Objective 3.2

focus on improving walkability in town through improved sidewalks, promotion of pedestrian safety, and development of greenways

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# n of Boonville Strategic Planning Process

"This Plan facuses on Boonville's assets and incorporates three strategies that will ensure that the Town will be more economically vibrant. The Town never would have done strategic planning on their awn due to inadequate experience and resources. The Rural Planning Program is an important asset and an invaluable resource to rural municipalities similar to Boonville."

Sarah Harris,

Boonville Town Administrator



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# 2017 Southeast Prosperity Zone Activity EDPNC Regional Industry Team

#### 2017 highlights include:

- 225 industry visits to 163 unique businesses, 80 of the visits took place within Tier 1 & Tier 2 counties.
- 113 of the industry visits were joint meetings with at least one partner in the region.
- After meeting with the businesses, referrals were made to a variety of partners including 90 referrals to NC
  Works, 20 referrals to the EDPNC International Trade team, 92 referrals to NCCCS, 3 referrals to NCDOT
  and 5 referrals to the NC DOC Rural Planners.

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# Collaborating in the Prosperity Zones Regional SWOT Analysis exercise

- Regional Strategic Economic Development plan was kicked off in 2017.
- Goal is to identify objectives/initiatives that the economic development community can work on together to help improve availability of jobs and employment
- This is a collaborative effort designed to bring together state and local leaders from economic, workforce and community development to orchestrate joint objectives with joint responsibilities.
- Each Prosperity Zone is currently working on a SWOT analysis which will be used to identify economic
  development initiatives that could have a positive impact on the region.
- Initial research and data collection has been completed in the Southeast and Southwest Prosperity Zones.
   Similar efforts are underway in the other Prosperity Zones.



# Collaborating in the Prosperity Zones Looking toward 2018 goals | Collaborating toward 2018 | Collaboration | Collaboration

# Southeast Region Prosperity Zone Planning Examples

#### 40 communities contacted to offer planning assistance

#### **Strategic Planning**

• Town of Swansboro – Economic Development Strategic Plan

#### **Implementation Services**

 Carteret County – Beaufort Maritime Museum Expansion Planning

#### **Technical Assistance**

- · Town of Trenton Market Analysis
- Town of Maysville Development Planning

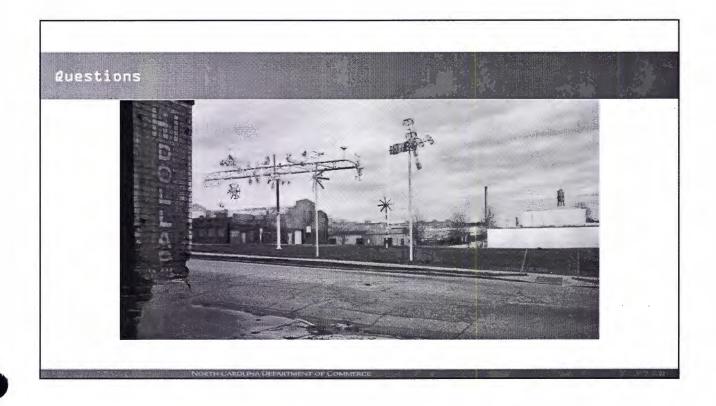
#### **Prosperity Zone Collaboration**

- · Regional County Tours
- Team Meetings



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Key Performance Indicators		2017 Results
# of communities contacted		348
# of communities served		144
# of Prosperity Zone Collaboration Projec	ts	40



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# Measures of County Economic Well-Being and Local Revenue Capacity

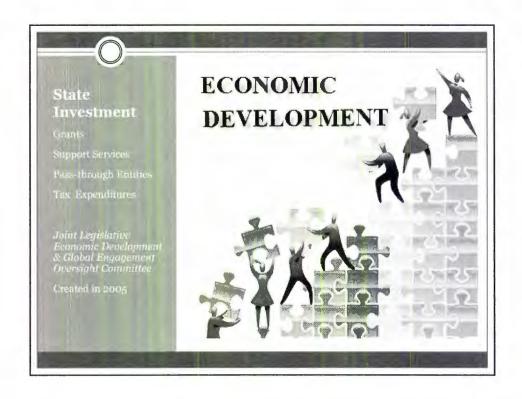
JOINT LEGISLATIVE ECONOMIC
DEVELOPMENT AND GLOBAL ENGAGEMENT
OVERSIGHT COMMITTEE

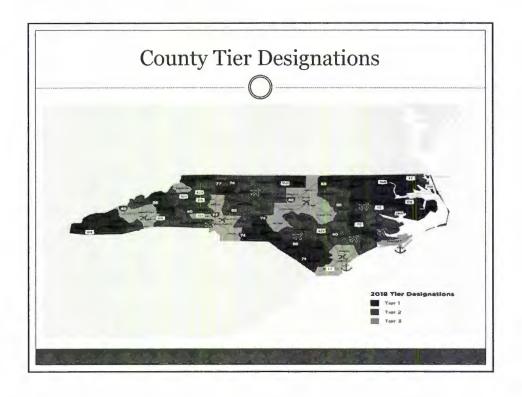
THURSDAY, JANUARY 11, 2018

Cindy Avrette, LAD, NCGA Emma Turner, FRD, NCGA Rodney Bizzell, FRD, NCGA

# Getting Started

CINDY AVRETTE
PRINCIPAL LEGISLATIVE ANALYST
LEGISLATIVE ANALYSIS DIVISION
NCGA





# **County Tier System**

1987

## Policy goal

Award tax credits for employers who created jobs in one of the 20 most severely distressed counties

#### Indicators

- Rate of unemployment
  - Per capita income

#### 2018

#### Policy Goals

Tax credit program eliminated in 2014 More than 15 programs use the tier system to distribute funding or resources

#### Indicators

- Rate of unemployment
- Median household income
- Population
- Property value per capita
- Application of adjustment factors

North Carolina Should Discontinue the Economic Development Tiers System and Reexamine Strategies to Assist Communities with Chronic **Economic Distress** 

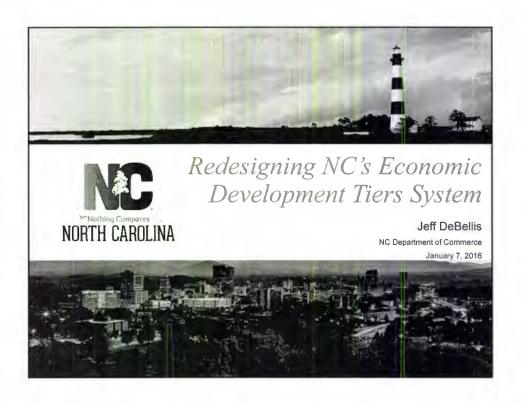
A presentation to the Joint Legislative Economic Development and Global Engagement Oversight Committee

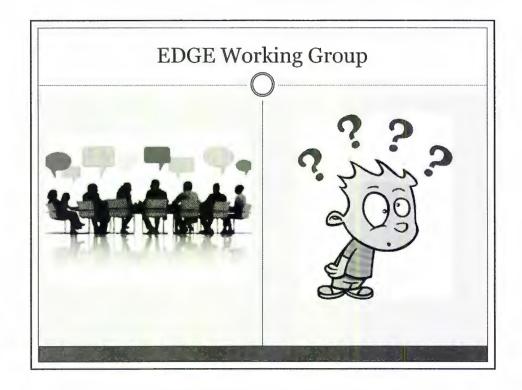
January 7, 2016

Sara Nienow, Senior Program Evaluator



Program Evaluation Division North Carolina General Assembly





# **Presentation Goals**

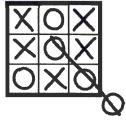
- Understand what the current tier system measures
   Define the concepts (indicators) used
   Evaluate the indicators
- \* Assess the performance of the current tier system

  Does the tier system measure what it is intended to measure?

  Is the tier system used in ways that match the policy goals of the program?

Are better indicators available? Should different indicators be used for different programs? Is the tier structure the right measure for the programs for which it is used?

# Moving Forward



Define the policy goals of the program

Based on the policy goals of the program:

- ➤ Define the relevant indicators that will make up the funding criteria
- ➤ Evaluate the indicators for reliability
- Decide how much weight to apply to each indicator

# Measuring Economic Distress

EMMA TURNER
ECONOMIST
FISCAL RESEARCH DIVISION
NCGA

# Outline

- Defining & Measuring Economic Distress
- Evaluating the Tier System
- Alternative Measures
- Conclusions

# **Economic Development Tier System**

The Economic Development Tier System is typically thought-of as way to categorize counties by economic distress:

Tier 1: 40 most distressed counties

Tier 2: 40 counties in the middle

Tier 3: 20 least distressed counties

- What does "economic distress" mean?
- \* How well does the Tier System measure "economic distress"?

# **Measuring Economic Distress**

- Economic distress is a multi-dimensional concept that can't be captured by a single economic indicator.
- To make comparisons easier, you can combine several indicators into a "composite indicator" of economic distress.
- To figure out what indicators to use and how to combine them, you need a specific definition of economic distress.
- The definition of economic distress should be consistent with program goals.

# **Defining Economic Distress**

#### Geographic Level

 Limited data makes is very difficult to measure economic distress for sub-county areas.

#### Time Period

- Short-term distress: Cyclical, identifies recent issues like the closing of a major employer
- Long-term distress: Persistent, structural problems

#### Who's economic distress?

- Residents
- Governments

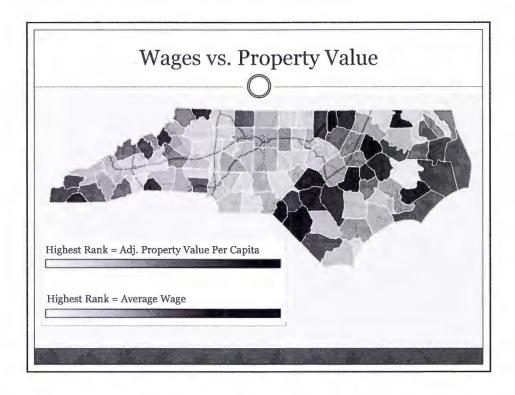
# Some Dimensions of Economic Distress

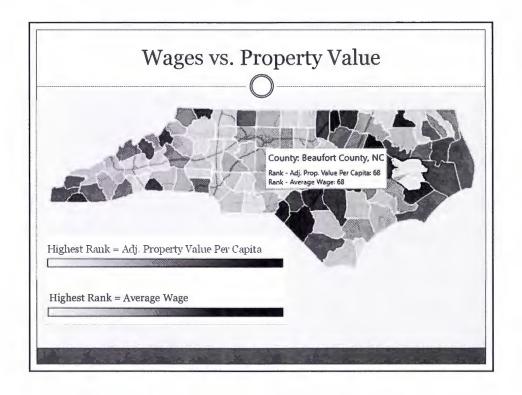
## Residents

- Economic mobility
- Household economic well-being
- Employment opportunity
- Job quality

## Governments

Tax Capacity





# **Evaluating a Composite Indicator of Distress**

- Relevance: each of the indicators that are included in the composite indicator should reflect the intended meaning of economic distress
- <u>Representativeness</u>: Taken together, the indicators should fully reflect the various aspects of economic distress and reflect their relative importance to the overall concept
- <u>Data Quality</u>: indicators are only useful if they are measured using high-quality data.

# **Evaluating Data Sources**

- The data sources used to quantify each of the included indicators can be assessed for:
  - Accuracy: Data should correctly describe what it was intended to measure; estimates should be close to true values
  - Reliability: Data should be comparable across counties
  - Geographic Coverage: Data should be available for all counties
  - Accessibility: Data should be easy to obtain and compile
  - Timeliness: Data should be as up-to-date or produced with as little time lag as possible

# **Economic Development Tier System**

What definition of economic distress does the Tier System measure?

- Geographic Level: County
- Time Period: Short-term or long-term?
- Group: Residents or Governments?

# Indicators Used in Economic Development Tiers

- Ranking Sum of rankings on the following measures:
  - Median household income annual
  - Unemployment rate annual average
  - Population growth 3 year
  - Property value per capita annual
- Adjustment Factors Applied after rankings
  - Population annual
    - × < 12,000 => Tier 1
    - × 12,000 50,000 => Tier 2
  - □ Poverty rate 5 year
    - x >= 19% and population < 50,000 => Tier 1

# Relevance: Annual Median Household Income

Generally accepted as a very good measure of the economic well-being of the typical household



# Relevance: Annual Unemployment Rate

- Measure of short-term joblessness of residents
- Misses discouraged workers, long-term unemployed, and marginally attached individuals who are not seeking work
- Can fluctuate widely depending on the degree of attachment of workers to a community
- Employment growth may be a more relevant indicator of economic distress

# Relevance: 3-Year Population Growth

- Indirectly measures long-term economic distress of residents and governments
- A decline in population is generally indicative of economic distress, but population growth may occur in response to economic expansion or due to features such as attractive natural amenities
- Over longer periods, population growth is highlycorrelated with employment growth, which is a more direct measure of economic distress

# Relevance: Annual Property Value Per Capita

- Measure of government's resource capacity
- Short-term indicator of economic distress for governments
- Not a direct measure of economic distress of county residents
- May obscure economic distress in counties with high property values in a small concentrated part of the county such as in coastal counties

# Relevance: 5-Year Poverty Rate

- Generally accepted as very good measure of longterm economic well-being of residents.
- Measures a similar concept as median household income

# **Relevance: County Population**

The number of people living in a county is not related to the economic distress of county residents or county governments.



Measure!		Residents or Governments?
Annual Median Household Income	Short	Residents
3- year Population Growth	Long	Both, indirectly
Annual Average Unemployment Rate	Short	Residents
Annual Property Value Per Capita	Short	Governments
Annual County Population	Short	Not relevant
5-year Poverty Rate	Long	Residents

# **Evaluation of Adjustment Factor: Population**

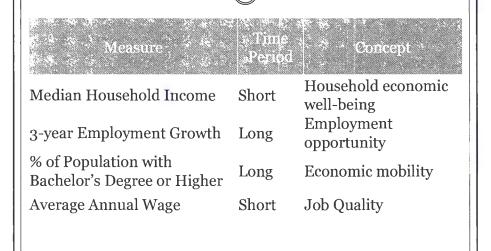
- For 12,000 residents, population is the *only* criteria used to measure economic well-being
- Automatically designating low-population counties as Tier 1 displaces other counties that are otherwise ranked as more distressed
- So, this irrelevant measure replaces more relevant measures and reduces the overall "representativeness" of the tier calculation

# Evaluation of Adjustment Factor: Poverty Rate

- 5-year poverty rate is the most relevant long-term measure of economic distress of county residents included in the tier calculation
- The relevance of poverty rate does not depend on population size and there is nothing special about a 19% poverty rate

Measure	Time Period	Residents or Governments?
Annual Median Household Income	Short	Residents
3- year Population Growth	Long	Both, indirectly
Annual Average Unemployment Rat	e Short	Residents
Annual Property Value Per Capita	Short	Governments

### Example of Alternative Measures for Residents



# Conclusion

- There are many ways to define economic distress.
- Economic distress of residents and economic distress of governments do not always go together.
- \* The Tier System includes a mix of indicators that are not representative of a single cohesive definition of economic distress.
- Ultimately, defining what the Tier System is intended to measure and determining the indicators that best measure it are policy decisions for the General Assembly to make.

# Measuring Local Government Tax Capacity

RODNEY BIZZELL
PRINCIPAL FISCAL ANALYST
FISCAL RESEARCH DIVISION
NCGA

# Outline

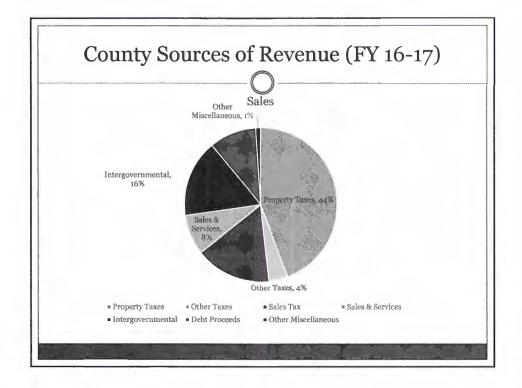
- Tax Capacity
- Measures of Tax Capacity
- How Is It Used?
- Variation among Counties
- Conclusions

# **Local Tax Capacity**

 Local tax capacity measures the potential tax base of a local government (ability to pay).

Fiscal Health of Local Governments Ability to Generate Revenue

- Typically measured by 2 or 3 largest revenue sources:
  - Property Tax (tax base per capita)
  - Sales Tax (tax base per capita)



# **Potential Uses**

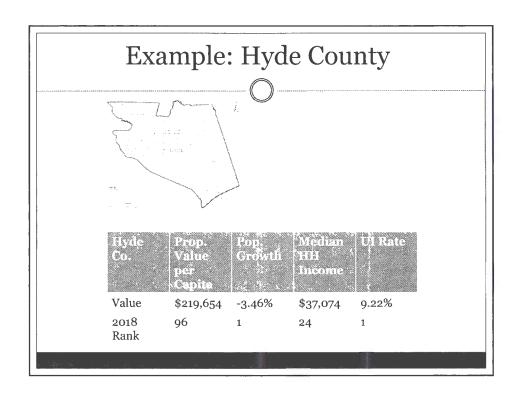


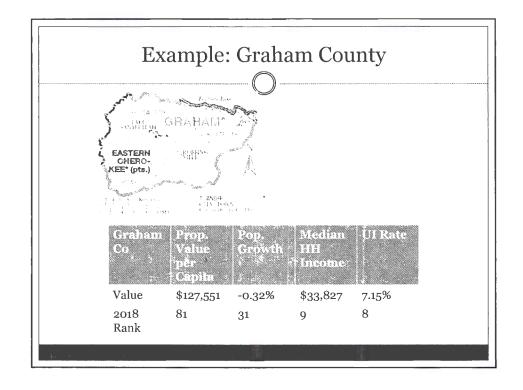
- Additional funding criteria alongside economic well-being of residents
- Alternatively, could be used separately for determining eligibility for local grant matches
  - Match Requirements for One NC
    - · Tier 1 1:3
    - · Tier 2 1:2
    - · Tier 3 1:1

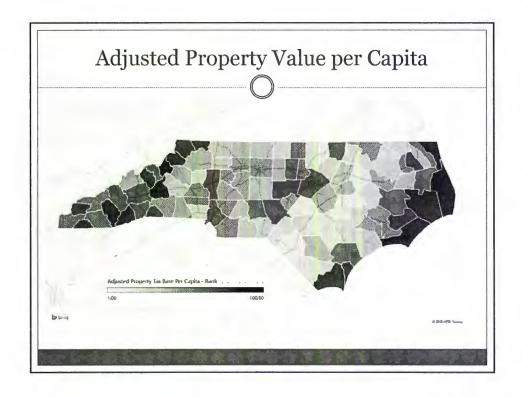


# Variation among Counties

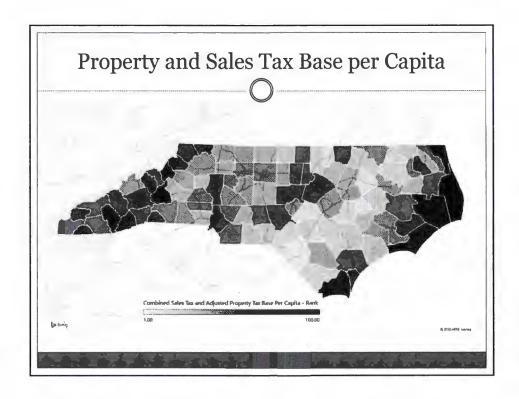
- Tax capacity among local governments varies considerably
- Property Value per Capita ranges from \$48,192 in Robeson County to \$375,258 in Dare County
- Sometimes shows large contrast with measures of economic well-being
- Vacation destination counties with large numbers second homes can have high property values per capita despite low indicators of economic wellbeing.







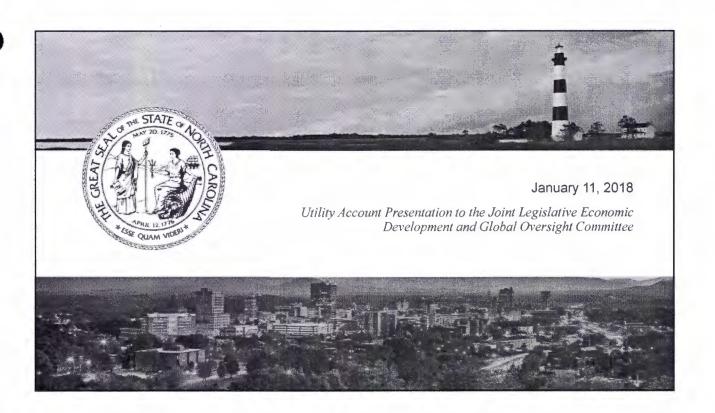






# Conclusions

- Tax Capacity is not a direct measure of the economic well-being of county residents
- It does serve as a good measure for ability to pay
- Combining property taxes and sales tax capacity provides a more accurate picture of overall tax capacity.
- The measure can be useful for determining resource allocation and required local contributions when ability to pay is a factor.



# Utility Account Overview

- Funds grants to local units of government in the 80 most distressed counties in the state (tier 1 and 2)
- Grants can pay for publicly-owned infrastructure, such as water, sewer, industrial access, etc.
- The funding source is the Jobs Development Investment Grant (JDIG) program

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### JDIG Overview

- Discretionary, performance-based incentive
- Companies receive a percentage of its state withholdings back over a period of up to 12 years
- If the company locates in a tier 2 county, 10% of its potential payment is diverted to the Utility Account
- For tier 3, that number is 25%



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# JDIG Overview (cont.)

- There are currently 123 active JDIG awards that could potentially contribute to the Utility Account
- Metrics include number of jobs, average wage and investment

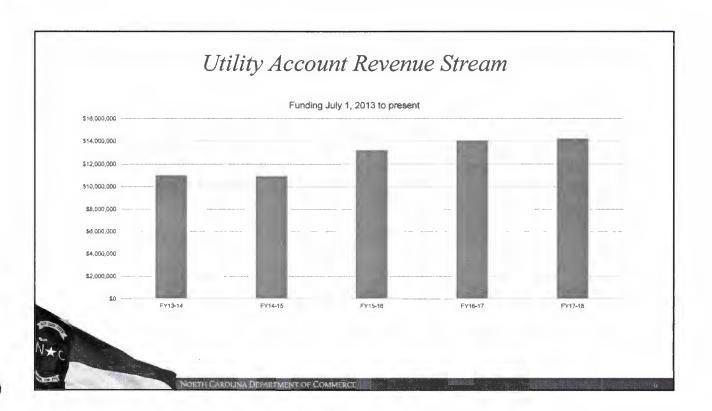


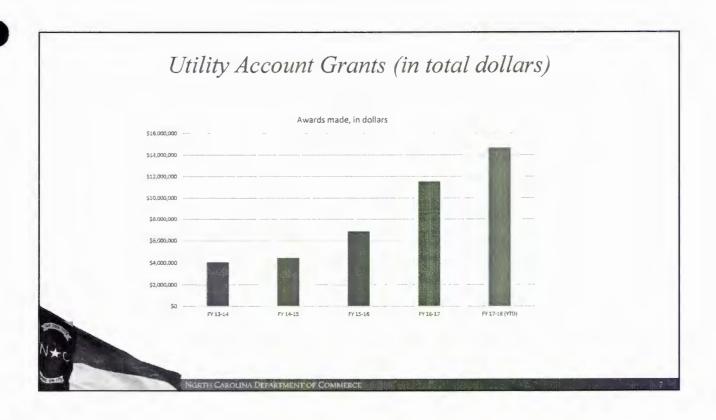
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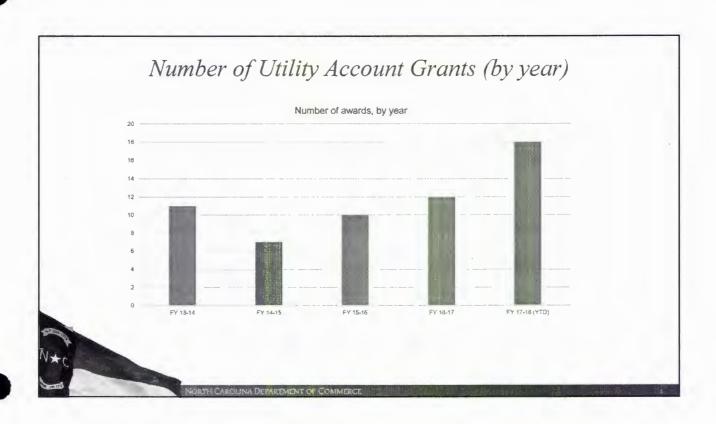
# JDIG Case Study - Met Life

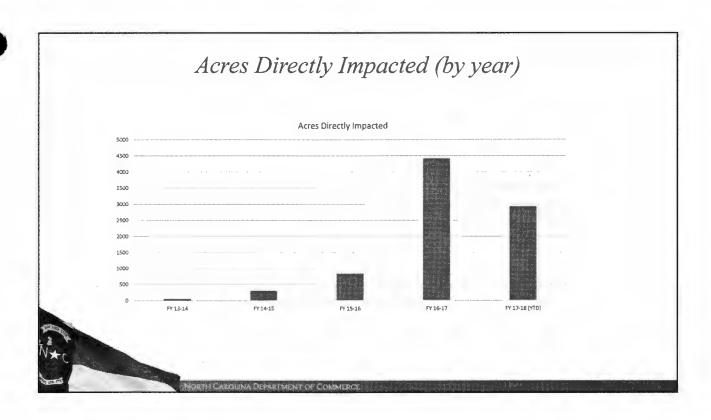
- The company commits 2,622 jobs in Wake and Mecklenburg counties over three years at an average wage of \$81,891 with investment of \$125.5 million
- The state offers a 12 year grant at 75% of withholdings
- Jobs will generate state withholdings of almost \$160 million over 12 years
- Through the JDIG grant, the company is eligible to receive 75% (~\$120 million) of those withholdings
- Because the project located in a tier 3 county, the other 25% of the potential award (\$29 million) goes to the Utility Account

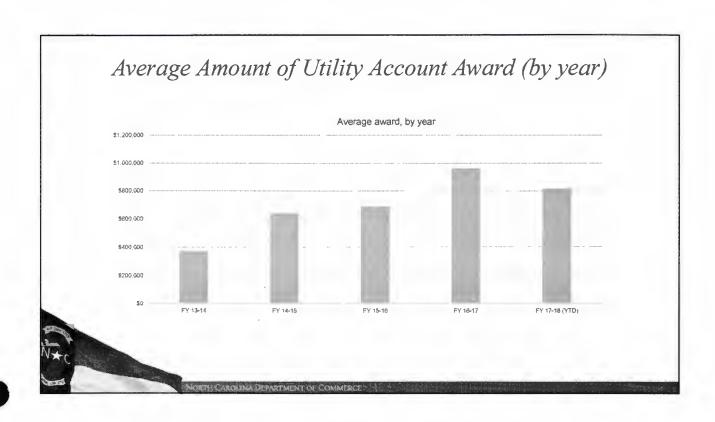
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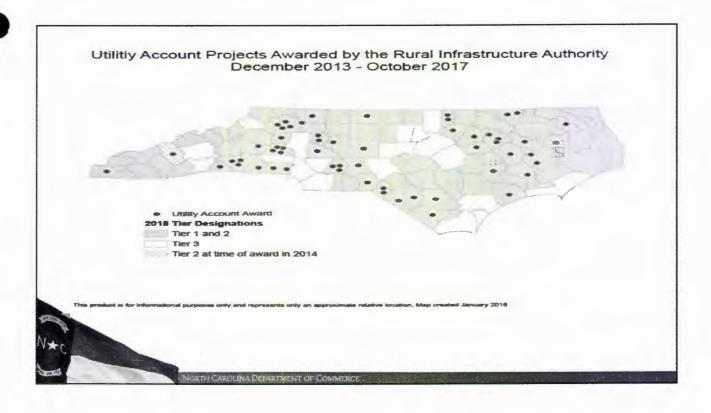












# **Takeaways**

- The Utility Account continues to be an invaluable tool to drive economic development in distressed areas of the state
- Success breeds more success
- The trend toward building inventory (site ready industrial parks) is paying immediate dividends
- · Minimal barriers to entry:
  - oLocal participation
  - oIndustrial site under public control (or option)
  - oOne must apply

NORTH CAROLINA DEPARTMENT OF COMMERCE

**SENATE** 

### GENERAL ASSEMBLY OF NORTH CAROLINA. **SESSION 2017**

S

# SENATE BILL 660\*

		Finance Committee Substitute Adopted 4/25/17	
Short Titl	e: E	conomic Development Incentives Modifications.	(Public)
Sponsors			
Referred	to:		
		April 5, 2017	
INCE DEVI MAK	NTIVE ELOPM E OTH	A BILL TO BE ENTITLED  MAKE CERTAIN CHANGES TO ECONOMIC  S OF THE STATE TO CLARIFY THE IMPORTAN  IENT FUNDS IN THE MORE DISTRESSED AREAS OF T  ER CHANGES.  embly of North Carolina enacts:	NCE OF USING
DEPART	TMENT SECT	OIFY CONTRACTING FOR PERFORMANCE OF DO OF COMMERCE ΓΙΟΝ 1.(a) G.S. 143B-431.01 reads as rewritten: Department of Commerce – contracting of functions.	UTIES BY THE
duties, and contract Developm of the Genonprofit appropriate research-limost like branding	nonproid obligentered nent Pareral Scorpor ted to based, of and business are proportionally and busines	ract. – The Department of Commerce is authorized to confit corporation to perform one or more of the Department's rations set forth in G.S. 143B-431, except as provided in the into pursuant to this section between the Department artnership of North Carolina is exempt from Articles 3 and 3 tatutes and G.S. 143C-6-23. If the Department contracts with ration to promote and grow the travel and tourism industricated the Department for tourism marketing purposes shall comprehensive marketing program directed toward consumeravel to North Carolina and not for ancillary activities, siness development marketing. The Department may not confit corporation regarding any of the following:	functions, powers, is subsection. The and the Economic 3C of Chapter 143 in a North Carolina ies, then all funds I be used for a ters in key markets such as statewide
	(5) (6)	Site certification functions and activities performed by the The performance of one or more functions, powers, duties any other State agency.	
(e) include a		latory Contract Terms. – Any contract entered into under following:	this section must
	(0)		1 1 0 4 1 1

A provision requiring the nonprofit corporation to provide by September 1 (2) of each year, and more frequently as requested, a report to the Department on prior State fiscal year program activities, objectives, and



accomplishments and prior State fiscal year itemized expenditures and fund 1 2 sources. The report shall also include all of the following: 3 Jobs anticipated to result from efforts of the nonprofit corporation. 4 This includes the name and contact person of each company creating new jobs in the State, the location of each project, and project leads 5 that were not submitted to the Department for possible discretionary 6 7 incentives pursuant to Chapter 143B of the General Statutes. Developed performance metrics of economic development functions 8 b. 9 itemized by county, by development tier area designation, as defined by G.S. 143B-437.08, and by Collaboration for Prosperity Zones 10 created pursuant to G.S. 143B-28.1. 11 12 Any proposed amendments to the areas of expertise required to be c. represented on the governing board of the nonprofit corporation. 13 14 d. A detailed explanation of how annual salaries are determined, 15 including base pay schedules and any additional salary amounts or bonuses that may be earned as a result of job performance. The 16 17 explanation shall include the proportion of State and private funds for each position and shall include the means used by the nonprofit 18 19 corporation to foster employee efforts for economic development in rural and low-income areas in the State. Any bonuses paid to 20 21 employees shall be based upon overall job performance and not be 22 based on a specific project lead. Bonuses awarded for job 23 performance may only be measured by reference to work alleviating 24 economic distress in development tier one or two areas, as defined by 25 G.S. 143B-437.08, unless the job performance resulted in an award to a high-yield project, as defined in G.S. 143B-437.51. The bonus 26 award structure shall ensure that job performance for work 27 28 alleviating economic distress in development tier one areas results in 29 the greatest incentive. 30 31 A provision prohibiting the nonprofit corporation from contracting with any (17)State agency other than the Department for the performance of one or more 32 33 of the agency's functions, powers, duties, or obligations. 34 **SECTION 1.(b)** This section is effective when it becomes law. 35 36 37 DISCRETIONARY **ECONOMIC PART** II. DEVELOPMENT **FUND** MODIFICATIONS 38 SECTION 2.1.(a) G.S. 143B-437.51 reads as rewritten: 39 40 "§ 143B-437.51. Definitions. The following definitions apply in this Part: 41 42 43 (5)Eligible position. – A position created by a business and filled by a new full-time employee in this State during the base period. The term does not 44 45 include a position filled by a worker with an H-1B visa/with H-1B status. 46

**SECTION 2.1.(b1)** G.S. 143B-437.52(a) reads as rewritten:

"(a) Program. – There is established the Job Development Investment Grant Program to be administered by the Economic Investment Committee. In order to foster job creation and investment in the economy of this State, the Committee may enter into agreements with businesses to provide grants in accordance with the provisions of this Part. The Committee, in

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consultation with the Attorney General, shall develop criteria to be used in determining whether the conditions of this section are satisfied and whether the project described in the application is otherwise consistent with the purposes of this Part. Before entering into an agreement, the Committee must find that all the following conditions are met:

- (1) The project proposed by the business will create, during the term of the agreement, a net increase in employment in this State by the business.
- (2) The project will benefit the people of this State by increasing opportunities for employment and by strengthening this State's economy by, for example, providing worker training opportunities, constructing and enhancing critical infrastructure, increasing development in strategically important industries, or increasing the State and local tax base.
- (3) The project is consistent with economic development goals for the State and for the area where it will be located including the anticipated effect the project described in the application will have on the development factors, as calculated pursuant to G.S. 143B-437.08, of the area.
- (4) A grant under this Part is necessary for the completion of the project in this State.
- (5) The total benefits of the project to the State outweigh its costs and render the grant appropriate for the project.
- (6) For a project located in a development tier three area, the affected local governments have participated in recruitment and offered incentives in a manner appropriate to the project."

SECTION 2.1.(b2) Effective January 1, 2018, G.S. 143B-437.52(c) reads as rewritten:

- "(c) Award Limitations. The following limitations apply to grants awarded under this Part:
  - (1) Maximum liability. The maximum amount of total annual liability for grants awarded in any single calendar year under this Part, including amounts transferred to the Utility Account pursuant to G.S. 143B-437.61, is twenty million dollars (\$20,000,000) for a year in which no grants are awarded for a high-yield project and is thirty-five million dollars (\$35,000,000) for a year in which a grant is awarded for a high-yield project. No agreement may be entered into that, when considered together with other existing agreements governing grants awarded during a single calendar year, could cause the State's potential total annual liability for grants awarded in a single calendar year to exceed the applicable amount. The Department shall make every effort to ensure that the average percentage of withholdings of eligible positions for grants awarded under this Part does not exceed the average of the range provided in G.S. 143B-437.56(a).
  - (2) Semiannual commitment limitations. Of the amount authorized in subdivision (1) of this subsection, no more than fifty percent (50%), excluding roll-over amounts, may be awarded in any single calendar semiannual period. A roll-over amount is any amount from a previous semiannual period in the same calendar year that was not awarded as a grant. The limitation of this subdivision does not apply to a grant awarded to a high-yield project.
  - (3) Geographic limitations. Of the amount authorized in subdivision (1) of this subsection, no more than fifty percent (50%) may be awarded for projects located in whole or in part in development tier three areas. Of the amount that may be awarded for projects located in whole or in part in development tier three areas pursuant to this subdivision, no more than fifty percent (50%)

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47 48 may be awarded for projects located in whole or in part in attainment areas. The limitations of this subdivision do not apply to a grant awarded to a high-yield project."

**SECTION 2.1.(c)** G.S. 143B-437.56 reads as rewritten:

#### "§ 143B-437.56. Calculation of minimum and maximum grants; factors considered.

- (a) Subject to the provisions of subsections (a1) and (d) of this section, the amount of the grant awarded in each case shall be a percentage of the withholdings of eligible positions for a period of years. The percentage shall be no more than (i) eighty percent (80%) for a development tier one area area, (ii) no more than seventy percent (70%) for a development tier two area, (iii) no more than sixty percent (60%) for a development tier three area that is not designated as an attainment area pursuant to G.S. 143B-437.08, and (iv) no more than fifty percent (50%) for a county designated as an attainment area pursuant to G.S. 143B-437.08.and no more than seventy-five percent (75%) for any other area. If the project will be located in more than one area designation, the location with the highest area designation determines the maximum percentage to be used. The percentage used to determine the amount of the grant shall be based on criteria developed by the Committee, in consultation with the Attorney General, after considering at least the following:
  - (1) The number of eligible positions to be created.
  - (2) The expected duration of those positions.
  - (3) The type of contribution the business can make to the long-term growth of the State's economy.
  - (4) The amount of other financial assistance the project will receive from the State or local governments.
  - (5) The total dollar investment the business is making in the project.
  - (6) Whether the project utilizes existing infrastructure and resources in the community.
  - (7) Whether the project is located in a development zone.
  - (8) The number of eligible positions that would be filled by residents of a development zone.
  - (9) The extent to which the project will mitigate unemployment in the State and locality.

For any eligible position that is located in a county designated as an attainment area (d) pursuant to G.S. 143B-437.08, fifty percent (50%) of the annual grant approved for disbursement shall be payable to the business, and fifty percent (50%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. For any eligible position that is located in a development tier three area, seventy-five percent (75%) area that is not designated as an attainment area pursuant to G.S. 143B-437.08, seventy percent (70%) of the annual grant approved for disbursement shall be payable to the business, and twenty-five percent (25%)thirty percent (30%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. For any eligible position that is located in a development tier two area, ninety percent (90%) of the annual grant approved for disbursement shall be payable to the business, and ten percent (10%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. A position is located in the development tier area that has been assigned to the county in which the project is located at the time the application is filed with the Committee. This subsection does not apply to a high-yield project in years in which the business receives the enhanced percentage pursuant to subsection (a1) of this section.

**SECTION 2.2.** G.S. 143B-437.72 reads as rewritten:

"§ 143B-437.72. Agreements required; disbursement of funds.

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- (b) Company Performance Agreements. An agreement between a local government and a grantee business must contain the following provisions:
  - (1) A commitment to create or retain a specified number of jobs within a specified salary range at a specific location and commitments regarding the time period in which the jobs will be created or retained and the minimum time period for which the jobs must be maintained. Provisions regarding the commitment required pursuant to this subdivision may not include the number of jobs filled by workers with H-1B visas/with H-1B status.
  - (2) A commitment to provide proof satisfactory to the local government and the State of new jobs created or existing jobs retained and the salary level of those jobs.
  - (3) A provision that funds received under the agreement may be used only for a purpose specified in G.S. 143B-437.71(b).
  - (4) A provision allowing the State or the local government to inspect all records of the business that may be used to confirm compliance with the agreement or with the requirements of this Part.
  - (5) A provision establishing the method for determining compliance with the agreement.
  - (6) A provision establishing a schedule for disbursement of funds under the agreement that allows disbursement of funds only in proportion to the amount of performance completed under the agreement.
  - (6a) A provision establishing that a business that has completed performance and become entitled to a final disbursement of funds under the agreement must timely request, in writing to the Secretary of Commerce, a disbursement of funds within not more than one year from the date of completed performance or forfeit the disbursement.
  - (6b) A provision establishing that a business that anticipates becoming entitled to a disbursement of funds under the agreement shall notify the Secretary of Commerce of the potential payment no later than March 1 of the fiscal year preceding the fiscal year in which the performance is anticipated to be completed.
  - (7) A provision requiring recapture of grant funds if a business subsequently fails to comply with the terms of the agreement.
  - (8) Any other provision the State or the local government finds necessary to ensure the proper use of State or local funds.
- (c) Local Government Grant Agreement. An agreement between the State and one or more local governments shall contain the following provisions:
  - (1) A commitment on the part of the local government to match the funds allocated by the State, as provided in this subdivision. A local match may include cash, fee waivers, in-kind services, the donation of assets, the provision of infrastructure, or a combination of these.
    - a. For a local government in a development tier one area, as defined in G.S. 143B-437.08, the State shall provide no more than three dollars (\$3.00) for every one dollar (\$1.00) provided by the local government.
    - b. For a local government in a development tier two area, as defined in G.S. 143B-437.08, the State shall provide no more than two dollars (\$2.00) for every one dollar (\$1.00) provided by the local government.
    - c. For a local government in a development tier three <u>area that is not designated as an attainment</u> area, as defined in G.S. 143B-437.08, the

State shall provide no more than one dollar (\$1.00) for every one 1 dollar (\$1.00) provided by the local government. 2 3 d. For a local government in an attainment area, as defined in G.S. 143B-437.08, the State shall provide no more than one dollar 4 5 (\$1.00) for every four dollars (\$4.00) provided by the local 6 government. 7 8 **SECTION 2.3.(a)** G.S. 143B-437.01(a) reads as rewritten: 9 Creation and Purpose of Fund. – There is created in the Department of Commerce a 10 special account to be known as the Industrial Development Fund Utility Account ("Utility Account") to provide funds to assist the local government units of the most economically 11 distressed counties in the State in retaining or creating jobs. jobs, including expanding the 12 existing job base. The Department of Commerce shall adopt rules providing for the 13 administration of the program. Those rules shall include the following provisions, which shall 14 apply to each grant from the account: 15 16 The funds shall be used for construction of or improvements to new or 17 existing water, sewer, gas, telecommunications, high-speed broadband, electrical utility distribution lines or equipment, or transportation 18 infrastructure for existing or new or proposed buildings. To be eligible for 19 funding, the water, gas, telecommunications, high-speed broadband, 20 21 electrical utility lines or facilities, or transportation infrastructure shall be 22 located on the site of the building or, if not located on the site, shall be directly related to the operation of the job creation activity. To be eligible for 23 funding, the sewer infrastructure shall be located on the site of the building 24 25 or, if not located on the site, shall be directly related to the operation of the job creation activity, even if the sewer infrastructure is located in a county 26 27 other than the county in which the building is located. 28 29 The funds shall be used by the city and county governments for projects that (2) are reasonably anticipated to result in the creation of new jobs, including 30 expanding the existing job base, or retention of existing jobs. There shall be 31 32 no maximum funding amount per new job to be created or per project. 33 34 **SECTION 2.3.(b)** This section is effective when it becomes law and applies to 35 grants awarded on or after that date. **SECTION 2.4.** Subsections (a), (b1), and (c) of Section 2.1 of this Part and Section 36 2.2 of this Part become effective January 1, 2017, and apply to awards made on or after that 37 date. Except as otherwise provided, the remainder of this Part is effective when it becomes law. 38 39 PART III. DEVELOPMENT TIER MODIFICATIONS 40 41 **SECTION 3.(a)** G.S. 143B-437.08 reads as rewritten: "§ 143B-437.08. Development tier designation. 42 43 44

(b) Development Factor. – Each year, on or before November 30, the Secretary of Commerce shall assign to each county in the State a development factor that is the sum of the following:

(1) The county's rank in a ranking of counties by average rate of unemployment from lowest to highest, for the most recent 12 months for which data are available.

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- (2) The county's rank in a ranking of counties by median household income from highest to lowest, for the most recent 12 months for which data are available.
- (3) The county's rank in a ranking of counties by percentage growth in population from highest to lowest, for the most recent 36 months for which data are available.
- (4) The county's rank in a ranking of counties by adjusted assessed property value per capita as published by the Department of Public Instruction, from highest to lowest, for the most recent taxable year.
- (c) Annual Ranking. After computing the development factor as provided in this section and making the adjustments required in this section, the Secretary of Commerce shall rank all the counties within the State according to their development factor from highest to lowest. The Secretary shall then identify all the areas of the State by development tier and publish this information. A development tier designation is effective only for the calendar year following the designation.
- (c1) Index. The Secretary of Commerce shall cost adjust the national value for per capita income to determine the State value for that factor and shall determine the State value for the factors listed in subdivisions (1), (3), and (4) of subsection (b) of this section. Using these metrics, the Secretary shall create an index, as follows: (i) the State average rate of unemployment divided by the county's average rate, (ii) the county's per capita income divided by the per capita income value for the State determined pursuant to this subsection, (iii) the county's percentage growth in population divided by the State's percentage growth, and (iv) the county's adjusted assessed property value per capita divided by the State adjusted assessed property value per capita. After computing the indices as provided in this subsection, the Secretary shall rank and publish all the counties within the State according to their index scores, along with the value against which the factor is compared, from lowest to highest. The Secretary shall separately designate any county with performance greater than that of the benchmarks for all indexed development factors as an "attainment area." An index score average and achievement area designation is effective only for the calendar year following the designation.
- (d) Data. In measuring rates of unemployment unemployment, per capita income, and median household income, the Secretary shall use the latest available data published by a State or federal agency generally recognized as having expertise concerning the data. In measuring population and population growth, the Secretary shall use the most recent estimates of population certified by the State Budget Officer. For the purposes of this section, population statistics do not include people incarcerated in federal or State prisons.
- (e) Adjustment for Certain Small Counties. Regardless of the actual development factor, any county that has a population of less than 12,000 shall automatically be ranked one of the 40 highest counties, any county that has a population of less than 50,000 shall automatically be ranked one of the 80 highest counties, and any county that has a population of less than 50,000 and more than nineteen percent (19%) of its population below the federal poverty level according to the most recent federal decennial census shall automatically be ranked one of the 40 highest counties.
- (f) Adjustment for Development Tier One Areas. Regardless of the actual development factor, a county designated as a development tier one area shall automatically be ranked one of the 40 highest counties until it has been a development tier one area for at least two consecutive years.
- (g) Exception for Two-County Industrial Park. An eligible two-county industrial park has the lower development tier designation of the designations of the two counties in which it is located if it meets all of the following conditions:

- It is located in two contiguous counties, one of which has a lower (1) development tier designation than the other. At least one-third of the park is located in the county with the lower tier (2)designation. It is owned by the two counties or a joint agency of the counties, is under  $\left(3\right)$ contractual control of designated agencies working on behalf of both counties, or is subject to a development agreement between both counties
  - and third-party owners.
     The county with the lower tier designation contributed at least the lesser of one half of the cost of developing the park or a proportion of the cost of developing the park equal to the proportion of land in the park located in the county with the lower tier designation.
  - (5) Expired, effective July 1, 2012, pursuant to Session Laws 2009-524, s. 2.
  - (h) Exception for Certain Multijurisdictional Industrial Parks. An eligible industrial park created by interlocal agreement under G.S. 158-7.4, and parcels of land located within the industrial park that are subsequently transferred and used for industrial or commercial purposes authorized for cities and counties under G.S. 158-7.1, have the lowest development tier designation of the designations of the counties in which they are located if all of the following conditions are satisfied:
    - (1) The industrial park is located, at one or more sites, in three or more contiguous counties.
    - (2) At least one of the counties in which the industrial park is located is a development tier one area.
    - (3) The industrial park is owned by three or more units of local government or a nonprofit corporation owned or controlled by three or more units of local government.
    - (4) In each county in which the industrial park is located, the park has at least 250 developable acres. A transfer of acreage that reduces the number of developable acres below 250 developable acres in a county does not affect an industrial park's eligibility under this subsection if the transfer is to an owner who uses or develops the acreage for industrial or commercial purposes authorized for cities and counties under G.S. 158-7.1. For the purposes of this subdivision, "developable acres" includes acreage that is owned directly by the industrial park or its owners or that is the subject of a development agreement between the industrial park or its owners and a third-party owner.
    - (5) The total population of all of the counties in which the industrial park is located is less than 200,000.
    - (6) In each county in which the industrial park is located, at least sixteen and eight-tenths percent (16.8%) of the population was Medicaid eligible for the 2003-2004 fiscal year based on 2003 population estimates.
  - (i) Expired, effective July 1, 2013, pursuant to Session Laws 2009-505, s. 2, as amended by Session Laws 2012-36, s. 1.
  - (j) Exception for Eco Industrial Park. An Eco Industrial Park has a development tier one designation. An Eco Industrial Park is an industrial park that the Secretary of Commerce has certified meets the following requirements:
    - (1) It has at least 100 developable acres.
    - (2) It is located in a county that is not required under G.S. 143-215.107A to perform motor vehicle emissions inspections.

- (3) Each building located in the industrial park is constructed in accordance with energy efficiency and water-use standards established in G.S. 143-135.37 for construction of a major facility.
- (4) Each business located in the park is in a clean-industry sector according to the Toxic Release Inventory by the United States Environmental Protection Agency.
- (k) Report. By November 30 of each year, the Secretary of Commerce shall submit a written report to the Joint Legislative Commission on Governmental Operations, the Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the General Assembly on the tier rankings required by subsection (c) of this section, including a map of the State whereupon the tier ranking of each county is designated."

**SECTION 3.(b)** G.S. 143B-437.01(a1) reads as rewritten:

- "(a1) Definitions. The following definitions apply in this section:
  - (4) Economically distressed county. A county that is defined as a development tier one or two area under G.S. 143B-437.08 after the adjustments of that section are applied. G.S. 143B-437.08.

SECTION 3.(c) G.S. 143B-472.127 reads as rewritten:

#### "§ 143B-472.127. Programs administered.

(a) The Rural Economic Development Division shall be responsible for administering the program whereby economic development grants or loans are awarded by the Rural Infrastructure Authority as provided in G.S. 143B-472.128 to local government units. The Rural Infrastructure Authority shall, in awarding economic development grants or loans under the provisions of this subsection, give priority to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 after the adjustment of that section. G.S. 143B-437.08. The funds available for grants or loans under this program may be used as follows:

SECTION 3.(d) G.S. 143B-472.128 reads as rewritten: "§ 143B-472.128. Rural Infrastructure Authority created; powers.

- (j) Powers and Duties. The Authority has the following powers and duties:
  - (2) To award grants or loans as provided in G.S. 143B-472.127. In awarding grants or loans under G.S. 143B-472.127(a), priority shall be given to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 after the adjustment of that section.G.S. 143B-437.08.

**SECTION 3.(e)** This Part becomes effective January 1, 2018, and applies to economic development awards made and related determinations occurring on or after that date.

#### PART IV. RURAL ASSISTANCE

**SECTION 4.(a)** For each Collaboration for Prosperity Zone established in G.S. 143B-28.1, the employees of the Department of Commerce in the zone shall examine each annual update of the plan required by G.S. 143B-434.01, collate all information relevant to the zone, county, region, and other unit of local government in the zone, and provide a copy of the collated information to each unit of local government within the zone. The collated information shall also identify any additional regional assets not otherwise contained in the annual update.

For any asset identified in the annual update or identified by the employees, an analysis shall be performed to identify appropriate potential industries best suited to maximize the beneficial economic impact of each asset. The employees shall identify for each asset any potential additional infrastructure needs anticipated for identified appropriate potential industries. The Department shall provide to the Economic Development and Global Engagement Joint Oversight Committee a list of any assets remaining in the collated information for more than two years by January 1 of each year.

SECTION 4.(b) For each Collaboration for Prosperity Zone established in G.S. 143B-28.1, the employees of the Department of Commerce in the zone shall submit a report to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division on the following: (i) jobs anticipated to result from efforts of the employees, including the name and contact person of each company creating new jobs in the zone, (ii) the location of each project, including the development tier designation of the location, and (iii) project leads that were not submitted to the Department for possible discretionary incentives pursuant to Chapter 143B of the General Statutes.

SECTION 4.(c) This Part is effective when it becomes law.

#### PART V. IMPROVE PROJECT IMPACT

SECTION 5.(a) G.S. 143B-428 reads as rewritten:

#### "§ 143B-428. Department of Commerce – declaration of policy.

It is hereby declared to be the policy of the State of North Carolina to actively encourage the expansion of existing environmentally sound North Carolina industry; to actively encourage the recruitment of environmentally sound national and international industry into North Carolina through industrial recruitment efforts and through effective advertising, with an emphasis on high-wage-paying industry; to promote the development of North Carolina's labor force to meet the State's growing industrial needs; to promote the growth and development of our travel and tourist industries; to promote the development of our State ports; and to assure throughout State government, the coordination of North Carolina's economic development efforts, with an emphasis on maximizing the return on investment of economic development dollars by selecting projects and project locations on the basis of providing the greatest relief to communities experiencing chronic economic distress."

SECTION 5.(b) The Department of Commerce shall study means of effectuating the clarification in policy set forth in subsection (a) of this section. As part of the study, the Department shall examine ways to reformulate evaluation models and economic development tools of the State so as (i) to reduce emphasis on awarding incentives to projects based primarily on whether there is a net increase in State revenues and (ii) to increase emphasis on awarding incentives to projects that locate in and improve counties performing below the established performance goals. The Department shall report the results of the study, along with any proposed legislative recommendations, to the Joint Legislative Oversight Committee on Economic Development and Global Engagement no later than October 1, 2017.

SECTION 5.(c) G.S. 143B-437.07 reads as rewritten:

### "§ 143B-437.07. Economic development grant reporting.

(a) Report. – The Department of Commerce must shall publish on or before October 1 of each year the information required by this subsection, itemized by business entity, for each business or joint private venture to which the State has, in whole or in part, granted one or more economic development incentives during the relevant time period. The relevant time period ends June 30 preceding the publication date of this subsection and begins (i) for incentives not awarded under Part 2G of this Article with the 2007 calendar year and (ii) for incentives awarded under Part 2G of this Article with the 2002 calendar year. The information in the report must shall include all of the following:

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- The name, mailing address, telephone number, and Web site of the business (3)recipient, or recipients if a joint venture, and the physical location of the site receiving the incentive. If the physical location of the site is undecided, then the name of the county in which the site will be located. The information regarding the physical location must-shall indicate whether the physical location is a new or expanded facility.
- (b) Online Posting/Written Submission. - The Department of Commerce must-shall post on its Internet Web site a summary of the report compiled in subsection (a) of this section. The summary report must shall include the information required by subdivisions (2), (9), (11), and (12) of subsection (a) of this section. By October 1 of each year, the Department of Commerce must-shall submit the written report required by subsection (a) of this section to the Joint Legislative Commission on Governmental Operations, the Revenue Laws Study Committee, the Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the General Assembly.
- Economic Development Incentive. An economic development incentive includes any grant from the following programs: Job Development Investment Grant Program; the Job Maintenance and Capital Development Fund; One North Carolina Fund; and the Utility Account. The State also incents economic development through the use of tax expenditures in the form of tax credits and refunds. The Department of Revenue must shall report annually on these statutory economic development incentives, as required under G.S. 105-256.
- County Improvement Plan and Reports. The Department of Commerce, using the index required by G.S. 143B-437.08(c1), shall create a plan for improving the performance of each county underperforming the benchmark in one or more indexed development factors to the benchmark performance level at the time the plan was created. The plan shall cover a period of five years, and the Department shall create a new plan complying with this subsection at the expiration of the plan. The Department shall publish and submit an annual progress report to the Joint Legislative Oversight Committee on Economic Development and Global Engagement providing, at a minimum, a (i) comparison of the performance of each county to the benchmarked performance in each indexed development factor where the county underperformed the benchmark for the year and (ii) comparison of that performance to the county's performance in the previous year. The Department shall submit a copy of a plan for the first year after it is created and each progress report on or before April 1 of each year."
- SECTION 5.(d) For purposes of the initial plan required by G.S. 143B-437.07(d). as enacted by this act, the Department shall consult with and use data compiled by the Center for Competitive Economies at the Kenan-Flagler Business School at the University of North Carolina in Chapel Hill for the study performed for the Joint Legislative Oversight Committee on Economic Development and Global Engagement.
  - **SECTION 5.(e)** This Part is effective when it becomes law.
- PART VI. EFFECTIVE DATE **SECTION 6.** Except as otherwise provided, this act is effective when it becomes

### GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2017

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#### SENATE BILL 660

#### Finance Committee Substitute Adopted 4/25/17 PROPOSED HOUSE COMMITTEE SUBSTITUTE \$660-CSMCf-6 [v.5] 6/25/2017 3:16:27 PM

Short Title: Economic Development Incentives Modifications. (Public)

Sponsors:

Referred to:

### April 5, 2017

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A BILL TO BE ENTITLED

AN ACT TO MAKE CERTAIN CHANGES TO ECONOMIC DEVELOPMENT INCENTIVES OF THE STATE AND TO THE USE OF DEVELOPMENT TIERS AND RANKINGS.

The General Assembly of North Carolina enacts:

# PART I. DISCRETIONARY ECONOMIC DEVELOPMENT FUND MODIFICATIONS

SECTION 1.1.(a) The Department of Commerce shall study the uses and annual utilization of the Industrial Development Fund Utility Account created pursuant to G.S. 143B-437.01 and whether the effectiveness and utilization of the Account can be improved by expanding the core uses of the Account to include providing funds to economically distressed counties for projects resulting in the retention of existing jobs. No later than April 1, 2018, the Department shall submit to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division a report containing, at a minimum, all of the following information:

- (1) A detailed listing of funding sources and amounts for the Account over the past five years.
- A detailed listing of project expenditures, including the development tier (2) designation of each project, from the Account over the past five years.
- For each of the five previous fiscal years, an accounting of the amount of (3) funds in the Account at the beginning of the fiscal year and the amount and percentage of funds remaining in the Account at the end of the fiscal year.
- Additional projects that would have been funded for each of the previous (4) five fiscal years if job retention projects qualified for the Account.
- (5) An identification of any means of protecting the State's investment in projects resulting in the retention of existing jobs, including clawbacks, minimum private investment eligibility criteria, and other contractual methods of recapturing funds allocated to underperforming or incomplete projects and including any recommended legislation to achieve this subdivision.

**SECTION 1.1.(b)** This section is effective when it becomes law.

**SECTION 1.2.(a)** G.S. 143B-437.51 reads as rewritten:

"§ 143B-437.51. Definitions.

The following definitions apply in this Part:



1 (6a) High-growth area. – The classification assigned to an area pursuant to
2 G.S. 143B-437.08.
3 (6a)(6b) High-yield project. – A project for which the agreement requires that a

(6a)(6b) High-yield project. – A project for which the agreement requires that a business invest at least five hundred million dollars (\$500,000,000) in private funds and create at least 1,750 eligible positions positions for projects located in a high-growth area, at least 1,600 positions for projects located in a development tier three area, at least 1,200 positions for projects located in a development tier two area, or at least 800 positions for projects located in a development tier one area. If a project will be located in more than one area, the location with the highest development tier designation determines the job creation requirements due under this subdivision.

**SECTION 1.2.(b)** G.S. 143B-437.52(a)(3) reads as rewritten:

"(a) Program. – There is established the Job Development Investment Grant Program to be administered by the Economic Investment Committee. In order to foster job creation and investment in the economy of this State, the Committee may enter into agreements with businesses to provide grants in accordance with the provisions of this Part. The Committee, in consultation with the Attorney General, shall develop criteria to be used in determining whether the conditions of this section are satisfied and whether the project described in the application is otherwise consistent with the purposes of this Part. Before entering into an agreement, the Committee must find that all the following conditions are met:

(3) The project is consistent with economic development goals for the State and for the area where it will be located.located, including the anticipated effect the project described in the application will have on the economic indicators, as calculated pursuant to G.S. 143B-437.08, of the area.

SECTION 1.2.(c) If Senate Bill 257, 2017 Regular Session, becomes law, then G.S. 143B-437.52, as amended by that act, reads as rewritten: "§ 143B-437.52. Job Development Investment Grant Program.

(c) Award Limitations. – The following limitations apply to grants awarded under this Part:

Maximum liability. - The maximum amount of total annual liability for (1) grants awarded in any single calendar year under this Part, including amounts transferred to the Utility Account pursuant to G.S. 143B-437.61, is twenty million dollars (\$20,000,000) for a year in which no grants are awarded for a high-yield project located in whole or in part in a development tier two or three area and is thirty-five million dollars (\$35,000,000) for a year in which a grant is awarded for a high-yield project project located in whole or in part in a development tier two or three area. No agreement may be entered into that, when considered together with other existing agreements governing grants awarded during a single calendar year, could cause the State's potential total annual liability for grants awarded in a single calendar year to exceed the applicable amount. The Department shall make every effort to ensure that the average percentage of withholdings of eligible positions for grants awarded under this Part does not exceed the average of the range provided in G.S. 143B-437.56(a). The limitation in this subdivision does not apply to transformative projects. Grants awarded for either (i) transformative projects or (ii) projects located wholly within a

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development tier one area are not included in the calculation of the State's potential total annual liability for grants awarded in a single calendar year.

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SECTION 1.2.(d) If Senate Bill 257, 2017 Regular Session, does not become law, then G.S. 143B-437.52 reads as rewritten:

"§ 143B-437.52. Job Development Investment Grant Program.

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Award Limitations. – The following limitations apply to grants awarded under this (c) Part:

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Maximum liability. - The maximum amount of total annual liability for (1) grants awarded in any single calendar year under this Part, including amounts transferred to the Utility Account pursuant to G.S. 143B-437.61, is twenty million dollars (\$20,000,000) for a year in which no grants are awarded for a high-yield project located in whole or in part in a development tier two or three area and is thirty-five million dollars (\$35,000,000) for a year in which a grant is awarded for a high-yield project project located in whiole or in part in a development tier two or three area. No agreement may be entered into that, when considered together with other existing agreements governing grants awarded during a single calendar year, could cause the State's potential total annual liability for grants awarded in a single calendar year to exceed the applicable amount. The Department shall make every effort to ensure that the average percentage of withholdings of eligible positions for grants awarded under this Part does not exceed the average of the range provided in G.S. 143B-437.56(a). Grants awarded for projects located wholly within a development tier one area are not included in the calculation of the State's potential total annual liability for grants awarded in a single calendar year.

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SECTION 1.2.(e) The statutory changes to G.S. 143B-437.51 G.S. 143B-437.52(a) in this section become effective July 1, 2017, and apply to agreements entered into on or after that date. The statutory change to G.S. 143B-437.52(c) in this section becomes effective January 1, 2018, and applies to liability for grants awarded on or after that date.

**SECTION 1.3.(a)** G.S. 143B-437.55(b) reads as rewritten:

Application Fee. – When filing an application under this section, the business must pay the Committee a fee of (i) ten thousand dollars (\$10,000).(\$10,000) if the project is either a high-yield project, regardless of location in the State, or is located in a development tier three area, (ii) five thousand dollars (\$5,000) if the project is located in a development tier two area, or (iii) one thousand dollars (\$1,000) if the project is located in a development tier one area. If a project is not a high-yield project or will be located in more than one development tier area, the location with the highest development tier area designation determines the fee due under this section. The fee is due at the time the application is filed. The Secretary of Commerce, the Secretary of Revenue, and the Director of the Office of State Budget and Management shall determine the allocation of the fee imposed by this section among their agencies. The proceeds of the fee are receipts of the agency to which they are credited. Within 30 days of receipt of an application under this section but prior to any award being made, the Department of Commerce shall notify each governing body of an area where a submitted application proposes locating a project of the information listed in this subsection, provided that the governing body agrees, in writing, to any confidentiality requirements imposed by the Department under G.S. 132-6(d). The information required by this subsection includes all of the following:

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- (1) The estimated amount of the grant anticipated to be awarded to the applicant for the project.
  - (2) Any economic impact data submitted with the application or prepared by the Department.
  - (3) Any economic impact estimated by the Department to result from the project."

**SECTION 1.3.(b)** This section becomes effective July 1, 2017, and applies to applications filed on or after that date.

**SECTION 1.4.(a)** G.S. 143B-437.56(d) reads as rewritten:

For any eligible position that is located in a development tier three area, "(d) seventy-five percent (75%) of the annual grant approved for disbursement shall be payable to the business, and twenty-five percent (25%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. For any eligible position that is located in a development tier two area, ninety percent (90%) of the annual grant approved for disbursement shall be payable to the business, and ten percent (10%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. For any eligible position created for a high-yield project in years in which the business receives the enhanced percentage pursuant to subsection (a1) of this section, regardless of location in the State, ninety-five percent (95%) of the annual grant approved for disbursement shall be payable to the business and five percent (5%) shall be payable to the Utility Account pursuant to G.S. 143B-437.61. A position is located in the development tier area that has been assigned to the county in which the project is located at the time the application is filed with the Committee. This subsection does not apply to a high yield project in years in which the business receives the enhanced percentage pursuant to subsection (a1) of this section."

**SECTION 1.4.(b)** This section becomes effective July 1, 2017, and applies to grants awarded on or after that date.

**SECTION 1.5.(a)** G.S. 143B-437.58(a) reads as rewritten:

No later than March 1 of each year, for the preceding grant year, every business that is awarded a grant under this Part shall submit to the Committee an annual payroll report showing withholdings as a condition of its continuation in the grant program and identifying eligible positions that have been created during the base period that remain filled at the end of each year of the grant. Annual reports submitted to the Committee shall include social security numbers of individual employees identified in the reports. Upon request of the Committee, the business shall also submit a copy of its State and federal tax returns. Payroll and tax information, including social security numbers of individual employees and State and federal tax returns, submitted under this subsection is tax information subject to G.S. 105-259. Aggregated payroll or withholding tax information submitted or derived under this subsection is not tax information subject to G.S. 105-259. When making a submission under this section, the business must pay the Committee a fee of the greater of two thousand five hundred dollars (\$2.500) or three five one-hundredths of one percent (.03%)(.05%) of an amount equal to the grant less the maximum amount to be transferred pursuant to G.S. 143B-437.61. The fee is due at the time the submission is made. The Secretary of Commerce, the Secretary of Revenue, and the Director of the Office of State Budget and Management shall determine the allocation of the fee imposed by this section among their agencies. The proceeds of the fee are receipts of the agency to which they are credited."

**SECTION 1.5.(b)** This section becomes effective July 1, 2017, and applies to agreements entered into on or after that date.

#### PART II. ELIMINATE ADJUSTMENT FACTORS

**SECTION 2.1.(a)** Effective January 1, 2018, and applicable to improvements funded on or after that date, G.S. 143B-437.01(a1) reads as rewritten:

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For a local government in a development tier two area, as defined in

G.S. 143B-437.08, 143B-437.08 prior to the adjustments of that

section being applied, the State shall provide no more than two

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dollars (\$2.00) for every one dollar (\$1.00) provided by the local government.

c. For a local government in a development tier three area, as defined in G.S. 143B-437.08, 143B-437.08 prior to the adjustments of that section being applied, the State shall provide no more than one dollar (\$1.00) for every one dollar (\$1.00) provided by the local government."

**SECTION 2.1.(f)** Effective January 1, 2020, and applicable to agreements entered on or after that date, G.S. 143B-437.72(c), as amended by subsection (e) of this section, reads as rewritten:

- "(c) Local Government Grant Agreement. An agreement between the State and one or more local governments shall contain the following provisions:
  - (1) A commitment on the part of the local government to match the funds allocated by the State, as provided in this subdivision. A local match may include cash, fee waivers, in-kind services, the donation of assets, the provision of infrastructure, or a combination of these.
    - a. For a local government in a development tier one area, as defined in G.S. 143B-437.08 prior to the adjustments of that section being applied. 143B-437.08, the State shall provide no more than three dollars (\$3.00) for every one dollar (\$1.00) provided by the local government.
    - b. For a local government in a development tier two area, as defined in G.S. 143B-437.08 prior to the adjustments of that section being applied, 143B-437.08, the State shall provide no more than two dollars (\$2.00) for every one dollar (\$1.00) provided by the local government.
    - c. For a local government in a development tier three area, as defined in G.S. 143B-437.08 prior to the adjustments of that section being applied, 143B-437.08, the State shall provide no more than one dollar (\$1.00) for every one dollar (\$1.00) provided by the local government."

**SECTION 2.1.(g)** Effective January 1, 2018, and applicable to grants awarded on or after that date, G.S. 143B-472.35(a2)(18) reads as rewritten:

"(18) Tier 1, 2, or 3 counties. – North Carolina counties annually ranked by the Department of Commerce based upon the counties' economic well-being and assigned a Tier designation designation without regard to the adjustments of that section being applied. The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2, and the 20 least distressed as Tier 3."

**SECTION 2.1.(h)** Effective January 1, 2020, and applicable to grants awarded on or after that date, G.S. 143B-472.35(a2)(18), as amended by subsection (g) of this section, reads as rewritten:

"(18) Tier 1, 2, or 3 counties. – North Carolina counties annually ranked by the Department of Commerce based upon the counties' economic well-being and assigned a Tier designation withou: regard to the adjustments of that section being applied designation. The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2, and the 20 least distressed as Tier 3."

**SECTION 2.1.(i)** Effective January 1, 2018, and applicable to grants and loans awarded on or after that date, G.S. 143B-472.127(a) reads as rewritten:

"(a) The Rural Economic Development Division shall be responsible for administering the program whereby economic development grants or loans are awarded by the Rural Infrastructure Authority as provided in G.S. 143B-472.128 to local government units. The

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Rural Infrastructure Authority shall, in awarding economic development grants or loans under the provisions of this subsection, give priority to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 after prior to the application of any adjustment of that section. The funds available for grants or loans under this program may be used as follows:

> (2)To provide matching grants or loans to local government units located in either (i) a development tier one or tier two area or (ii) a rural census tract in a development tier three area that will productively reuse or demolish buildings and properties or construct or expand rural health care facilities, with priority given to towns or communities with populations of less than 5,000. The development tier designation of a county shall be determined as provided in G.S. 143B 437.08.143B-437.08 prior to the application of any adjustment of that section. For purposes of this section, the term "rural census tract" means a census tract having a population density of less than

500 people per square mile according to the most recent decennial federal

census.

SECTION 2.1.(j) Effective January 1, 2020, and applicable to grants and loans awarded on or after that date, G.S. 143B-472.127(a), as amended by subsection (i) of this section, reads as rewritten:

The Rural Economic Development Division shall be responsible for administering the program whereby economic development grants or loans are awarded by the Rural Infrastructure Authority as provided in G.S. 143B-472.128 to local government units. The Rural Infrastructure Authority shall, in awarding economic development grants or loans under the provisions of this subsection, give priority to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 prior to the application of any adjustment of that section.G.S. 143B-437.08. The funds available for grants or loans under this program may be used as follows:

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To provide matching grants or loans to local government units located in (2) either (i) a development tier one or tier two area or (ii) a rural census tract in a development tier three area that will productively reuse or demolish buildings and properties or construct or expand rural health care facilities, with priority given to towns or communities with populations of less than 5,000. The development tier designation of a county shall be determined as provided in G.S. 143B-437.08 prior to the application of any adjustment of that section.143B-437.08. For purposes of this section, the term "rural census tract" means a census tract having a population density of less than 500 people per square mile according to the most recent decennial federal census.

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SECTION 2.1.(k) Effective January 1, 2018, and applicable to grants and loans awarded on or after that date, G.S. 143B-472.128(j) reads as rewritten: Powers and Duties. – The Authority has the following powers and duties:

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(2)To award grants or loans as provided in G.S. 143B-472.127. In awarding grants or loans under G.S. 143B-472.127(a), priority shall be given to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 after prior to the application of any adjustment of that section.

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**SECTION 2.1.(1)** Effective January 1, 2020, and applicable to grants and loans awarded on or after that date, G.S. 143B-472.128, as amended by subsection (k) of this section,

Powers and Duties. – The Authority has the following powers and duties: "(i)

To award grants or loans as provided in G.S. 143B-472.127. In awarding **(2)** grants or loans under G.S. 143B-472.127(a), priority shall be given to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08 prior to the application of any adjustment of that section.143B-437.08.

SECTION 2.1.(m) Effective January 1, 2018, and applicable to block grants awarded on or after that date, G.S. 143B-437.04 reads as rewritten:

#### "§ 143B-437.04. Community development block grants.

- The Department of Commerce shall adopt guidelines for the awarding of Community Development Block Grants to ensure that:
  - No local match is required for grants awarded for projects located in counties that have one of the 25 highest rankings under G.S. 143B-437.08 prior to the application of any adjustment of that section or counties that have a population of less than 50,000 and more than nineteen percent (19%) of its population below the federal poverty level according to the most recent federal decennial census.

SECTION 2.1.(n) Effective January 1, 2020, and applicable to block grants awarded on or after that date, G.S. 143B-437.04, as amended by subsection (m) of this section, reads as rewritten:

#### "§ 143B-437.04. Community development block grants.

- The Department of Commerce shall adopt guidelines for the awarding of Community Development Block Grants to ensure that:
  - No local match is required for grants awarded for projects located in **(1)** counties that have one of the 25 highest rankings under G.S. 143B-437.08 prior to the application of any adjustment of that section or counties that have a population of less than 50,000 and more than nineteen percent (19%) of its population below the federal poverty level according to the most recent federal decennial census.

**SECTION 2.1.(0)** Effective November 30, 2019, G.S. 143B-437.08 reads as

### "§ 143B-437.08. Development tier designation.

- ... Annual Ranking. – After computing the development factor as provided in this section and making the adjustments required in this section, the Secretary of Commerce shall rank all the counties within the State according to their development factor from highest to lowest. The Secretary shall then identify all the areas of the State by development tier and publish this information. A development tier designation is effective only for the calendar year following the designation.
- High-Growth Arca. The Secretary of Commerce shall determine the statewide value for the economic indicators listed in subsection (b) of this section. The Secretary shall separately designate any county with performance greater than all of these statewide values as a

"high-growth area." A high-growth area designation is effective only for the calendar year following the designation.

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- (e) Adjustment for Certain Small Counties. Regardless of the actual development factor, any county that has a population of less than 12,000 shall automatically be ranked one of the 40 highest counties, any county that has a population of less than 50,000 shall automatically be ranked one of the 80 highest counties, and any county that has a population of less than 50,000 and more than nineteen percent (19%) of its population below the federal poverty level according to the most recent federal decennial census shall automatically be ranked one of the 40 highest counties.
- (f) Adjustment for Development Tier One Areas. Regardless of the actual development factor, a county designated as a development tier one area shall automatically be ranked one of the 40 highest counties until it has been a development tier one area for at least two consecutive years.

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- (i) Expired, effective July 1, 2013, pursuant to Session Laws 2009-505, s. 2, as amended by Session Laws 2012-36, s. 1.
- (j) Exception for Eco-Industrial Park. An Eco-Industrial Park has a development tier one designation. An Eco-Industrial Park is an industrial park that the Secretary of Commerce has certified meets the following requirements:
  - (1) It has at least 100 developable acres.
  - (2) It is located in a county that is not required under G.S. 143-215.107A to perform motor vehicle emissions inspections.
  - (3) Each building located in the industrial park is constructed in accordance with energy efficiency and water use standards established in G.S. 143-135.37 for construction of a major facility.
  - (4) Each business located in the park is in a clean-industry sector according to the Toxic Release Inventory by the United States Environmental Protection Agency.

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**SECTION 2.2.(a)** It is the intent of the General Assembly to eliminate the use of adjustment factors for economic development purposes for awards or agreements for projects entered into on or after January 1, 2020, as well as to continue to examine the development factors used to calculate relative economic distress of the counties of this State, as provided in G.S. 143B-437.08. The General Assembly finds that a number of non-economic development programs use the annual rankings by the Department of Commerce, including the application of adjustment factors, for purposes of programmatic criteria, which makes it difficult to tailor the development factors solely for economic development purposes without having unintended consequences on unrelated programs. In order to facilitate modifications to the development factors to maximize the gathering and analysis of data relevant to economic distress and development and to ensure that unrelated programs have program-specific criteria relevant to the goals of those programs, all entities, including, but not limited to, the entities listed in this section, shall, no later than January 1, 2018, examine the continued use of the development factors set forth in G.S. 143B-437.08. In examining this use, each entity shall also (i) identify alternative, program-specific criteria and (ii) report any findings and draft legislation necessary to make appropriate modifications to the applicable statutes pertaining to the program. In the event the entity desires to continue to use the development factors provided in G.S. 143B-437.08, the entity shall (i) provide the analysis that supports the continued use of the development factors, including an analysis of how targeted programs match the use of the development factors, (ii) further examine the effects of the elimination of the adjustment factors, as enacted by Section 2.1 of this act, and (iii) determine whether the retention of those adjustment factors for each program is warranted, and, if so, report any findings and draft legislation necessary to make appropriate modifications to import those adjustment factors into the applicable statutes pertaining to the program. The scope of this section is to apply to the use of the development tier designations determined pursuant to G.S. 143B-437.08 for all purposes and programs, including taxes, the North Carolina Development Farmland Preservation Trust Fund, the Spay and Neuter Program, the Abandoned Manufactured Home Cleanup Grants Program, the State Wastewater Reserve, the State Drinking Water Reserve, the Public Safety Assistance Points Grant Program, Oral Health Preventive Services, Medication Assistance, Qualified Allocation Plan for Low-Income Housing Tax Credits, and the Strategic Prioritization Funding Plan for Regional Impact Transportation Investment Projects. In addition to any other entities, this section applies to the following:

- (1) The Department of Agriculture and Consumer Services.
- (2) The Department of Environmental Quality.
- (3) The Department of Information Technology.
- (4) The Department of Health and Human Services.
- (5) The North Carolina Housing Finance Agency.
- (6) The Department of Transportation.
- (7) The Department of Revenue.

**SECTION 2.2.(b)** Each entity required to report under subsection (a) of this section shall submit the report no later than October 1, 2018, to the Fiscal Research Division, the Joint Legislative Economic Development and Global Engagement Oversight Committee, and to their respective joint oversight committees, including, but not limited to, the following:

- (1) The Departments of Agriculture and Consumer Services and Environmental Quality to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources.
- (2) The Department of Information Technology to the Joint Legislative Oversight Committee on Information Technology.
- (3) The Department of Health and Human Services to the Joint Legislative Oversight Committee on Health and Human Services.
- (4) The North Carolina Housing Finance Agency to the Joint Legislative Oversight Committee on General Government.
- (5) The Department of Transportation to the Joint Legislative Transportation Oversight Committee.
- (6) The Department of Revenue to the Revenue Laws Study Committee.

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#### PART III. IMPROVE PROJECT IMPACT

**SECTION 3.** G.S. 143B-437.07 reads as rewritten:

### "§ 143B-437.07. Economic development grant reporting.

(a) Report. – The Department of Commerce must-shall publish on or before October 1 of each year the information required by this subsection, itemized by business entity, for each business or joint private venture to which the State has, in whole or in part, granted one or more economic development incentives during the relevant time period. The relevant time period ends June 30 preceding the publication date of this subsection and begins (i) for incentives not awarded under Part 2G of this Article with the 2007 calendar year and (ii) for incentives awarded under Part 2G of this Article with the 2002 calendar year. The information in the report must-shall include all of the following:

(3) The name, mailing address, telephone number, and Web site of the business recipient, or recipients if a joint venture, and the physical location of the site receiving the incentive. If the physical location of the site is undecided, then the name of the county in which the site will be located. The information

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regarding the physical location <u>must\_shall\_indicate</u> whether the physical location is a new or expanded facility.

- (b) Online Posting/Written Submission. The Department of Commerce must-shall post on its Internet Web site a summary of the report compiled in subsection (a) of this section. The summary report must-shall include the information required by subdivisions (2), (9), (11), and (12) of subsection (a) of this section. By October 1 of each year, the Department of Commerce must-shall submit the written report required by subsection (a) of this section to the Joint Legislative Commission on Governmental Operations, the Revenue Laws Study Committee, the Senate Appropriations Committee on Natural and Economic Resources, the House of Representatives Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division of the General Assembly.
- (c) Economic Development Incentive. An economic development incentive includes any grant from the following programs: Job Development Investment Grant Program; the Job Maintenance and Capital Development Fund; One North Carolina Fund; and the Utility Account. The State also incents economic development through the use of tax expenditures in the form of tax credits and refunds. The Department of Revenue must shall report annually on these statutory economic development incentives, as required under G.S. 105-256.
- (d) County Performance Reports and Assistance. The Department of Commerce, using the economic indicators required by G.S. 143B-437.08, shall create an annual report on the performance of each county underperforming the statewide value in one or more economic indicators, shall provide the applicable portion of the report to each county, and shall offer assistance to each county, upon request, regarding how to improve performance relative to the economic indicator identified. The Department shall publish and submit an annual progress report to the Joint Legislative Economic Development and Global Engagement Oversight Committee providing, at a minimum, (i) a comparison of the performance of each county to the performance of the State for each economic indicator where the county underperformed the State for the year and (ii) a comparison of the county's reported performance for the year compared to the county's performance in the previous year. The Department shall submit a copy of the progress report on or before April 1 of each year."

# PART IV. RURAL ASSISTANCE

**SECTION 4.** The Department of Commerce shall study methods to support data-driven analysis and assistance for each Collaboration for Prosperity Zone and each labor market area within a Prosperity Zone, including publication of available facilities for commercial development and potential uses of the facilities. The Department of Commerce shall report to the Joint Legislative Economic Development and Global Engagement Oversight Committee no later than January 1, 2018.

# PART V. USE OF ECONOMIC DEVELOPMENT TIERS AND RANKINGS

**SECTION 5.** The Joint Legislative Economic Development and Global Engagement Oversight Committee shall study and make legislative recommendations on the following matters to and no later than the convening of the 2018 Regular Session of the 2017 General Assembly:

- (1) Study the purpose of the economic development tier system including the appropriate factors to designate the level of economic development in counties and multicounty areas.
- (2) Study the use of means alternative to the economic development tier system to designate the level of economic development in counties and multicounty areas, including indexing the performance of counties and regions against the performance of the State.

General Assem	bly Of North Carolina Session 201
(3)	Propose legislation that more accurately identifies the level of economic development in counties based on economic indicators.
(4)	Propose legislation that renames the economically distressed counties to more appropriately describe the classification.
(5)	Study methods to promote regional economic development activities including any programs by which funds for multi-county projects are apportioned among higher and lower development tier counties in order to
	facilitate projects locating in development tier one or two areas and providing regional economic development enhancement.
(6)	Solicit and study any recommendations from the EDPNC Economic Development Advisory Council.
(7)	Study the importance of a skilled workforce and the availability of customized training in recruiting and retaining industries in this State including an application of existing appropriately programs.
	including an analysis of existing apprenticeship programs.
	FECTIVE DATE TION 6. Except as otherwise provided, this act is effective when it become
law.	

S660-CSMCf-6 [v.5] Page 12 Senate Bill 660

# Comparison of S660 (v2) and the House Finance PCS for S660:

## Areas of consonance:

- 1. Modification of JDIG agreement mandatory pre-requisites: changes requirement that the project be consistent with State and local economic development goals by adding that the anticipated effect the described project will have on the area's development factors (used to calculate tier ranking). See S660, p. 2, l. 47 to p. 3, l. 22; PCS, p. 2, ls. 13-27.
- 2. Elimination of county-level adjustment factors and adjustment factor for eco-industrial parks. See S660, p. 7, ls. 10-15, 37-47, p.8, l. 42 to p. 9, l. 12; PCS, p.4, l. 48, to p. 9, l. 30.1
- 3. Improvement of project impact through annual progress reports comparing each county's performance on development factors to the State's indexed value and the county's previous year performance. See S660, p. 11, ls. 29-34; PCS, p. 10, l. 36, to p. 11, l. 30.
- 4. Creation of an index and a sub-T3 class for counties outperforming the State in all measured benchmarks (attainment versus high-growth areas). See S660, p. 7, ls. 16-30; PCS, p. 8, l. 38, to p. 9, l. 2.
- 5. Retention of all development factors, as currently enacted statutorily, for tier ranking system (however, S660 eliminates non-county-based adjustment factors and the PCS retains them. See S660, p. 6, l. 41 to p. 7, l. 9; p. 7, l. 48 to p. 8, l. 41; PCS, p. 8, l. 38, to p. 9, l. 2.

## Areas where the same problem is identified but different solutions are presented:

- 1. JDIG award limitations re: geography:
- a. S660: disallows more than 50% of annual commitment authority to go to T3 projects (of which, only 50% may go to attainment areas (or those areas outperforming the State with respect to each development factor)<sup>2</sup>. No change is made to the additional \$15M granted to the commitment cap in a year in which a HYP is awarded. See S660, p. 3, l. 23 to p. 4, l.3.
- b. PCS: Eliminates T1 awards from being included in the annual commitment authority. See PCS, p. 2, l. 2, to p. 3, l. 33.
- 2. County improvement reports, plans, and assistance:
- a. S660 requires Commerce to create a plan for improving performance of counties that underperform the State average in one or more indexed State benchmarks. See S660, p. 11, ls. 23-28.
- b. H795 requires Commerce to report on counties underperforming the State average in one or more indexed State benchmarks, to provide the applicable part of the report to each county, and to provide assistance upon county request on improving performance. See PCS, p. 10, l. 36, to p. 11, l. 30.

<sup>&</sup>lt;sup>1</sup> Although the PCS eliminates the statutes mandating the use of the adjustment factors, it also calls for a study of those factors for purposes of retention if a department currently using the adjustment factors for department-specific programs identify why the use of such factors remains warranted. In such case, the department would make recommendations to its respective oversight committee which would need to ensure further legislative enactment for importation of those adjustment factors into their respective statutory provisions prior to the sunset for the adjustment factors called for in the draft. PCS, p. , l. 31, to p. 10, l. 34.

<sup>&</sup>lt;sup>2</sup> HYPs are (and, presumably TPs would be) excluded from this limitation.

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### 3. Rural assistance:

- a. S660 requires annual updates of economic development plans for the State (with annual reporting of the same), with collating region-specific information re: the strategic plan and underutilized assets in each region (along with best potential industries for maximizing beneficial impact of the asset and additional infrastructure needs anticipated for identified industrial suitors). See S660, p. 9, l. 45 to p. 10, l. 7.
- b. The PCS requires a study of "data-driven analysis and assistance" for prosperity zones and labor market areas, with publication of available facilities and potential uses, accompanied by annual reporting. See PCS, p. 11, ls. 31-38.

## 4. Utility Account expansion:

- a. S660 expands permissible uses of Utility Account funds from projects that create jobs to projects that create jobs (including expansion of existing job base) or retain jobs. See S660, p. 6, ls. 8-35.
  - b. The PCS calls for a study of expanding the core uses of UA, including using the Account for projects that will retain jobs. The study also calls for an analysis of the 5 previous fiscal years on funding of and expenditures from the Account. PCS, p. 1, ls. 7-31.

# Topics addressed by one draft but excluded entirely from the other:

## a. S660 topics excluded from PCS:

- (1) Commerce request to disallow EDPNC (i) from performing site certification functions and activities and (ii) from contracting with other departments for functions of other departments. See S660, p. 1, ls. 8-28, p. 2, ls. 31-34.
- (2) Increase reporting detail re: job performance directed towards anticipated jobs and economic development:
- (a) EDP contract modifications requiring more detail in the report of jobs anticipated to result from EDPNC efforts. See S660, p. 1, l. 30 to p. 2, l. 7.
- (b) Increased reporting by Commerce personnel in each prosperity zone re: jobs anticipated and project location resulting from Commerce personnel efforts and project leads that did not result in landed projects. See S660, p. 10, ls. 8-15.<sup>3</sup>
- (3) JDIG and One NC restriction disallowing incentives for jobs for H-1B visa workers. See S660, p. 2, ls. 39-46; p. 5, ls. 1-35.

# (4) Additional efforts to drive JDIG/One NC funding to lower-tier counties:

(a) Stratification of max award calculation from 80/75% (for T1 vs. T2/3, respectively) to 80% for T1, 70% for T2, 60% for T3 non-attainment counties, and 50% for T3 attainment counties. See. S660, p. 4, ls. 5-32.

<sup>&</sup>lt;sup>3</sup> Section 15.10 of S.L. 2017-57 includes the addition several specific reporting requirements for community planners for the Prosperity Zones. Commerce has already submitted a report based upon the new requirements.

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- (b) Increase Utility Account diversion from T3 attainment county awards from 25% to 50% and from T3 non-attainment county awards from 25% to 30%. See S660, p. 4, ls. 33-48.<sup>4</sup>
- (c) Increase local match for One NC grants for T3 attainment counties from 1:1 to no more than one State dollar for every four local dollars. See S660, p. 5, l. 36, to p. 6, l. 7.
- (d) Modification of statutory policy statement for Commerce to specify that economic development dollars should emphasize maximizing the return on investment by proper selection of projects and locations that provide the greatest anticipated relief to counties with the greatest chronic economic distress. Also requires a report of how Commerce plans to change evaluation models so as to effectuate the announced change in policy. See S660, Is. 19-40.
- (e) Limiting EDPNC salary bonuses to T1 and T2 work (unless it is a T3 HYP) and calling for overall structure to ensure T1 efforts have the greatest performance incentives. See S660, p. 2, ls 8-30.

## b. PCS topics excluded from S660:

- (1) Stratification of HYP requirements from creation of 1,750 jobs, irrespective of tier ranking, to 1,750 jobs for T3 high-growth-areas, 1,600 jobs for T3 non-high-growth areas, 1,200 jobs for T2 areas, and 800 jobs for T1 areas. See PCS, p. 1, l. 21, to p.2, l. 12.
- (2) Stratification of JDIG application fee from flat \$10,000 to \$10k for HYPs and non-HYP in T3 areas, \$5k for T2-area projects, and \$1k for T1- area projects. See PCS, p. 3, l. 34, to p. 4, l. 8.
- (3) New UA diversion for HYPs, irrespective of location of 5% of JDIG award. See PCS, p. 4, ls. 9-26.
- (4) Modification of JDIG reporting fee from greater of \$2,500 or .03% of award to .05% of the award. See PCS, p. 4, ls. 27-47.
- (5) EDGE study and legislative recommendations re: purpose of tier system, alternatives to the tier system, proposals for more accurate identification of level of economic development in the counties, proposals regarding rebranding of tiers with possible changes to economic indicators, proposals to promote regional economic development efforts, EDPNC recommendations regarding Economic Development Advisory Council, and study of workforce factors and customized training in the State, including apprenticeship programs. PCS, p. 11, l. 40, to p. 12, l. 14.

<sup>&</sup>lt;sup>4</sup> Does not apply to HYPs (and, presumably, would not apply to TPs).

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# State Funded Economic Development Awards, 2013-2017

Joint Economic Development and Global Engagement
Oversight Committee

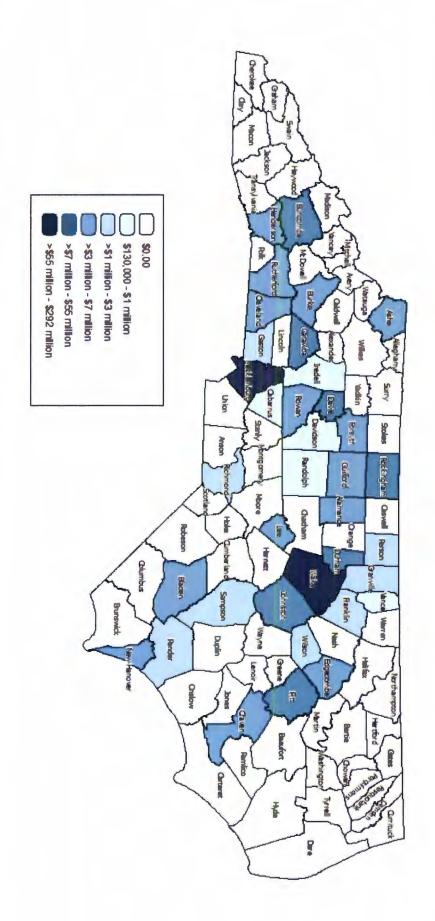
January 11, 2018

**Katherine Tamer** 

# Agenda

- JDIG
- One NC
- Utility Account
- RIA
- JMAC
- Total

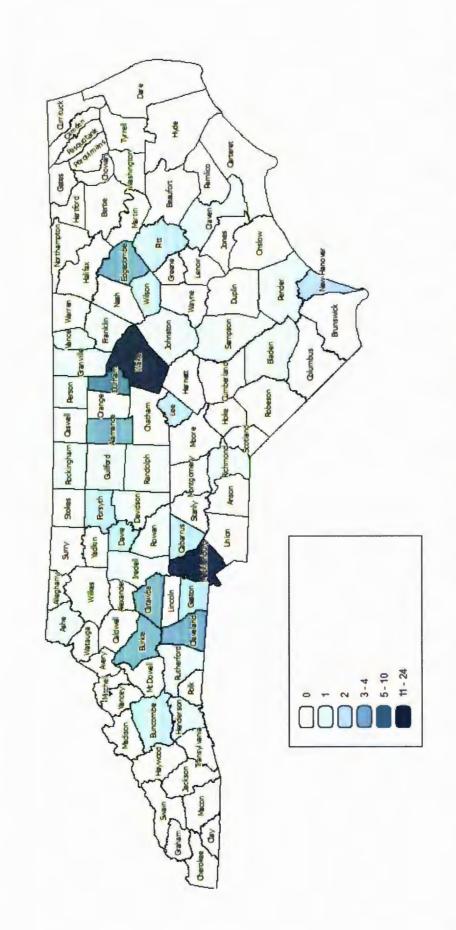
# 2013 - 2017JDIG: Total Amount of Awards by County





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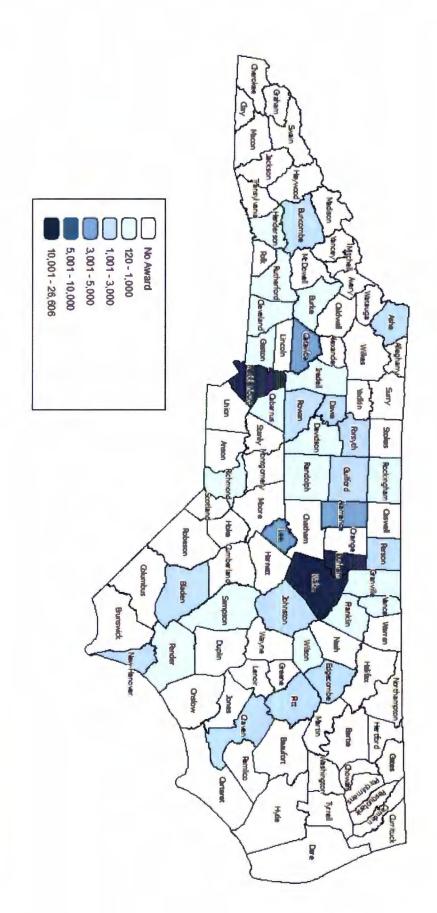
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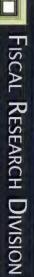


FISCAL RESEARCH DIVISION

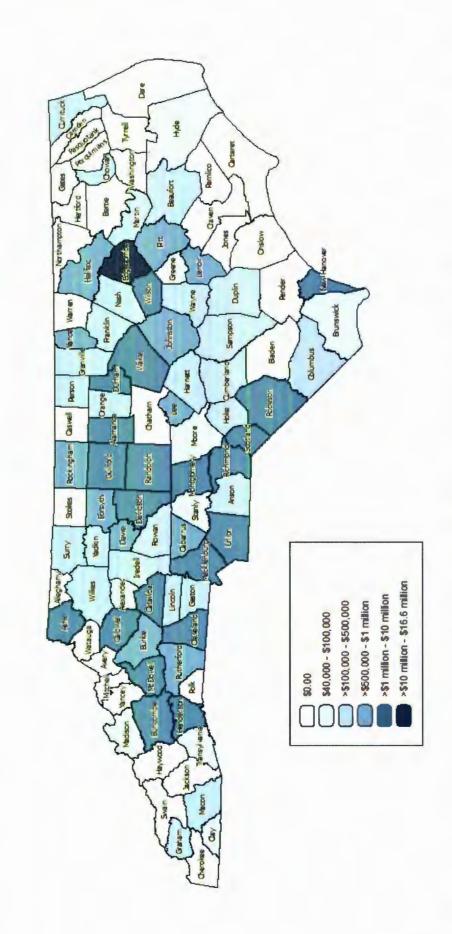
January 11, 2018

# 2013 - 2017JDIG: Total Number of Jobs by County





# One NC: Total Amount of Awards by County 2013 - 2017

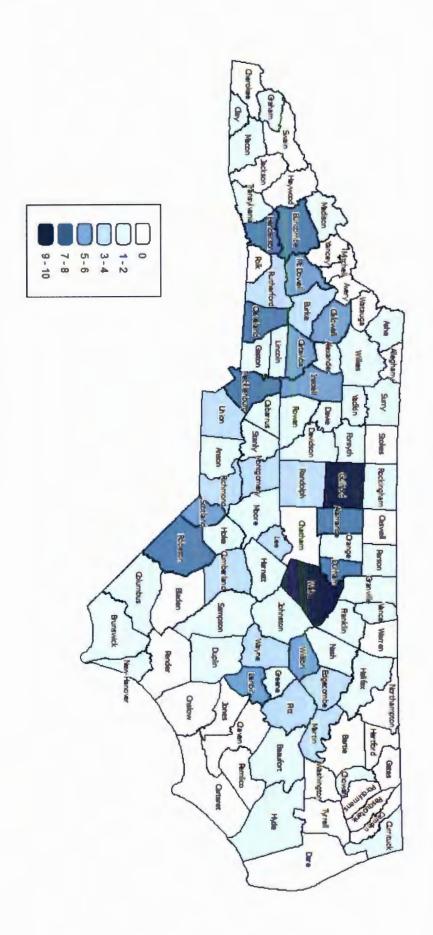


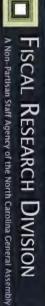
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January 11, 2018

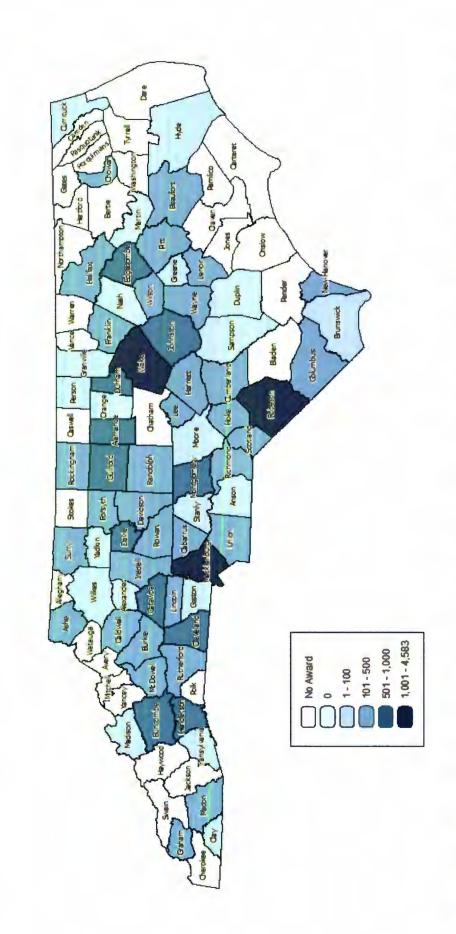
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# 2013 - 2017One NC: Total Number of Awards by County





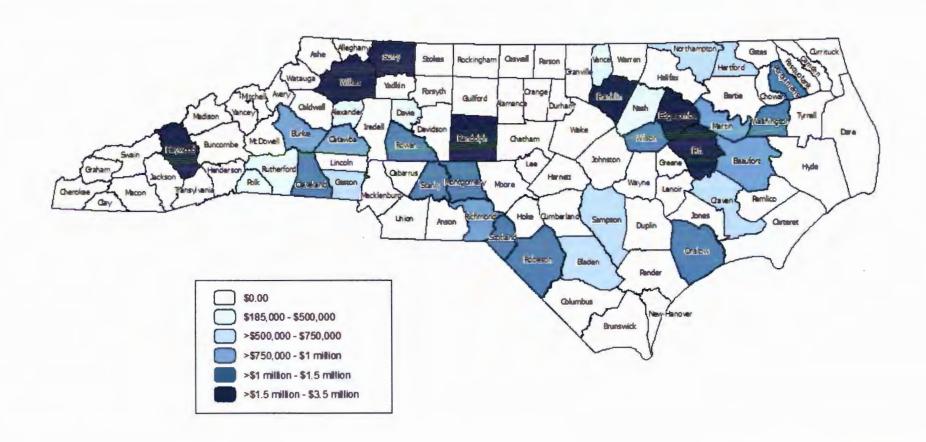
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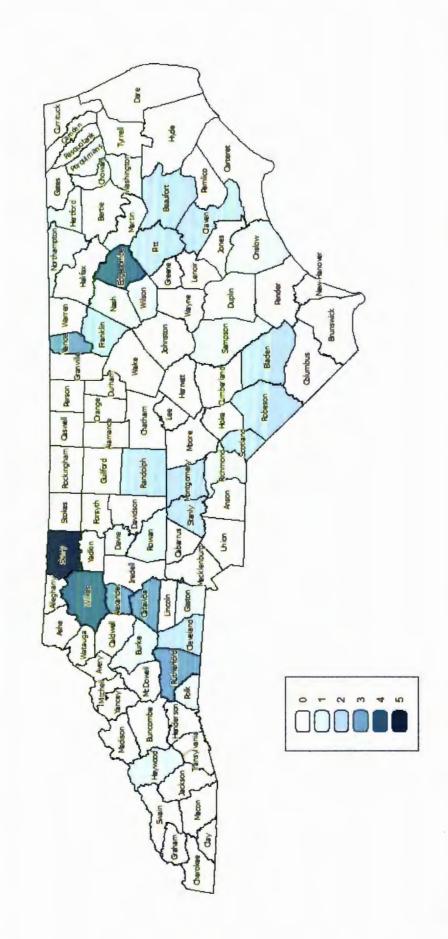


FISCAL RESEARCH DIVISION

January 11, 2018

# Utility Account: Total Amount of Awards by County 2013 – 2017

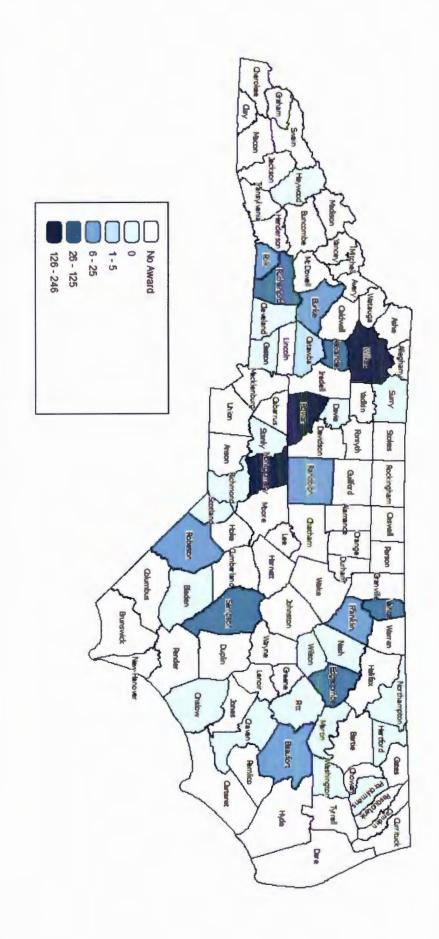




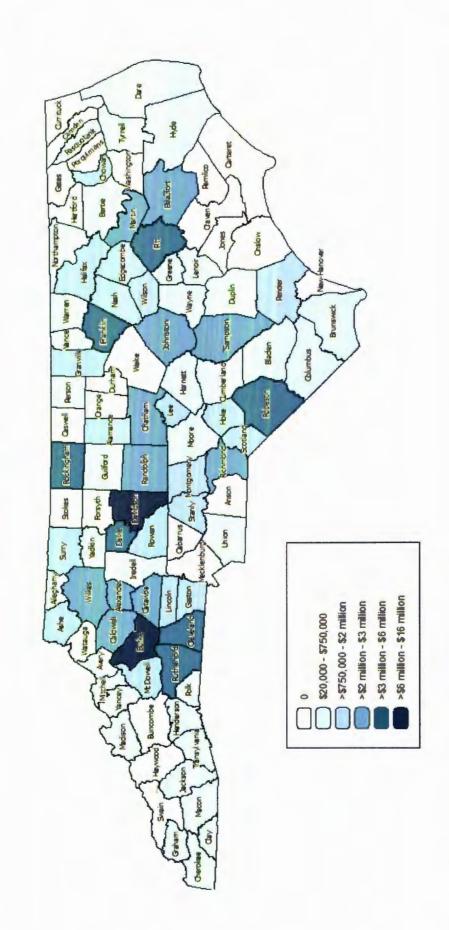
FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Ass

# Utility Account : Total Number of Jobs by County 2013 – 2017



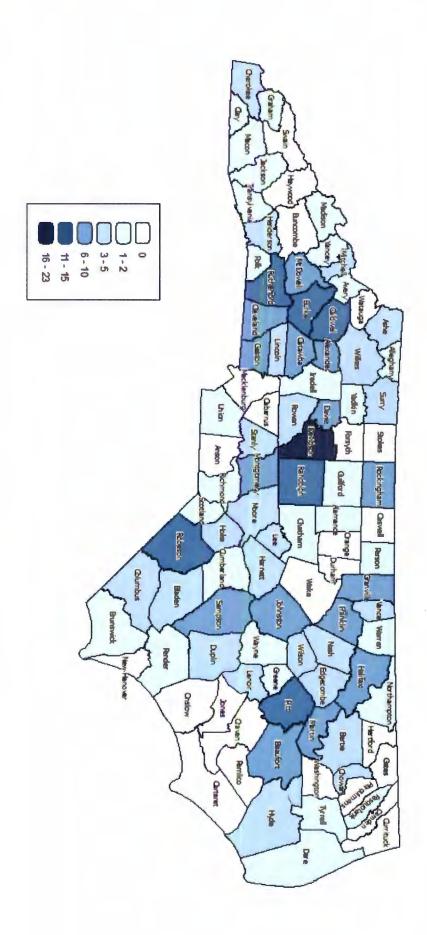
# RIA: Total Amount of Awards by County 2013 - 2017



FISCAL RESEARCH DIVISION

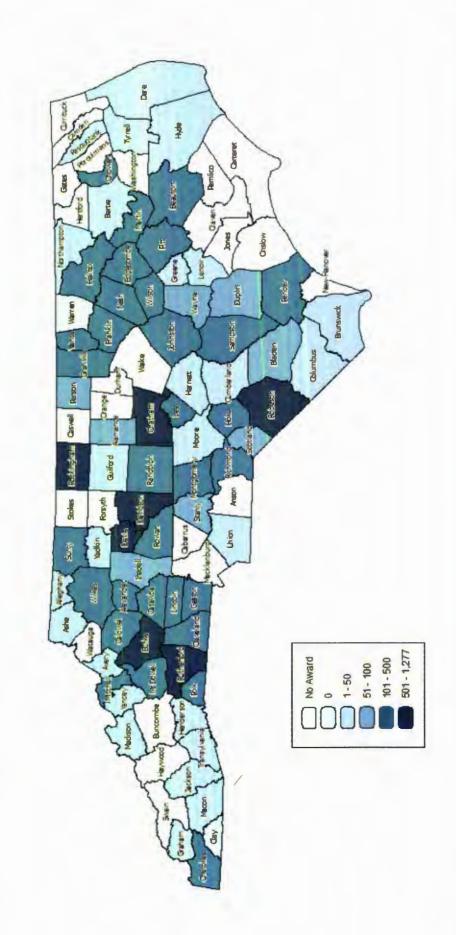
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# RIA: Total Number of Awards by County 2013 - 2017





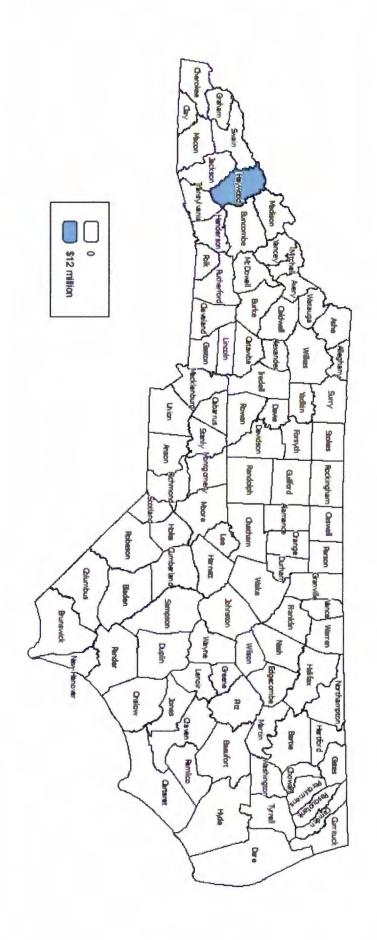
# RIA: Total Number of Jobs by County 2013 - 2017



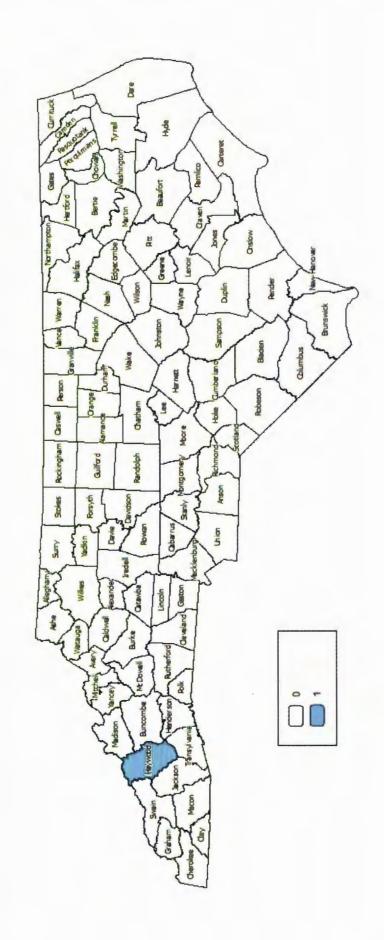
FISCAL RESEARCH DIVISION

January 11, 2018

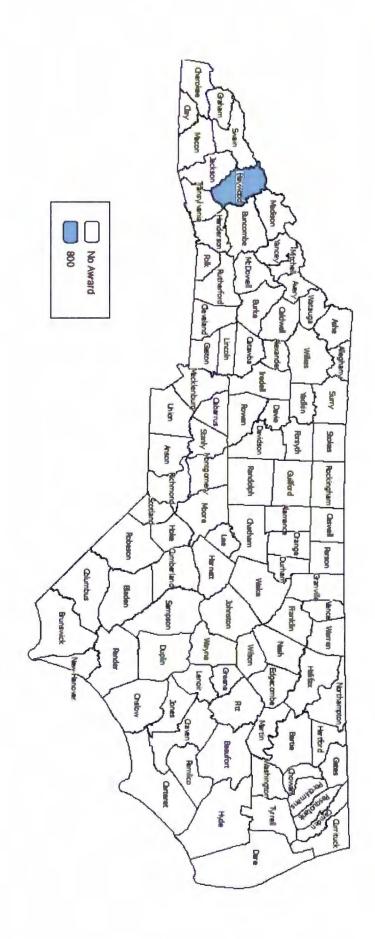
# JMAC: Total Amount of Awards by County 2013 – 2017





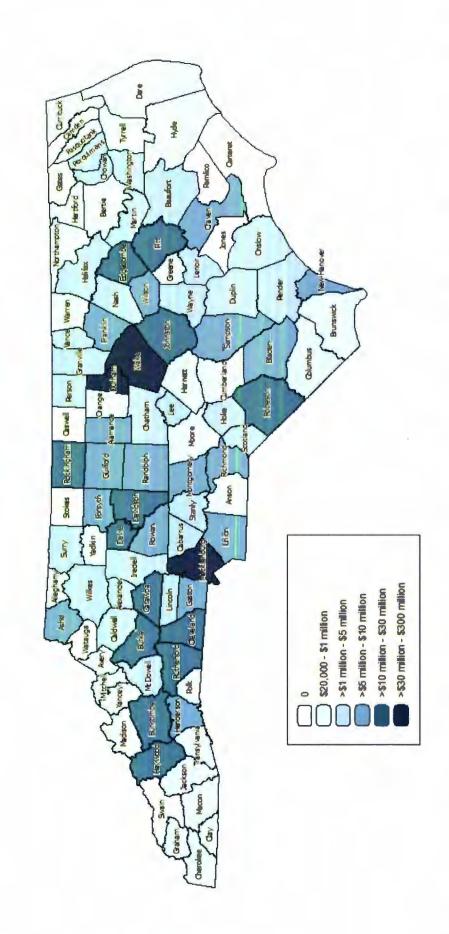


# 2013 - 2017JMAC: Total Number of Jobs by County

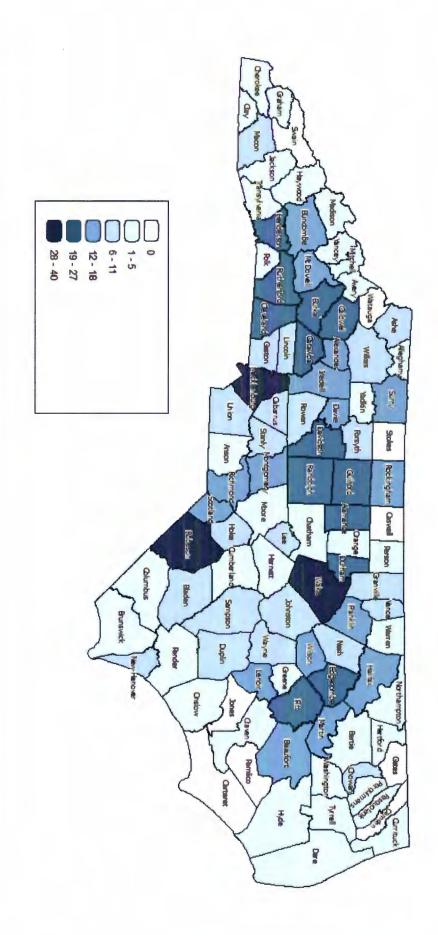




# Total Amount of Awards by County 2013 - 2017

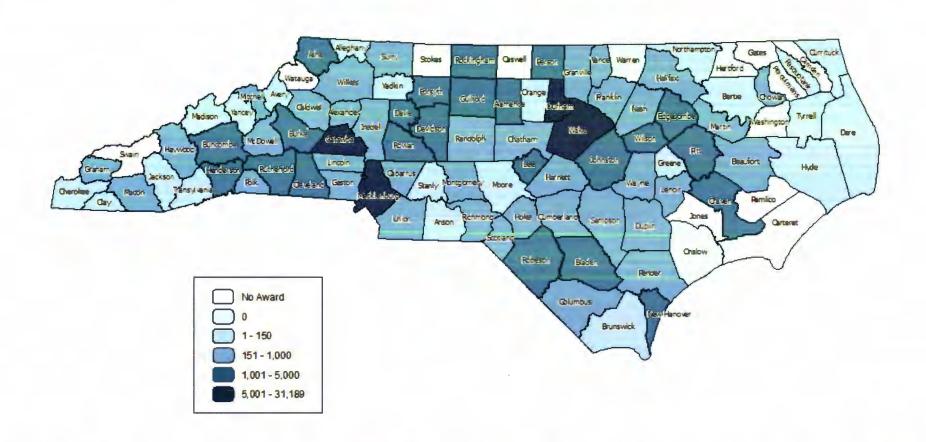


# Total Number of Awards by County 2013 - 2017



19

# Total Number of Jobs by County 2013 – 2017



# Questions

# Fiscal Research Division 919-733-4910

Katherine Tamer- Katherine. Tamer@ncleg.net

Commerce, Agriculture & Consumer Services

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# JDIG Awards by County, 2013-2017

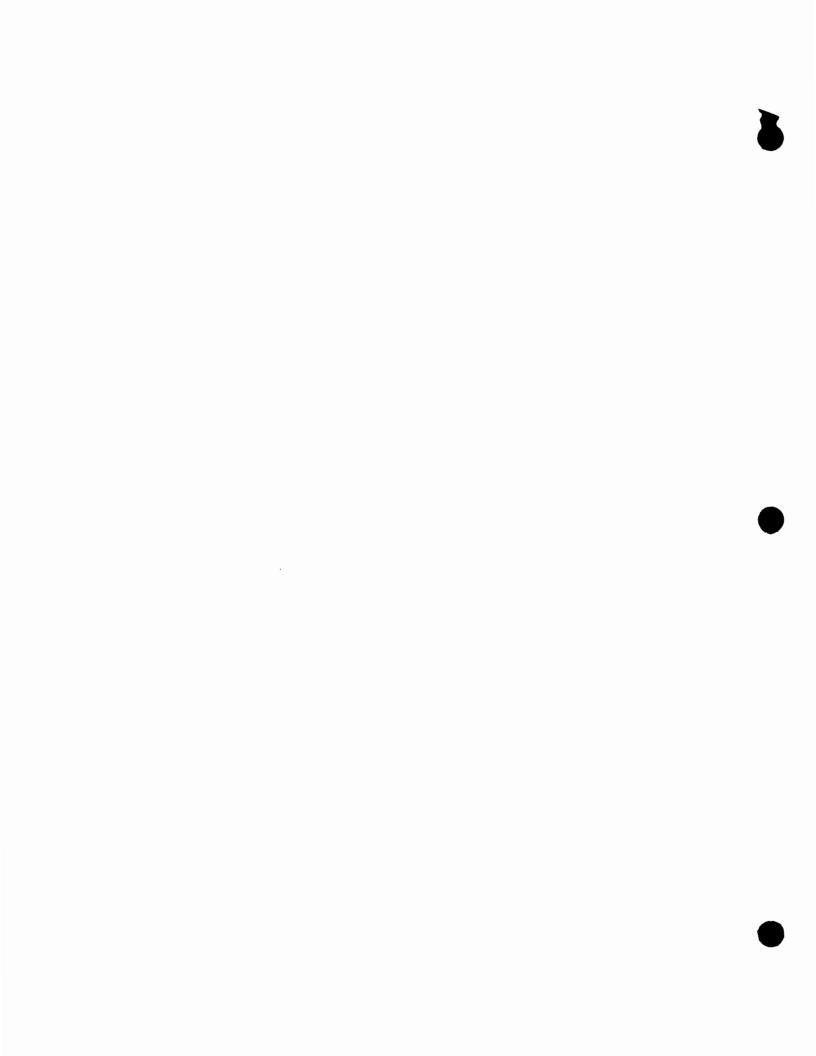
	2013			2014			2015			2016			2017			Total Amount of Awards	Total # of Awards	Total # of Jol
Counties	Amount of Awards	# of Awards	9 of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of Jobs	Amount of Awards	# of Awards	# of	Amount of Awards	# of Awards	# of Jobs			
1 Alamance				\$1,340,000	1	1,332				\$3,893,000	2	2,260				\$5,233,000	3	3,592
2 Ashe	\$4,762,000	1	1,624			v *	-			1		7.30090606				\$4,762,000	1	1,624
3 Bladen	\$4,116,000	1	1,065													\$4,116,000	1	1,065
4 Buncombe	\$4,762,000	1	1,624							\$6,536,000	1	608	1			\$11,298,000	2	2,232
5 Burke				\$2,935,000	1	271							\$311,000	2	347	\$3,246,000	3	618
6 Cabarras										1			\$236,000	2	200	\$236,000	2	200
7 Catawba				\$3,535,000	1	861				\$4,336,000	2	3,074	\$242,000	1	210	\$8,113,000	4	4,145
8 Cleveland	\$2,876,000	-1	189				\$1,559,000	1	150			70,00000000	\$753,000	2	350	\$5,188,000	4	689
9 Craven							\$4,552,000	1	1,576							\$4,552,000	1	1,576
10 Davidson													\$520,000	1	400	\$520,000	1	400
11 Davie	\$4,116,000	1	1,065				\$5,119,000	1	1,676							\$9,235,000	2	2,741
12 Durham	\$8,740,000	- 2	2,907	\$6,181,000	1	331	\$27,494,000	4	5,440	\$5,073,000	1	289	\$4,975,000	2	1,517	\$52,463,000	10	10,484
13 Edgecombe										\$4,310,000	1	1,025	\$1,824,000	2	911	\$6,134,000	3	1,936
14 Forsyth							\$3,998,750	1	794	\$2,572,000	1.	1,448				\$6,570,750	2	2,242
15 Franklin										\$1,261,000	1	302				\$1,261,000	1	302
16 Gaston	\$1,991,000	1	185										\$152,000	1 -	150	\$2,143,000	2	335
17 Granville				\$1,549,000	1	381										\$1,549,000	1	381
18 Guilford	\$3,978,000	1	1,283													\$3,978,000	. 4	1,283
19 Henderson										\$5,676,000	1	350				\$5,676,000	1	350
20 Iredell	1007			value:			(4)						\$130,000	1	302	\$130,000	1	302
21 Johnston							\$21,149,000	1	1,415							\$21,149,000	1	1,415
22 Lee				\$1,340,000		1,332				\$1,710,000	1	2,053				\$3,050,000	2	3,385
23 Mecklenburg	\$169,605,000	7	6,272	\$74,023,000	5	5,084	\$28,153,000	5	2,743	\$15,133,000	4	1,518	\$4,206,000	3	3,000	\$291,120,000	24	18,617
24 New Hanover	\$6,413,000	2	2,224							No.						\$6,413,000	2	2,224
25 Pender	\$1,300,000	1	120													\$1,300,000	1	120
26 Person	1/-									\$1,710,000	1	2,053				\$1,710,000		2,053
27 Pitt	\$1,477,000	1	736	\$7,437,000	1	2,133										\$8,914,000	2	2,869
28 Randolph	[0]									-			\$200,000	1	145	\$200,000	1	145
29 Richmond	100-200	_	Yerina	\$1,905,000	1	338										\$1,905,000	1	338
30 Rockingham	\$9,462,000	1	473												- 4	\$9,462,000	- 1	473
31 Rowan	\$4,116,000	1	1,065									3/46"				\$4,116,000	1	1,065
32 Rutherford						200				\$3,008,000	1	610	-			\$3,008,000		610
33 Sampson				\$1,905,000	1	338							I caracita di a colo			\$1,905,000	1	338
34 Vance	#140 050 CCC		# #Dr	044440000		-045				***************************************			\$281,000	1	153	\$281,000	1	153
35 Wake	\$139,858,000	5	5,781	\$66,663,000	3	7,965	\$25,209,000	2	5,163	\$26,067,000	3	3,917	\$8,301,000	5	3,780	\$266,098,000	18	26,606
36 Wilson		-	-	\$993,000		270			SON CONTRACTOR		-		\$787,000	1	445	\$1,780,000	2	715
Grand Total	\$367,572,000	27	26,613	5169,806,000	-18	20,636	\$117,233,750	16	18,957	\$81,285,000	20	19,507	\$22,918,000	25	11.910	\$758,814,750	106	97,623



# **ATTENDANCE**

# Joint Legislative Economic Development & Global Engagement Oversight Committee

DATES	3-8-18	reimbuse						And the second s			
Rep. Susan Martin, Co-Chair	/	V	/								
Sen. Harry Brown, Co-Chair	V	V									
Rep. Stephen Ross, Vice Chair	V	1	,								
Rep. John R Bell. IV Rep. Muller	/	/	/								
Rep. Debra Conrad	/	/									
Rep. Ted Davis, Jr.											
Rep. John A. Fraley	V	1									
Rep. Ken Goodman	/	1									
Rep. Edward Hanes, Jr.											
Rep. Rodney W. Moore		/ /									
Rep. Michele D. Presnell	V	V									
Rep. Rena W. Turner	V										
Sen. Chuck Edwards	V	,							-		
Sen. Rick Gunn	V		,								
Sen. Brent Jackson	V	1								***	
Sen. Paul A. Lowe, Jr.	V										
Sen. Floyd B. McKissick, Jr.	/	/									
Sen. Wesley Meredith											
Sen. Bill Rabon											
Sen. Erica Smith	V	V									
Sen. Tommy Tucker		/									
Sen. Trudy Wade	/	/									
Advisory Members:											
Rep. Mark Brody	V	V									
Rep. Josh Dobson		/	/								
Sen. Angela R. Bryant	V	V									





# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

March 8, 2018
Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, March 8, 2018 at 1:15 p.m. The meeting was held in Room 643 of the Legislative Office Building. 18 Members were present including 9 Senators and 9 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross (Vice Chair); Bob Muller; Debra Conrad; John A. Fraley; Ken Goodman; Michele D. Presnell; Rena W. Turner; Mark Brody. Senate Members present were Harry Brown (Co-Chair); Chuck Edwards; Rick Gunn; Brent Jackson; Paul A. Lowe, Jr.; Floyd B. McKissick, Jr.; Erica Smith; Trudy Wade; Angela R. Bryant.

Representative Susan Martin presided and called the meeting to order at 1:15 p.m.

Representative Martin recognized the Sergeant-at-Arms Senate staff Terry Barnhardt, Tom Burroughs, House Staff Bill Bass, Rex Foster and Jim Moran, thanked the staff for all of their hard work, and asked members for a motion to approve minutes from the January 11, 2018 minutes. Rep. Turner made the motion. Members voted unanimously to approve the minutes.

Minutes are on the website along with questions from the last meeting with answers.

# **PRESENTATIONS**

Presentation: Economic Development Incentive Grants by Prosperity Zone 2013-2017 (Presentation Attached or Posted on Website)

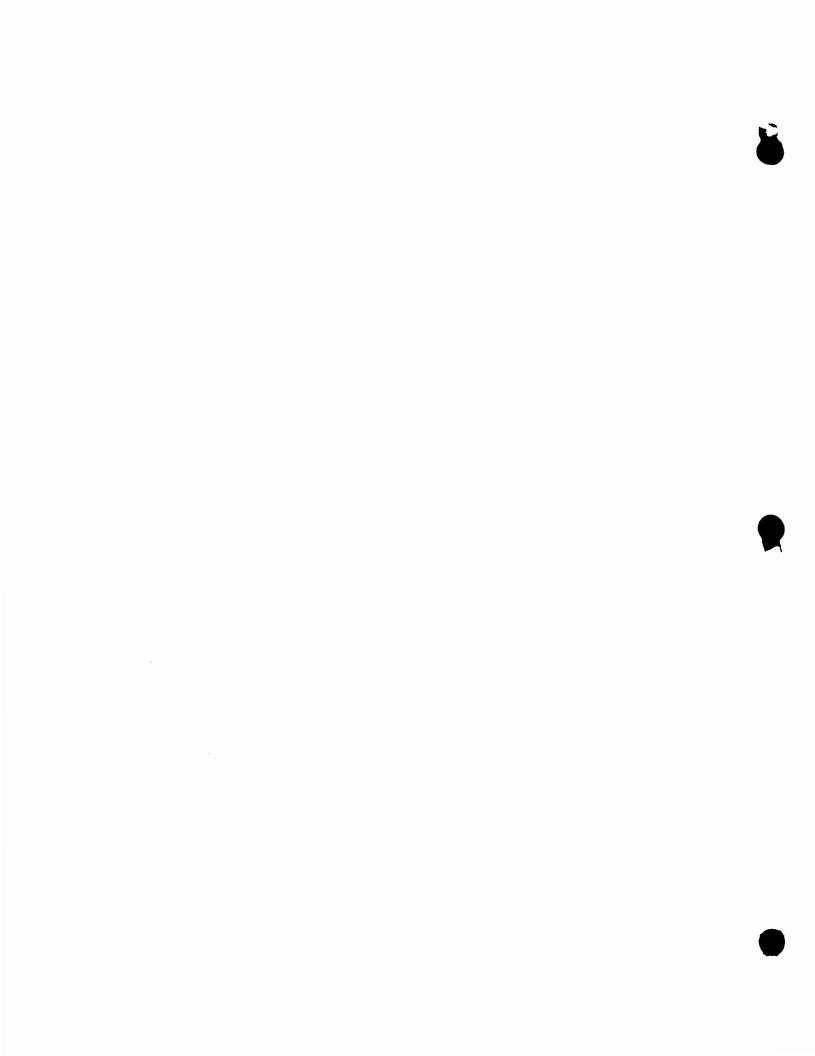
Representative Martin recognized Katherine Tamer, Fiscal Analyst of Fiscal Research Division, NCGA for the first presentation.

Ms. Tamer took a question from Sen. McKissick and will provide him with the information requested.

Presentation: Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017
Anthony Copeland, Secretary of Commerce

Christopher Chung, Chief Executive Officer, EDPNC
The Economic Development Partnership of North Carolina (EDPNC)
(Presentation Attached or Posted on Website)

Representative Martin recognized Anthony Copeland, Secretary of Commerce, Department of Commerce for the first presentation.





Secretary Copeland started off with project lost – Toyota is an example from 1/12/17 that we accomplished together. Toyota Executives had two questions. First they asked will the House, Senate and Governor's office work together for certainty and clarity. He shared that without reservation that happened by putting the package together – Senator Berger, Speaker Moore, and Senator Wade were instrumental in putting that together. Their second question was is there an adequate workforce? They were satisfied we had an adequate workforce. He continued to share that we put together a monumental incentive package that allowed them to bend their supply chain, because we stepped up and stayed in play well into January in the end. He thanked both sides of the isle for working together, because this makes us competitive in the global market place and showed we can work together – locals, regulators, environmentalists. It was lots of work and with direction, we can do it again. He said problems from previous year when he was not here have been fixed.

Last year Credit Suisse in May had 1200 jobs retained and invested \$70M. He shared that since 2017, we have awarded 24 job development investment grants with 50% in tier 1 & tier 2 counties. We awarded 34 One NC Grants, 94% grants in tier 1 and tier 2 counties. Rural Infrastructure awarded grants – 27 in tier 1, 47 in tier 2 and this is the culmination of 21k jobs total, which is where we were in 2008. Very good thing. He talked about projects that show creativity and hard work: called wrap around strategy with government, local, municipality, state working together. An example is German Company - Englewood Properties in Davidson – why did that happen? Adequate employees, site & infrastructure (takes time w/state & local private dollars). It takes time and we must continue making sites, broadband, etc. ready. He shared that Corning announced 2 projects at once, which did not happen by accident. 317 jobs in Durham 111 jobs in Edgecombe. He took credit for encouraging them to split total jobs and not put all into tier 3. They put some in a tier 1 by using life sciences. Another company is Baxter Healthcare in McDowell that retained 2600 jobs.

A Chinese company - Triangle Tire Co. brought 800 jobs into Edgecombe tier 1. He talked about his trip to China to land this company was very arduous.

He believes that if we continue to work hard, we can put more of these into our struggling counties such as the current ongoing prospects with Armstrong in Onslow, continuing in Burke, etc. – These take hard work and don't happen by accident and require post deal work.

He concluded that we have uphill challenges, and he would like to continue to work with you, asked that you give him the tools to do what he needs to do. Driven by site consultants.

Questions were taken concerning business recruitment activity and answers were provided by Secretary Copeland.

Senator Gunn requested that the Department of Commerce provide an update about the Priority Zones at the April meeting, and Representative Martin noted that it would be considered as a possibility. Secretary Copeland noted that a Director for outdoor recreation in North Carolina has been named with the funds designated from last year's budget.

Representative Martin recognized Christopher Chung, Chief Executive Officer of The Economic Development Partnership of North Carolina (EDPNC) to present the second part of the Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017.

Mr. Chung introduced members of their volunteer board of directors appointed by the legislature - Gene McClorn, Sheila Night, Mark Zimmerman and Dave Craven and then went through the content of his presentation. He noted that he cannot lobby because he is with Commerce, but he offered to answer questions. His answers focused on being in the best position to have all of North Carolina in play for jobs and economic growth.





Presentation: Hometown Strong: Community Engaged Partnerships By Mr. Pryor Gibson, Director, Hometown Strong (Presentation Attached or Posted on Website)

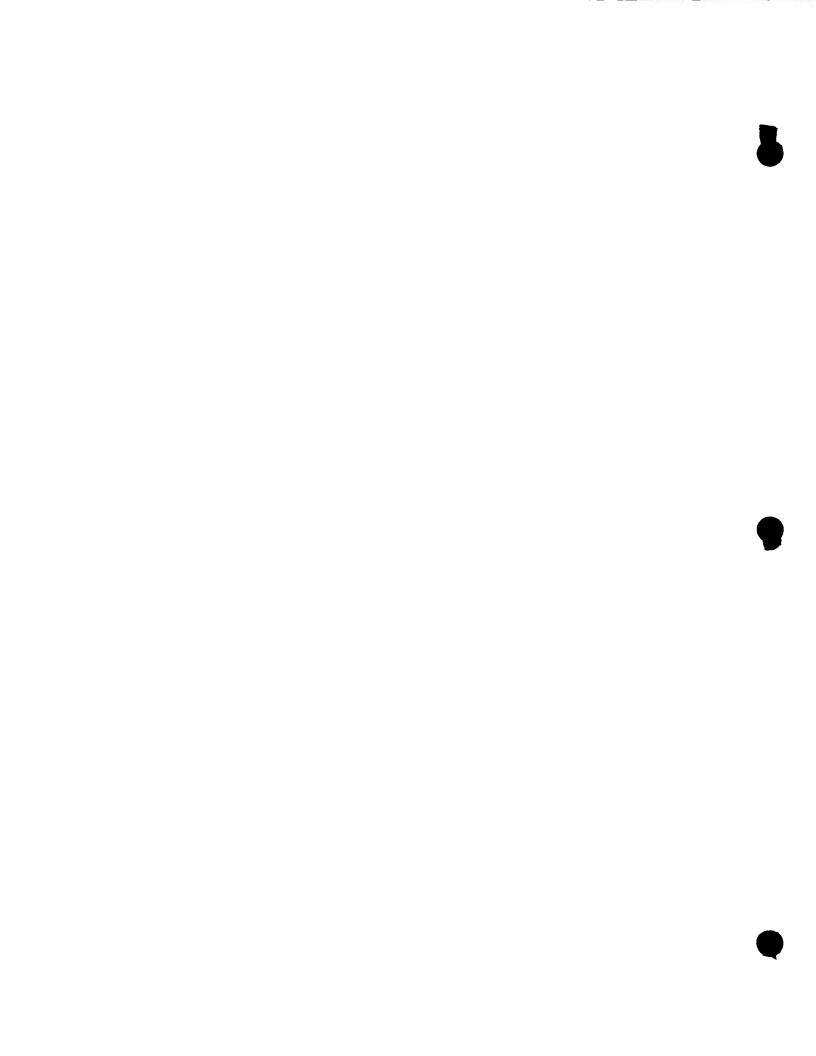
Representative Martin recognized Mr. Pryor Gibson, Director of Hometown Strong to present the Hometown Strong, Community Engaged Partnerships.

Mr. Gibson noted the support at the federal level and ongoing robust meetings being held with cities and counties across the state using Priority Zones. He took questions and reiterated action being taken to offer help around the entire state.

Presentation: Site Selection Consultant Experience By John Boyd, Principal, The Boyd Company

Representative Martin invited Mr. Boyd of The Boyd Company who is often quoted about the state of North Carolina and works with a lot of other states to give the Site Selection Consultant Experience presentation.

Mr. Boyd noted that his firm is one of the oldest, most well-known site selection firms in the country. His firm is very active in North Carolina. He has been quoted as stating "the economic development of 2018 is the second war between the states" because of competiveness. He noted the trend of reshoring up jobs has increased dramatically - Ford, AT&T, Pfizer, Revlon, etc. because the business climate is friendlier under current administration (tax cuts, eliminating expensive environmental regulations, pro-business energy policy, US first trade, trillion dollar market place). He is seeing a flurry of foreign companies invest in US. It is a very exciting time for economic development. He explained the acronym his firm uses in their site selection projects is TALIO. T is for Talent – North Carolina's talent pool is one of the best in America for education (53 colleges and universities), Raleigh's impressive cluster of biotech and IT, banking and corporate headquarters concentration in Charlotte, the triad's manufacturing skillset lead by a technical Community College system that is trend setting and used around the country as a model for vocational training, and a military presence (NC is 4th) for skilled workforce. A is for Access - access to reliable low cost energy, telecommunications infrastructure, natural resources, shovel ready sites with four mega sites, and access to the global market by an airport with direct flights to Paris, London and hopefully China soon, the highway infrastructure is uniquely linked to the rich Northeast, the west and the heart of manufacturing southern markets. Intermodal-rail is a critical site selection driver, and North Carolina has the 4th largest consolidated rail system in the country that links manufacturers throughout the state to import export services at the port in Wilmington, which gives North Carolina high marks. L is for Lifestyle – North Carolina offers advantages with beaches, mountains to the west, world class golf, iconic college sports with cultural amenities associated with premier colleges. Affordability with low competitive home pricing, property taxes and income taxes are a bargain here, which is especially timely with tax changes and talk of a new millionaire tax in New Jersey and Massachusetts. I is for Incentives which are a necessary evil. We like what we see with the legislature and it sends a great message to the auto industry, aerospace industry, medical devices industry, food processing industry that North Carolina





is open for business to partner with a company by investing critical things like workforce training and infrastructure. Operating costs are low with labor costs in banking 20% less in Charlotte than NY and pharmaceuticals costs 20% less in Raleigh versus Boston.

Mr. Boyd took questions and gave answers:

Sen. Brown: Why send anybody anywhere else?

Mr. Boyd: We love North Carolina and these are exciting times.

Rep. Fraley: Are you seeing any results of China pulling back on their international investments? Mr. Boyd: No. Our clients are aware of the posture in DC. It is more expensive to manufacture abroad and when we factor in the American First stance, where will these projects go? Winning states are the right to work status, low union membership, and aggressive workforce training. NC fits that bill today. Rep. Fraley: The fact that the Chinese government has curtailed Chinese companies from investing in the US – that was my point.

Mr. Boyd: It will be interesting to see how this plays out. Our clients are aware of this PR battle. Fairer trade that protects our manufacturing base is needed, and the case needs to be made by our government. Rep. Brody: I would like your opinion on spec buildings. My county is an extreme Tier 3 and Tier 1 – hence reason for spec. buildings. Does that have value in your opinion if we would invest in spec buildings? Would that be attractive to a number of businesses that they're out there?

Mr. Boyd: Yes. Our clients expect to have a variety portfolio available to them. Turn key is terrific. They looked at Louisiana repurposing buildings. Yes, I'm a fan of spec buildings.

Rep. Conrad: I'm familiar with reshoring and hoped that North Carolina was in the best position to get these manufacturing plants back. I've heard that Hanes is the most difficult – is that correct?

Mr. Boyd: The challenge is to fish where the fish are. I'm especially optimistic for the triad region to get high growth, aerospace, food processing areas.

Presentation: H1-B Visas

By Anthony Copeland, Secretary of Commerce, Department of Commerce
(Presentation Attached or Posted on Website)

Representative Martin welcomed back Secretary Copeland to address the H1-B Visas Presentation. Secretary Copeland noted that Jackie Keener has all the statistical information and then he will be glad to cover it. Ms. Keener gave a brief overview. Secretary Copeland took questions concerning H1Visas and responded that there is little to no data available for them. It was noted that the rules for this come from federal policy.

Presentation: Defining Appropriate Program Indictors By Rodney Bizzell, FRD, NCGA (Presentation Attached or Posted on Website)

Rep. Martin introduced Rodney Bizzell to follow up on the January presentation. Mr. Bizzell did a brief review and explained details about the current tier program. He pointed out that the current Tier System





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is not a good system to measure government distress. It is better measured by local tax capacity. He took questions and explained the slides. The complication and importance of updating the tier system was acknowledged, and a reminder that North Carolina's economy is growing strong as a result of the work done by the legislature was made.

NOTE: The audio of this entire meeting is posted on the committee website for further review.

#### Adjournment

There being no further business, the meeting adjourned at 4:05pm.

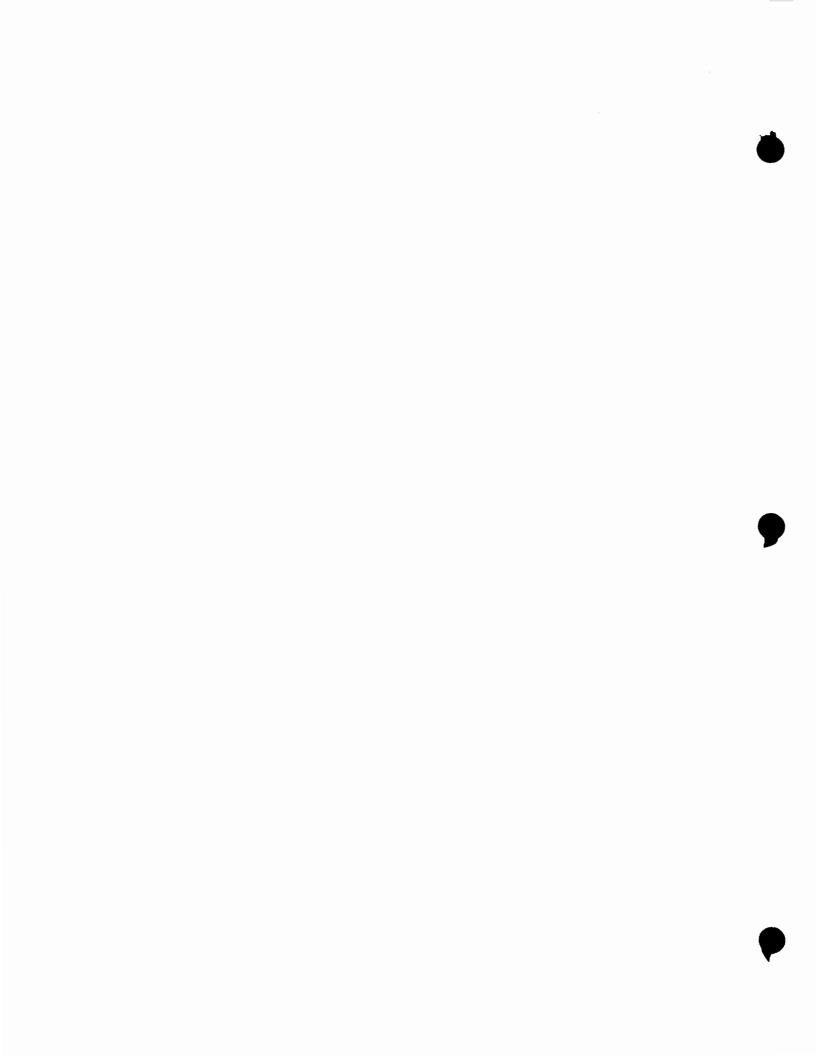
Representative Susan Martin, Co-Chair Presiding

Lusan Martin

Susie Farrell, Committee Clerk

Attachments or Postings on Website:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from January 11, 2017 meeting
- 4 Visitor's Registration
- 5 Response To Questions from January 11, 2018 meeting
- Presentation by Katherine Tamer, Fiscal Analyst, Economic Development Incentive Grants by Prosperity Zone 2013-2017
- Presentation by Christopher Chung, CEO of EDPNC, Response to Economic Development Incentive Grants by Prosperity Zones 2013-2017
- 8 Presentation by Pryor Gibson, Director, Hometown Strong: Community Engaged Partnerships
- 9 Presentation by Anthony Copeland, Secretary of Commerce, Dept. of Commerce, H-1B Visas
- 10 Presentation by Rodney Bizzell, Principal Fiscal Analyst, Fiscal Research Division, NCGA, Defining Appropriate Program Indicators



#### Susie Farrell (Rep. Susan Martin)

From:

Lorie Byrd (Sen. Harry Brown)

Tuesday, February 20, 2018 11:38 AM

Lorie Byrd (Sen. Harry Brown)

Subject:

<NCGA> Joint Legislative Economic Development and Global Engagement Oversight

Committee Meeting Notice for Thursday, March 08, 2018 at 1:00 PM

Attachments:

Add Meeting to Calendar\_LINC\_.ics

#### NORTH CAROLINA GENERAL ASSEMBLY

Raleigh, North Carolina 27601

February 20, 2018

#### MEMORANDUM

TO:

Members, Joint Legislative Economic Development and Global Engagement Oversight

Committee

FROM:

Rep. Susan Martin, Co-Chair Sen. Harry Brown, Co-Chair

SUBJECT:

Meeting Notice

The Joint Legislative Economic Development and Global Engagement Oversight Committee will meet at the following time:

DAY

DATE

http://www.ncleg.net/graphics/downtownmap.pdf.

TIME

LOCATION 643 LOB

Thursday

March 8, 2018

1:00 PM

Parking for non-legislative meeting attendees is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting

If you are unable to attend or have any questions concerning this meeting, please contact Lorie Byrd at brownla2@ncleg.net.

cc: Committee Record \_X\_ Interested Parties X

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#### JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

#### Room 643 Legislative Office Building

Thursday, March 8, 2018 1:00 P.M.

#### I. CALL TO ORDER

Chairs: Representative Susan Martin, Presiding Senator Harry Brown

#### II. APPROVAL OF MINUTES

#### III. PRESENTATIONS

#### Opening Remarks by Chairs

#### Economic Development Incentive Grants by Prosperity Zone 2013-2017

Katherine Tamer, Fiscal Analyst Fiscal Research Division, NCGA

#### Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017

Anthony Copeland, Secretary of Commerce Department of Commerce

Christopher Chung, Chief Executive Officer
The Economic Development Partnership of North Carolina (EDPNC)

#### Hometown Strong: Community Engaged Partnerships

Rep. Pryor Gibson, Director Hometown Strong

#### Site Selection Consultant Experience

John Boyd, Principal The Boyd Company

#### H1-B Visas

Anthony Copeland, Secretary of Commerce Department of Commerce

#### **House Members**

Rep. Martin (Chair)

Rep. Ross (Vice-Chair)

Rep. Conrad, Rep. Davis, Rep. Fraley, Rep. Goodman, Rep. Hanes

Rep. Moore, Rep. Muller, Rep. Presnell, and Rep. Turner

Rep. Brody (Advisory) and Rep. Dobson (Advisory)

#### Senate Members

Sen. Brown (Chair)

Sen. Edwards, Sen. Gunn, Sen. B. Jackson,

Sen. Lowe, Sen. McKissick, Sen. Meredith,

Sen. Rabon, Sen. Smith, Sen. Tucker, and Sen. Wade

Sen. Bryant (Advisory)

#### JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

#### Room 643 Legislative Office Building

#### **Defining Appropriate Program Indicators**

Rodney Bizzell, Principal Fiscal Analyst Fiscal Research Division, NCGA

#### IV. COMMITTEE DISCUSSION

#### V. ADJOURNMENT

#### **House Members**

Rep. Martin (Chair)

Rep. Ross (Vice-Chair)

Rep. Conrad. Rep. Davis. Rep. Fraley, Rep. Goodman, Rep. Hanes

Rep. Moore, Rep. Muller, Rep. Presnell, and Rep. Turner

Rep. Brody (Advisory) and Rep. Dobson (Advisory)

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Sen. Bryant (Advisory)

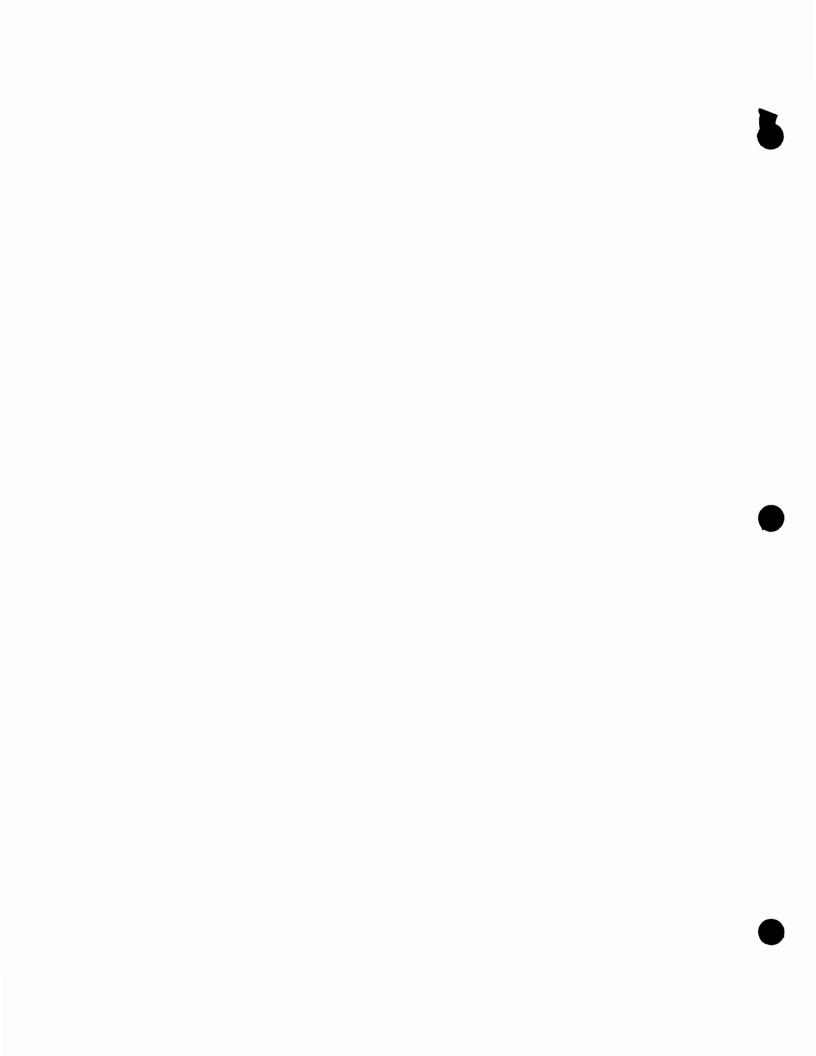
### **VISITOR REGISTRATION SHEET**

## JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

March 8, 2018

#### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
George Spenill	Commerce
Will Robinson	Notin Coronz
Katye Tobe	SML
haurence Binin	NCEDA
13miles	NMRS
BRENTLANE	UNC-CA
FOUN PETERSON	ROCATE ADVOCACY
Lex Janes	DNCR
Kenny Palmer	USBM
Praviden Gions	OSBM
Mary Penny Kelley	05BM
Pryor Glisson	6583
Bean Mills	
Sam Bulis	Town of Gener
David Pobilson	MC CONSULAR COIPS
A. Chase	KMA
Ren Melton	KMA



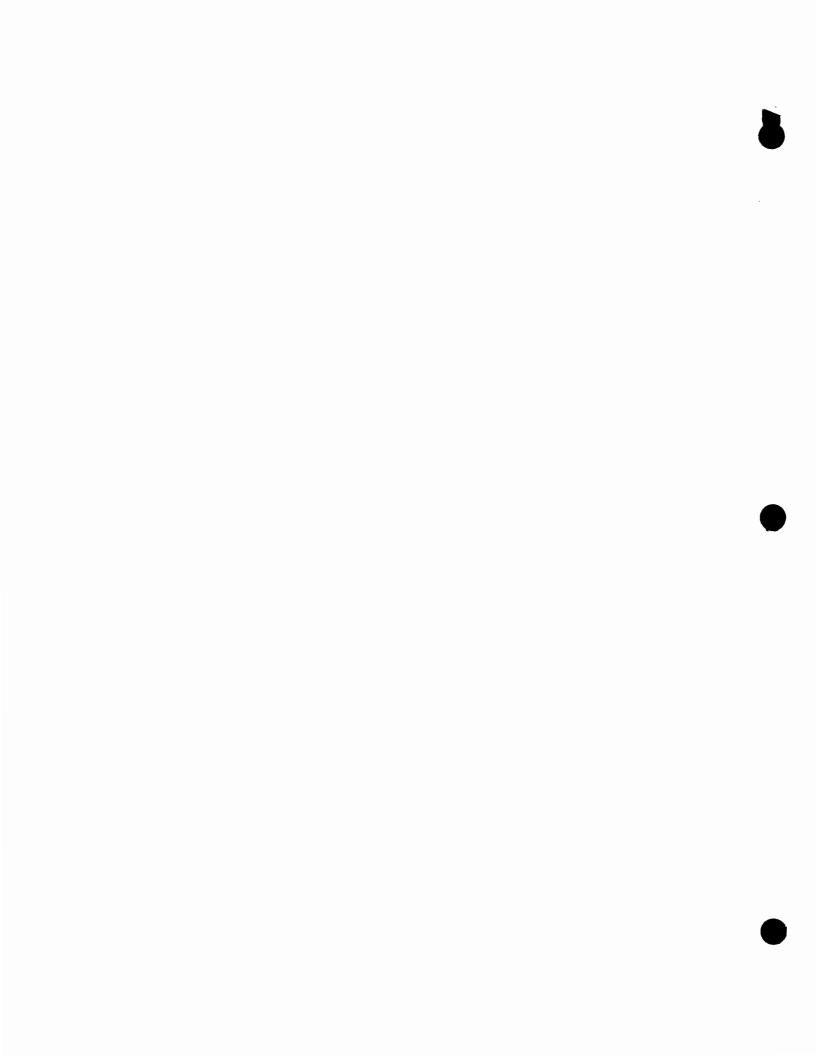
### **VISITOR REGISTRATION SHEET**

## JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

#### March 8, 2018

#### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jackie Harner	NCDOC
Hand Haferian	HT6AC
Suson Viel	Tule Euro
Davil Collins	WILKUEST
Korey Kizir	NRMA
Erin Wynia	NCLM
Adam Pridenance	NCACC
CADY Thomas	Focus
Patrick Woodie	NC Pural Center
CHRIS CHUNG	FDPNC
Dave Crave	EDPNC
Munte Timmorman	5000
SHELLA KNIGHT	EDPNC
Gene Milauria	EDPNC
Justin (layton	Governor
Sallie James	Governor
Bryan Fox	NCEDA



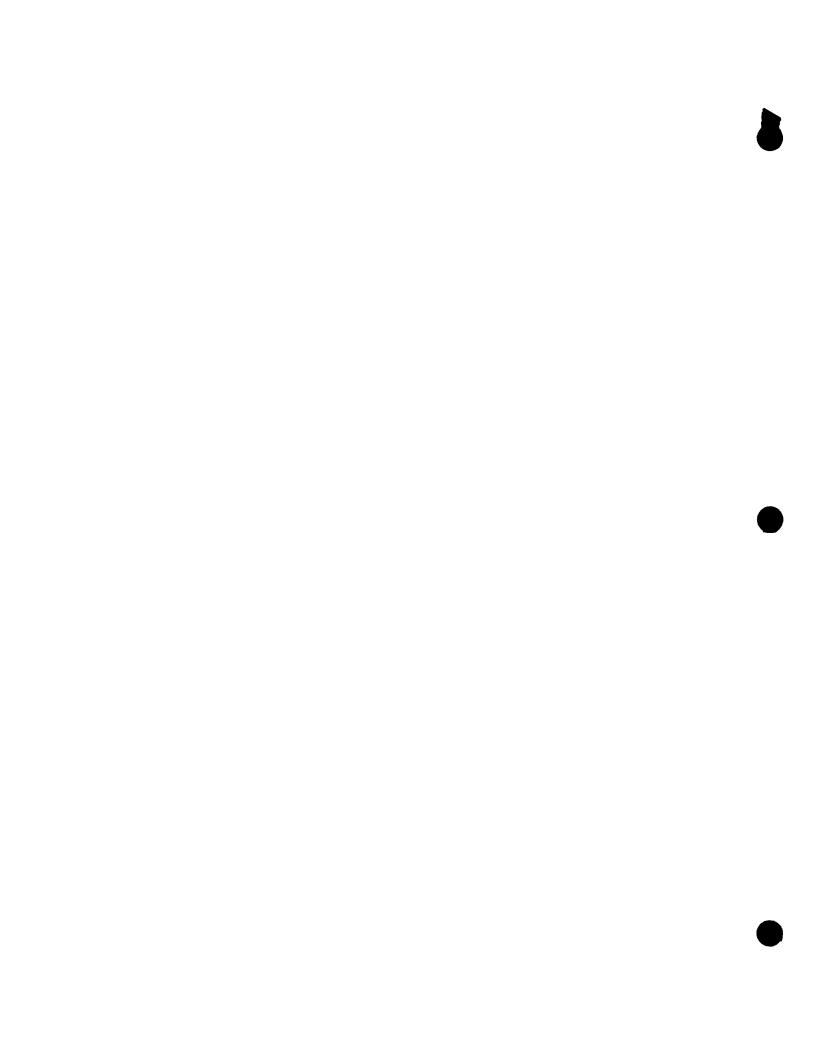
#### **VISITOR REGISTRATION SHEET**

# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

March 8, 2018

#### VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

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#### EDGE January 11, 2018 Follow-Up

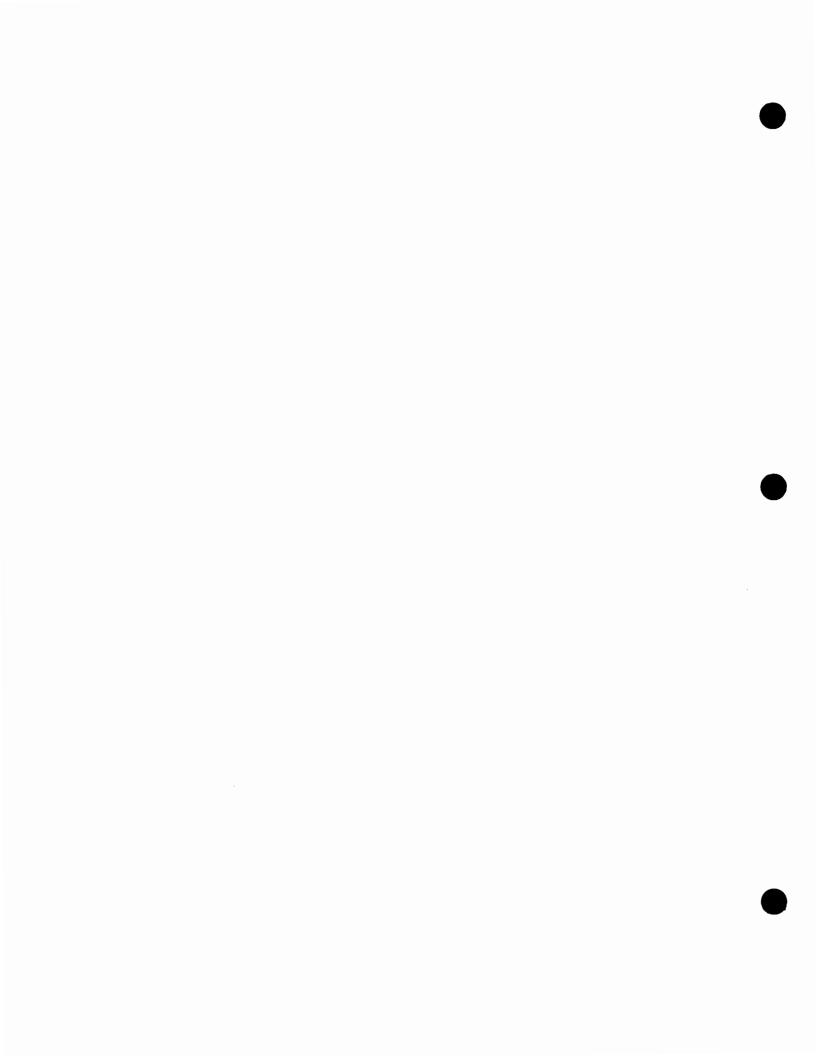
#### Commerce Follow-Up

 When will the EDPNC Annual Report be available? March 1, 2018.

distressed before any adjustment.

- Are there opportunities for the State to provide capital to help companies grow? Please elaborate on this question.
- 3. How are the planners in the Prosperity Zones reaching out to business owners, specifically small business owners?

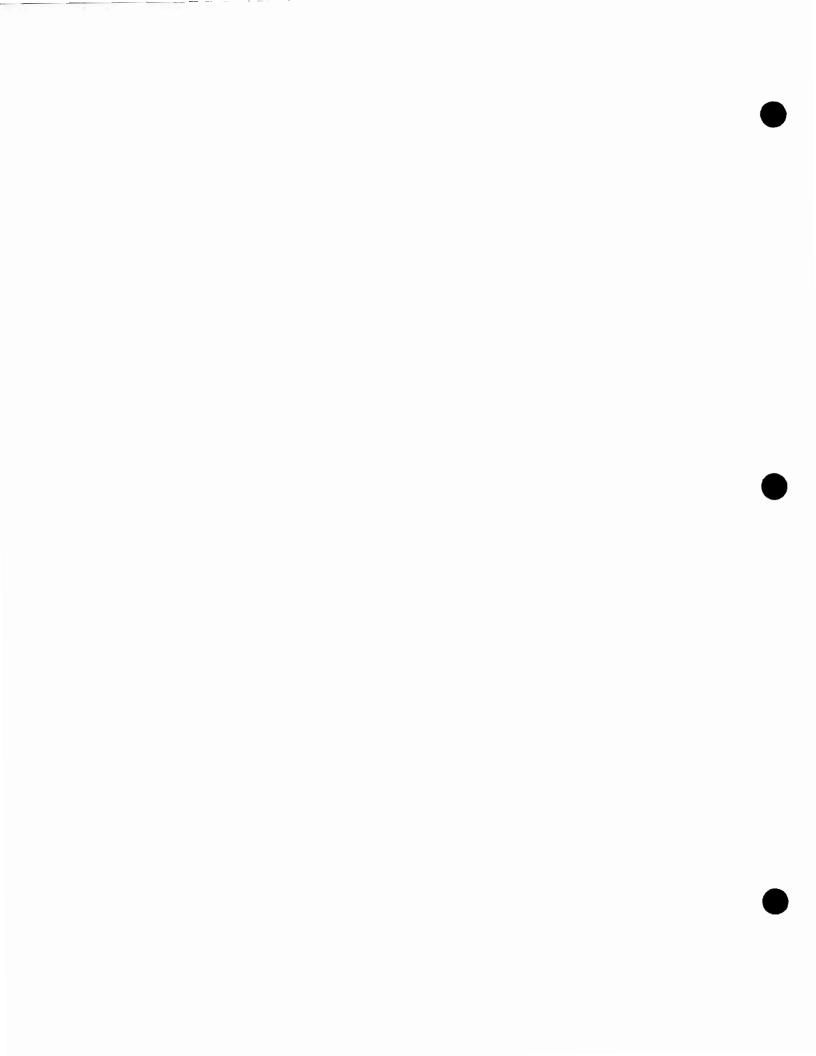
  Planners in the Prosperity Zones work with local units of government to build capacity through asset-based strategic economic development planning that will lead to economic development including investment, business development and job creation.
- 4. Are counties that are labeled Tier 1 solely because of the population adjustment factor receiving grants for water sewer infrastructure? If so, which counties, and how much are they receiving?
  No counties (or units of government within those counties) that have been designated as a tier one by virtue of having less than 12,000 residents have received a Utility Account award over the last five years. Additionally, of the counties that receive a designation as either a tier 1 or tier 2 location as a result of automatic tier adjustments (population, poverty rate, etc.), with the exception of two (Currituck and Polk), all would otherwise qualify for Utility Account funds as a result of being ranked as one of the 80 most
- Could Commerce share a list of all projects, their locations, and the number of jobs they created by Prosperity Zone?
   Please see the document titled, "Commerce\_Projects\_by\_County\_Follow-Up\_2018-01-11."
- 6. What are the specific number of jobs created in each Prosperity Zone as a result of coordinated efforts by Commerce and the EDPNC? Please see the document titled, "Commerce\_Projects\_by\_Prosperity\_Zone\_Follow-Up\_2018-01-11."



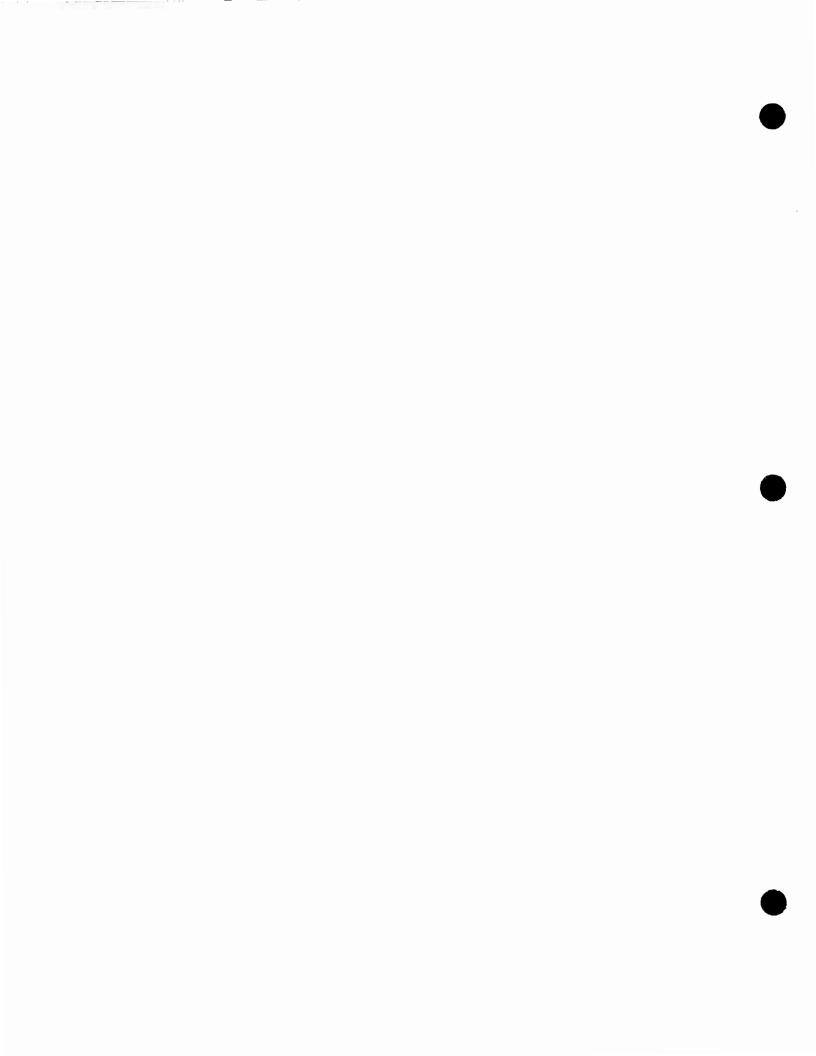
#### Announced Jobs and Capital Investment by County October 6, 2014 thru December 31, 2017

		Jobs	Investment
County	Projects Won	Announced	Announced
Alamance	10	1,232	\$ 312,417,104.00
Alexander	2	77	\$ 16,800,000.00
Alleghany	1	35	\$ 1,500,000.00
Anson	3	190	\$ 16,029,240.00
Ashe	1	5	\$ 316,000.00
Avery	0	0	\$ -
Beaufort	5	177	\$ 23,250,000.00
Bertie	2	10	\$ 8,250,000.00
Bladen	2	300	\$ 115,848,000.00
Brunswick	3	78	\$ 8,913,060.00
Buncombe	5	830	\$ 144,794,000.00
Burke	9	804	\$ 129,229,932.00
Cabarrus	11	1,721	\$ 744,800,000.00
Caldwell	5	239	\$ 40,405,000.00
Camden	0	0	\$ _
Carteret	0	0	\$ •
Caswell	0	0	\$ -
Catawba	12	1,373	\$ 326,240,437.00
Chatham	2	635	\$ 52,900,000.00
Cherokee	2	26	\$ 14,400,000.00
Chowan	2	110	\$ 33,200,000.00
Clay	1	15	\$ 6,000,000.00
Cleveland	10	1,051	\$ 495,350,000.00
Columbus	2	40	\$ 661,000.00
Craven	3	563	\$ 95,524,000.00
Cumberland	6	338	\$ 54,586,810.00
Currituck	0	0	\$ -
Dare	0	0	\$ -
Davidson	6	526	\$ 361,500,848.00
Davie	7	667	\$ 67,330,690.00
Duplin	3	140	\$ 123,100,000.00
Durham	14	2,638	\$ 397,456,285.00
Edgecombe	5	1,200	\$ 868,202,000.00
Forsyth	4	850	\$ 75,400,000.00
Franklin	3	250	\$ 150,200,000.00
Gaston	7	366	\$ 85,533,400.00
Gates	0	0	\$ *
Graham	1	114	\$ 10,100,000.00
Granville	5	205	\$ 52,195,000.00
Greene	1	22	\$ 560,000.00
Guilford	18	2,387	\$ 195,305,000.00
Halifax	4	226	\$ 59,603,000.00

Harnett	2	30	\$ 2,843,000.00
Haywood	1	0	\$ 51,350,000.00
Henderson	7	657	\$ 275,641,782.00
Hertford	0	0	\$ 
Hoke	2	170	\$ 24,000,000.00
Hyde	0	0	\$ -
Iredell	9	758	\$ 134,419,000.00
Jackson	1	10	\$ 2,615,000.00
Johnston	5	1,277	\$ 1,470,154,426.00
Jones	0	0	\$
Lee	8	856	\$ 318,734,000.00
Lenoir	11	1,505	\$ 233,900,000.00
Lincoln	3	293	\$ 32,188,124.00
Macon	1	35	\$ 3,200,000.00
Madison	2	73	\$ 26,635,000.00
Martin	6	160	\$ 34,165,000.00
McDowell	7	202	\$ 9,150,000.00
Mecklenburg	50	12,076	\$ 766,688,716.00
Mitchell	1	5	\$ 150,000.00
Montgomery	4	113	\$ 3,401,189.00
Moore	2	59	\$ 6,840,000.00
Nash	2	131	\$ 22,500,000.00
New Hanover	4	1,483	\$ 74,180,000.00
Northampton	2	21	\$ 22,800,000.00
Onslow	1	15	\$ 1,000,000.00
Orange	1	185	\$ 30,000,000.00
Pamlico	0	0	\$ **
Pasquotank	2	60	\$ 613,000,000.00
Pender	3	191	\$ 8,467,000.00
Perquimans	1	15	\$ 350,000.00
Person	2	120	\$ 35,400,000.00
Pitt	5	198	\$ 71,605,000.00
Polk	1	8	\$ 2,000,493.00
Randolph	12	856	\$ 212,036,996.00
Richmond	5	395	\$ 55,960,731.00
Robeson	9	638	\$ 135,877,706.00
Rockingham	3	218	\$ 486,000,000.00
Rowan	5	280	\$ 37,658,000.00
Rutherford	7	959	\$ 130,789,895.00
Sampson	3	234	\$ 52,283,000.00
Scotland	5	306	\$ 116,326,500.00
Stanly	1	12	\$ 1,700,000.00
Stokes	0	0	\$ -
Surry	2	125	\$ 5,074,000.00
Swain	0	0	\$ **
	1	8	\$ 350,000.00
Transylvania	11 -		



TOTAL	421	52,820	\$ 1	11,854,643,635.00
Yancey	2	170	\$	16,500,000.00
Yadkin	2	77	\$	10,701,281.00
Wilson	8	682	\$	584,503,788.00
Wilkes	1	75	\$	14,000,000.00
Wayne	3	178	\$	26,350,000.00
Watauga	0	0	\$	WI
Washington	0	0	\$	-
Warren	0	0	\$	*
Wake	20	6,829	\$	300,358,202.00
Vance	3	153	\$	81,095,000.00
Union	5	469	\$	221,300,000.00



## Announced Jobs and Capital Investment by Prosperity Zone October 6, 2014 thru December 31, 2017

Prosperity Zone	Projects Won	Jobs Announced	Inv	estment Announced
Western	30	2,735	\$	667,876,170.00
Northwest	41	2,985	\$	554,291,369.00
Southwest	104	17,216	\$	2,535,666,480.00
Piedmont-Triad (Central)	64	6,938	\$	1,725,765,919.00
North Central	80	15,191	\$	4,366,541,701.00
Sandhills (South Central)	40	2,593	\$	565,784,936.00
Southeast	32	4,175	\$	571,994,060.00
Northeast	30	987	\$	866,723,000.00
TOTAL	421	52,820	\$	11,854,643,635.00

#### EDGE January 11, 2018 Follow-Up

#### Fiscal Research Division Follow-Up

1. What awards did Robeson County receive over the last five years?

The following tables list the economic development awards granted to Robeson County by program. Robeson County did not receive any JDIG or JMAC awards in the last 5 years.

Table 1: One NC Awards Granted to Robeson County, 2013-2017

Year	Recipient	Amount
2013	Trinity Frozen Foods LLC	\$500,000
2013	Cape Fear Arsenal, Inc.	\$490,000
2013	Due Process Stable Trading Company LLC	\$40,000
2015	Sanderson Farms, Inc. (Processing Division)	\$1,000,000
2015	Asbury Graphite of NC, Inc.	\$100,000
2016	Pepsi Bottling Ventures, LLC	\$150,000
2017	Ventura Coach Corp	\$200,000
	TOTAL	\$2,480,000

Table 2: Utility Account Awards Granted to Robeson County, 2013-2017

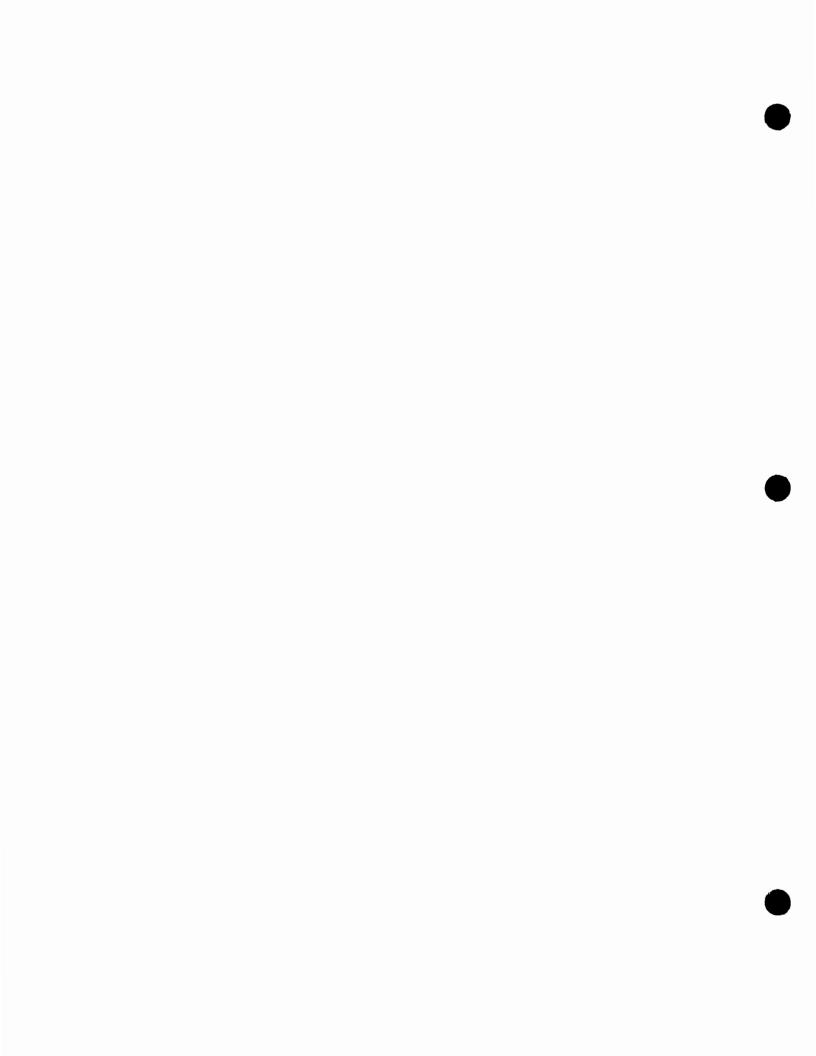
Year	Recipient	Amount
2015	Asbury Carbons Rail Spur	\$208,000
2016	Prestage Farms	\$1,000,000
	TOTAL	\$1,208,000

Table 3: REDD Awards Granted to Robeson County, 2013-2017

Year	Program	Recipient	Amount
2014	CDBG - ED	Town of Pembroke	\$456,638
2014	Building Reuse	Robeson County	\$500,000
2014	Building Reuse	City of Lumberton	\$500,000
2014	CDBG - ED	Robeson County	\$240,000
2015	CDBG - ED	Town of St Paul's	\$1,000,000
2015	CDBG - ED	City of Lumberton	\$495,041
2015	Building Reuse	Robeson County	\$125,000
2015	Building Reuse	Robeson County	\$500,000
2016	Building Reuse	Town of Pembroke	\$40,000
2016	Building Reuse	Robeson County	\$500,000
2016	Building Reuse	Robeson County	\$500,000
2016	Economic Infrastructure	Robeson County	\$500,000
2016	Building Reuse	Town of Maxton	\$40,000
2017	Building Reuse	Town of Pembroke	\$25,000
2017	Building Reuse	Robeson County	\$340,000
2017	CDBG - ED	Town of Pembroke	\$456,638
		TOTAL	\$5,761,679

<sup>2.</sup> Which companies were associated with the economic development incentives grants awarded across the State over the last five years?

Please see the document titled, "FRD ED Incentives 2013-2017 2018-01-11."



## **Economic Development Incentives Grants, 2013-2017**

Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2012	Alamance	2	JDIG	Sheetz Distribution Services, LLC	\$2,272,000	254
2013	Alamance	2	One NC	Walmart Stores, Inc.	\$1,100,000	450
2014	Alamance	2	JDIG	GKN Driveline North America, Inc. II	\$1,340,000	1,332
2014	Alamance	2	One NC	Cambro Manufacturing Company	\$250,000	100
2014	Alamance	2	One NC	CS CAROLINA, INC.	\$80,000	22
2015	Alamance	2	One NC	CBC AMERICAS Corp.	\$63,000	101
2015	Alamance	2	One NC	Lidl US Operations, LLC	\$250,000	80
2015	Alamance	2	RIA, RG - Building Reuse	Peak of Graham	\$400,000	40
2016	Alamance	2	JDIG	PrescientCo Inc.	\$2,183,000	207
2016	Alamance	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2016	Alamance	2	One NC	CS Carolina, Inc.	\$85,000	42
2016	Alamance	2	One NC	Lotus Bakeries US, LLC	\$180,000	60
2017	Alamance	2	One NC	Airgas USA, LLC	\$100,000	35
2017	Alamance	2	RIA, RG - Building Reuse	GKN Driveline	\$360,000	36
2013	Alexander	2	RIA, RG - Building Reuse	Craftmaster Furniture	\$480,000	48
2014	Alexander	2	RIA, RG - Building Reuse	Town of Taylorsville Urgent Care	\$50,000	5
2014	Alexander	2	RIA, RG - Building Reuse	Precision Materials	\$150,000	15
2014	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$100,000	20
2015	Alexander	2	RIA, RG - Building Reuse	Huntington House	\$500,000	40
2015	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$100,000	20
2015	Alexander	2	Utility Account	Mitchell Gold + Bob Williams	\$152,000	0
2016	Alexander	2	RIA, RG - Building Reuse	Craftmaster Furniture	\$300,000	30
2016	Alexander	2	RIA, RG - Building Reuse	Addiction Recovery Medical Services	\$85,000	12
2017	Alexander	2	One NC	Borealis Compounds Inc.	\$100,000	37
2017	Alexander	2	RIA, CDBG - ED		\$740,000	37
2017	Alleghany	1	RIA, RG - Building Reuse	NAPCO	\$225,000	35
2016	Anson	1	One NC	King Charles Industries, LLC	\$300,000	100
2013	Ashe	2	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624

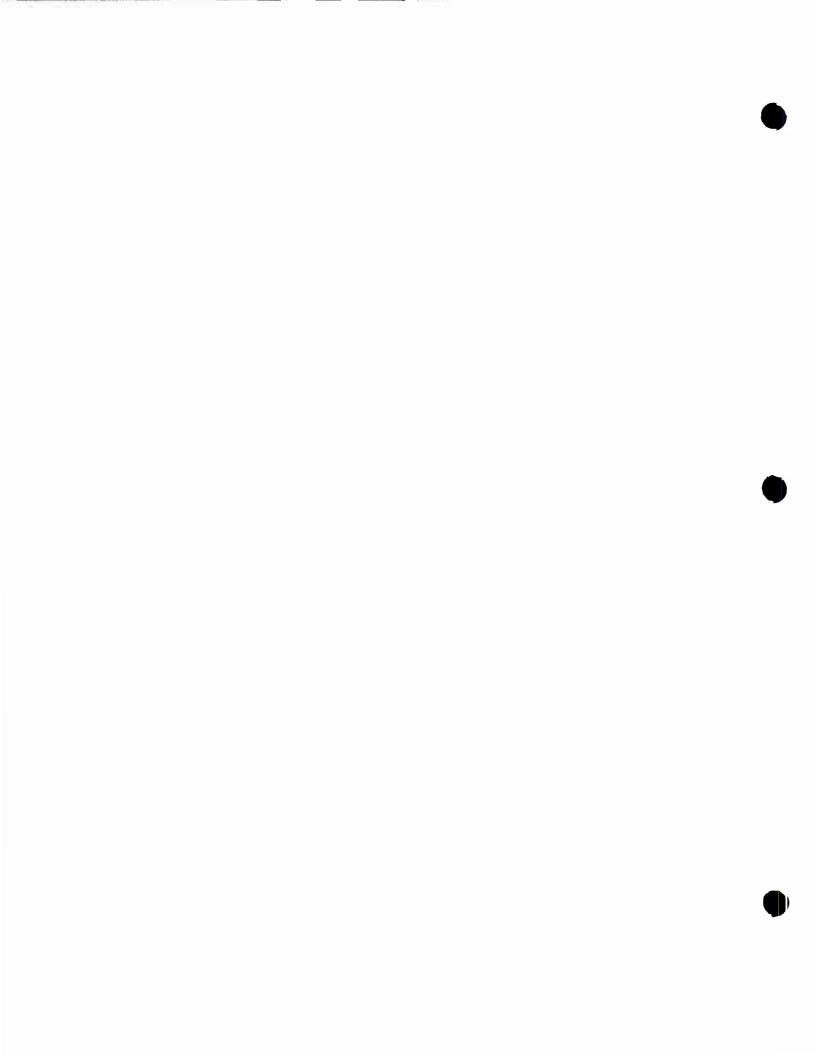
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## **Economic Development Incentives Grants, 2013-2017**

Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2013	Ashe	2	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2014	Ashe	2	RIA, RG - Building Reuse	Ashe Medics	\$50,000	5
2015	Ashe	1	RIA, RG - Building Reuse	American Emergency Vehicles	\$500,000	40
2016	Ashe	1	RIA, RG - Building Reuse	Doc's on Main	\$50,000	5
2017	Ashe	1	RIA, CDBG - ED		\$349,410	0
2013	Avery	2	RIA, RG - Building Reuse	Bridging the Gap Health Center	\$70,000	14
2013	Beaufort	2	One NC	ProNamic Industries LLC	\$156,000	52
2013	Beaufort	2	One NC	idX Impressions, LLC	\$300,000	159
2014	Beaufort	1	RIA, RG - Building Reuse	Tavern at Jack's Neck	\$80,000	8
2014	Beaufort	1	RIA, RG - Building Reuse	idX Impressions	\$500,000	50
2014	Beaufort	1	Utility Account	facebook	\$491,985	0
2015	Beaufort	1	RIA, RG - Building Reuse	Oak Ridge Metal Works	\$319,762	32
2015	Beaufort	1	RIA, RG - Econ. Inf.		\$100,000	20
2016	Beaufort	1	RIA, CDBG - ED		\$500,000	10
2016	Beaufort	1	RIA, RG - Building Reuse	Hysucat USA	\$158,000	14
2016	Beaufort	1	Utility Account	Hysucat USA	\$337,000	10
2017	Beaufort	1	RIA, CDBG - ED		\$500,000	0
2017	Beaufort	1	RIA, RG - Building Reuse	Ribeye's of Washington	\$25,000	5
2016	Bertie	1	RIA, RG - Building Reuse	Baker's Southern Traditions	\$100,000	8
2016	Bertie	1	RIA, RG - Econ. Inf.		\$29,143	0
2017	Bertie	1	RIA, RG - Building Reuse	Abrams Inc.	\$25,000	5
2013	Bladen	1	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2015	Bladen	1	RIA, RG - Building Reuse	Carrol Poultry, LLC	\$250,000	50
2015	Bladen	1	RIA, RG - Econ. Inf.		\$70,000	14
2015	Bladen	1	Utility Account	N/A	\$417,103	0
2017	Bladen	1	RIA, RG - Building Reuse	Specialty Product Technologies	\$200,000	20
2017	Bladen	1	RIA, RG - Building Reuse	Southeastern Health Clinic	\$80,000	8
2017	Bladen	1	Utility Account	N/A	\$265,000	0

## **Economic Development Incentives Grants, 2013-2017**

Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2013	Brunswick	3	One NC	Lee Controls, LLC	\$40,000	77
2017	Brunswick	3	RIA, RG - Building Reuse	ITI Technologies (Project Blue Steel)	\$175,000	35
2012	Buncombe	3	JDIG	Linamar North Carolina, Inc.	\$2,602,000	613
2013	Buncombe	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	Buncombe	3	One NC	Tutco, Inc.	\$98,000	90
2013	Buncombe	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2013	Buncombe	3	One NC	Jacob Holm Industries (America), Inc.	\$100,000	66
2014	Buncombe	3	One NC	Kearfott Corporation	\$75,000	75
2014	Buncombe	3	One NC	BorgWarner Turbo Systems Inc.	\$126,000	63
2014	Buncombe	3	One NC	Linamar North Carolina, Inc.	\$500,000	150
2015	Buncombe	3	One NC	White Labs Inc.	\$40,000	56
2016	Buncombe	3	JDIG	Avadim Technologies Inc.	\$6,536,000	608
2012	Burke	1	JDIG	Leviton Manufacturing Co., Inc.	\$1,101,000	683
2013	Burke	1	One NC	Saft America, Inc.	\$108,000	50
2014	Burke	1	JDIG	Richelieu Hosiery USA Inc.	\$2,935,000	271
2014	Burke	1	One NC	CE FoamSolutions, LLC	\$20,000	20
2014	Burke	1	RIA, RG - Building Reuse	Richelieu Legwear	\$500,000	100
2015	Burke	2	RIA, CDBG - ED		\$1,000,000	0
2015	Burke	2	RIA, RG - Building Reuse	American Hospitality Furniture	\$212,500	17
2015	Burke	2	RIA, RG - Building Reuse	Duralee Fine Furniture	\$410,000	41
2015	Burke	2	RIA, RG - Building Reuse	SpartaCraft	\$200,000	20
2015	Burke	2	RIA, RG - Building Reuse	Old World Baking Company	\$30,000	3
2015	Burke	2	Utility Account	Meridian Yarns	\$898,425	25
2016	Burke	2	RIA, RG - Building Reuse	Fonta Flora Brewery	\$150,000	12
2016	Burke	2	RIA, RG - Building Reuse	Peds Legwear	\$500,000	50
2017	Burke	2	JDIG	Continental Automotive Systems, Inc. (Burke)	\$151,000	160
2017	Burke	2	JDIG	Sunrise Global Marketing LLC	\$160,000	187
2017	Burke	2	One NC	VEKA East, Inc	\$500,000	102



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Burke	2	RIA, CDBG - ED		\$500,000	0
2017	Burke	2	RIA, CDBG - ED	N/A	\$500,000	0
2017	Burke	2	RIA, RG - Building Reuse	Continental Automotive	\$1,000,000	135
2017	Burke	2	RIA, RG - Building Reuse	Kellex Seating	\$400,000	32
2017	Burke	2	RIA, RG - Building Reuse	A Caring Alternative	\$230,000	23
2017	Burke	2	RIA, RG - Building Reuse	Critical Resources (Project Rampart)	\$500,000	82
2012	Cabarrus	3	JDIG	S & D Coffee, Inc.	\$2,084,000	813
2014	Cabarrus	3	One NC	Gordon Food Service LLC	\$500,000	275
2016	Cabarrus	3	One NC	Yokohama Corporation of North America	\$150,000	56
2017	Cabarrus	3	JDIG	Corning Incorporated (Fiber)	\$236,000	200
2017	Cabarrus	3	JDIG	Alevo Manufacturing, Inc.	\$0	0
2013	Caldwell	1	One NC	Exela Pharma Sciences, LLC	\$189,000	38
2013	Caldwell	1	RIA, RG - Building Reuse	Exela Pharma Sciences	\$200,000	40
2014	Caldwell	1	RIA, RG - Building Reuse	A McGee Wood Products	\$200,000	20
2015	Caldwell	2	RIA, RG - Building Reuse	Associated Hardwoods	\$125,000	10
2015	Caldwell	2	RIA, RG - Building Reuse	Ccon Metals	\$137,500	11
2016	Caldwell	1	One NC	Hoffman Materials LLC	\$500,000	82
2016	Caldwell	1	RIA, RG - Building Reuse	Bakers Waste Equipment	\$411,375	42
2016	Caldwell	1	RIA, RG - Building Reuse	Jordan-Holman Lumber	\$222,450	23
2016	Caldwell	1	RIA, RG - Building Reuse	Belle Torte Bistro & Bakery	\$49,250	10
2016	Caldwell	1	RIA, RG - Building Reuse	80 Acres Investments	\$125,000	10
2016	Caldwell	1	RIA, RG - Building Reuse	Exela Pharma Sciences	\$500,000	40
2017	Caldwell	1	One NC	Ryan-Al, Inc.	\$150,000	53
2017	Caldwell	1	One NC	Adhezion Biomedical, LLC	\$100,000	40
2017	Caldwell	1	One NC	Sealed Air Corporation (US)	\$100,000	25
2017	Caldwell	1	RIA, RG - Building Reuse	White Wholesale Tire	\$50,000	10
2017	Caldwell	1	RIA, RG - Building Reuse		\$400,000	40
2017	Caldwell	1	RIA, RG - Building Reuse	Ryan-Al Door	\$44,525	29

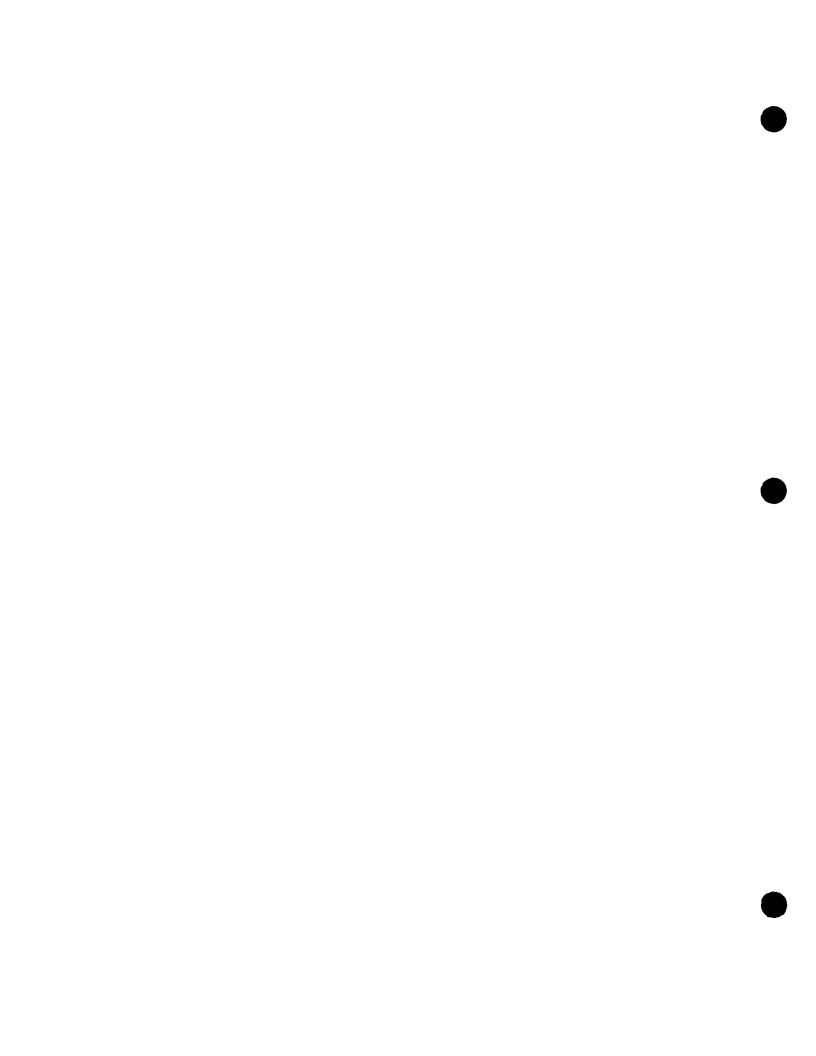
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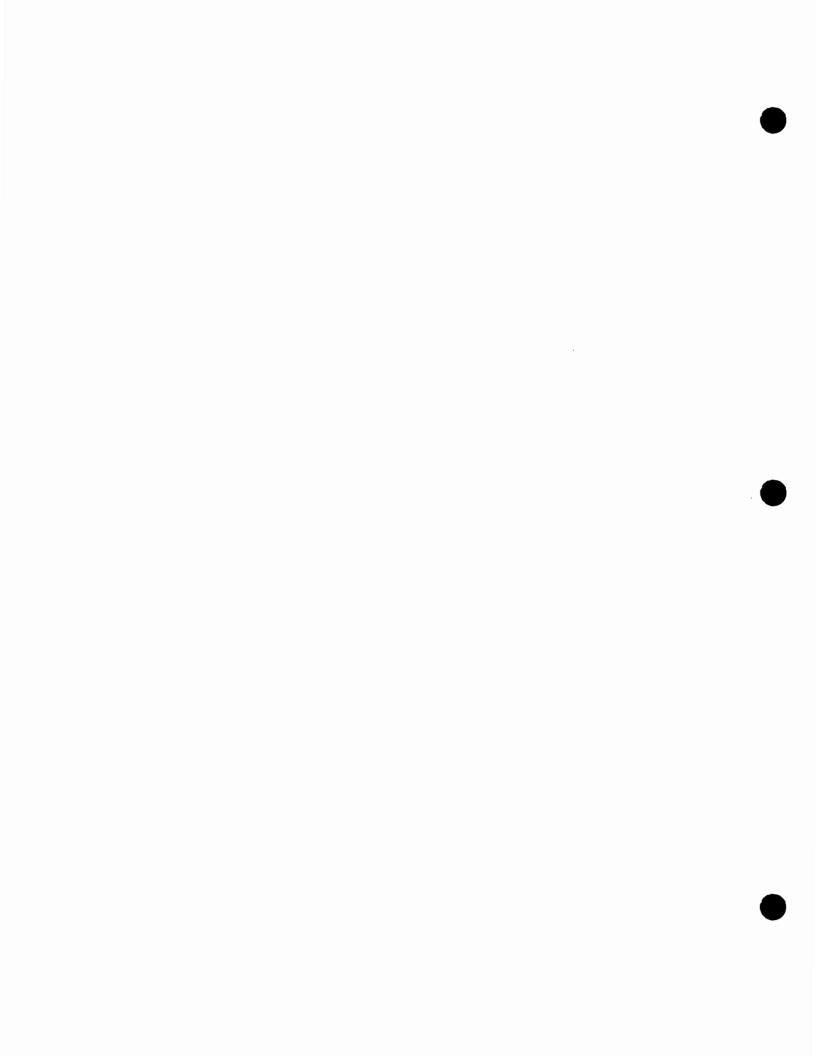
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Caldwell	1	RIA, RG - Building Reuse	Sealed Air (Project Joynes)	\$300,000	25
2013	Catawba	2	One NC	Hickory Springs Manufacturing Company	\$200,000	162
2014	Catawba	2	JDIG	GKN Driveline Newton, LLC	\$3,535,000	861
2014	Catawba	2	RIA, RG - Building Reuse	Transportation Insight, LLC	\$500,000	50
2015	Catawba	2	One NC	Carolina Nonwovens LLC	\$70,000	35
2015	Catawba	2	One NC	Blue Bloodhound, LP	\$305,600	191
2015	Catawba	2	One NC	GKN Sinter Metals, LLC	\$109,500	55
2015	Catawba	2	RIA, RG - Building Reuse	Prysmian Cables and Systems USA	\$240,000	24
2015	Catawba	2	RIA, RG - Building Reuse	Blue Bloodhound, LP	\$259,400	105
2015	Catawba	2	RIA, RG - Building Reuse	Century Furniture	\$500,000	50
2015	Catawba	2	RIA, RG - Building Reuse	West Penn Hardwoods	\$40,000	8
2015	Catawba	2	Utility Account	Substance, Inc.	\$120,975	5
2016	Catawba	2	JDIG	Corning Optical Communications LLC (Cable)	\$2,572,000	1,448
2016	Catawba	2	JDIG	GKN Driveline Newton, LLC II	\$1,764,000	1,626
2016	Catawba	2	One NC	Dynamic Air Engineering, Inc.	\$110,000	46
2016	Catawba	2	RIA, RG - Building Reuse	Temprano Techvestors	\$253,750	21
2016	Catawba	2	RIA, RG - Building Reuse	Prysmian Group	\$500,000	95
2016	Catawba	2	Utility Account	N/A	\$671,920	0
2016	Catawba	2	Utility Account	Substance, Inc.	\$28,189	0
2017	Catawba	2	JDIG	Corning Optical Communications LLC (Cable II)	\$242,000	210
2017	Catawba	2	One NC	Sutter Street Manufacturing, Inc.	\$300,000	72
2017	Catawba	2	RIA, RG - Building Reuse	Newton Urgent Care	\$70,000	7
2014	Chatham	3	RIA, CDBG - ED		\$750,000	38
2016	Chatham	3	RIA, CDBG - ED		\$1,500,000	700
2014	Cherokee	2	RIA, RG - Econ. Inf.		\$500,000	50
2015	Cherokee	2	RIA, RG - Building Reuse	TEAM Industries	\$86,250	9
2015	Cherokee	2	RIA, RG - Econ. Inf.		\$71,678	49
2014	Chowan	1	One NC	Standard Medical Acceptance (NC), LLC	\$100,000	32

Year	County	Tier	Award Type	Business	Award	# of
					Amount	Jobs
	Chowan	1	,	Standard Medical Acceptance, Inc.	\$127,455	11
	Chowan	1	One NC	Jimbo's Jumbos, Inc.	\$156,000	78
2015	Chowan	1	RIA, CDBG - ED		\$562,080	
2015	Chowan	1	RIA, RG - Building Reuse	Albemarle Urgent Care	\$18,020	2
2016	Chowan	1	RIA, CDBG - ED		\$500,000	69
2017	Chowan	1	RIA, RG - Building Reuse	Regulator Marine (Project Elite)	\$320,000	32
2016	Clay	1	RIA, CDBG - ED		\$500,000	0
2017	Clay	1	One NC	Advanced Digital Cable, Inc.	\$50,000	
2012	Cleveland	1	JDIG	Schletter, Inc.	\$2,930,000	305
2012	Cleveland	1	Utility Account		\$500,000	0
2013	Cleveland	1	JDIG	KSM Castings NC, Inc.	\$2,876,000	189
2013	Cleveland	2	One NC	KSM Castings USA Inc.	\$705,000	189
2013	Cleveland	2	One NC	Greenheck Fan Corporation	\$300,000	102
2013	Cleveland	1	Utility Account		\$455,478	0
2015	Cleveland	2	JDIG	Metal Works Mfg. Co.	\$1,559,000	150
2015	Cleveland	2	One NC	Ivar's Cabinet Shop, Inc.	\$50,000	27
2016	Cleveland	2	One NC	KSM Castings NC Inc.	\$320,000	80
2016	Cleveland	2	One NC	Uniquetex, LLC	\$800,000	150
2016	Cleveland	2	One NC	Porters Group, LLC	\$90,000	44
2016	Cleveland	2	One NC	Mafic USA LLC	\$225,000	113
2016	Cleveland	2	RIA, CDBG - ED		\$500,000	0
2016	Cleveland	2	RIA, CDBG - ED		\$500,000	0
2016	Cleveland	2	RIA, RG - Building Reuse	Mafic USA	\$500,000	71
2016	Cleveland	3	RIA, RG - Econ. Inf.		\$297,600	24
2016	Cleveland	2	RIA, RG - Econ. Inf.		\$250,000	20
2017	Cleveland	2	JDIG	Clearwater Paper Corporation II	\$244,000	180
2017	Cleveland	2	JDIG	Albemarle Corporation II	\$509,000	170
	Cleveland	2	RIA, CDBG - ED		\$3,000,000	180

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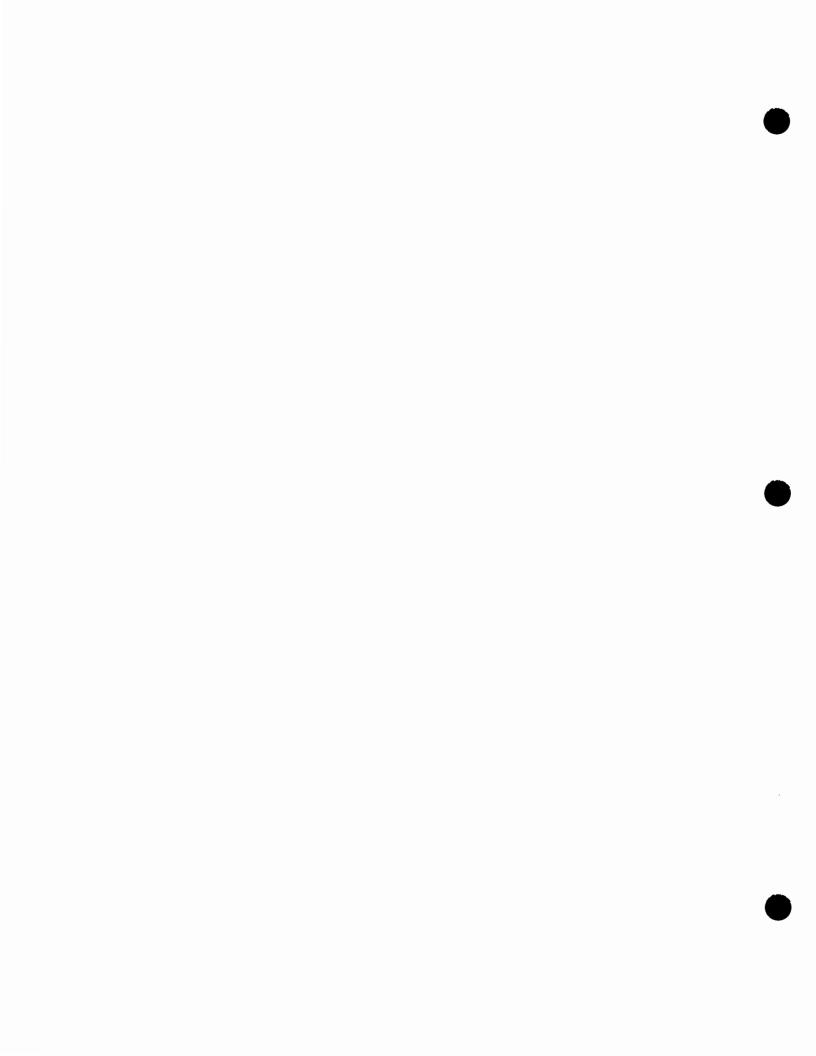


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Cleveland	2	Utility Account	Clearwater Paper Corporation*	\$1,000,000	0
2013	Columbus	1	One NC	Ply Gem Industries, Inc.	\$150,000	145
2016	Columbus	1	RIA, RG - Building Reuse	RADIX-Bay	\$65,500	19
2017	Columbus	1	RIA, CDBG - ED	DMA Holdings (Project 522)*	\$250,000	0
2017	Columbus	1	RIA, RG - Building Reuse	DMA Holdings (Project 522)	\$97,350	13
2014	Confidential	2	RIA, CDBG - ED		\$600,000	50
2014	Confidential	1	RIA, RG - Building Reuse	Project Ellen	\$165,000	17
2014	Confidential	2	RIA, RG - Building Reuse	Project Nano	\$500,000	50
2015	Confidential	2	RIA, CDBG - ED		\$600,000	50
2015	Confidential	1	RIA, CDBG - ED		\$750,000	38
2015	Confidential	2	RIA, CDBG - ED		\$1,000,000	122
2015	Confidential	1	RIA, RG - Building Reuse	Project Hook	\$300,000	24
2015	Confidential	2	RIA, RG - Econ. Inf.		\$500,000	80
2015	Craven	2	JDIG	BSH Home Appliances Corporation II	\$4,552,000	1,576
2016	Craven	2	Utility Account	N/A	\$320,000	0
2016	Craven	2	Utility Account	N/A	\$195,000	0
2013	Cumberland	2	One NC	UAV Communications, BOSH Global Services	\$64,000	32
2017	Cumberland	2	One NC	Advanced Computer Learning Company, LLC	\$150,000	75
2017	Cumberland	2	One NC	Exel Inc.	\$200,000	140
2017	Cumberland	2	RIA, RG - Building Reuse	Kinlaw's Supermarket (Project Ribeye)	\$110,000	11
2014	Currituck	2	One NC	Government Contracting Specialists, Inc.	\$120,000	60
2015	Dare	2	RIA, RG - Building Reuse	Peak Resources - Outer Banks	\$500,000	50
2013	Davidson	2	One NC	Custom Nonwoven, Inc.	\$128,000	72
2014	Davidson	2	RIA, CDBG - ED		\$200,000	10
2014	Davidson	2	RIA, CDBG - ED		\$7,000,000	0
2014	Davidson	2	RIA, CDBG - ED		\$750,000	38
2014	Davidson	2	RIA, CDBG - ED		\$400,000	20
2014	Davidson	2	RIA, RG - Building Reuse	Atrium Windows & Doors	\$245,462	25



Year County	Tier	Award Type	Business	Award	# of
Teal County	1101	Award Type	Dusiness	Amount	Jobs
2015 Davidson	2	RIA, CDBG - ED		\$120,000	6
2015 Davidson	2	RIA, CDBG - ED		\$240,000	12
2015 Davidson	2	RIA, CDBG - ED		\$131,250	11
2015 Davidson	2	RIA, CDBG - ED		\$750,000	38
2015 Davidson	2	RIA, CDBG - ED		\$750,000	38
2015 Davidson	2	RIA, CDBG - ED		\$400,000	20
2015 Davidson	2	RIA, RG - Building Reuse	Ennis-Flint	\$500,000	40
2015 Davidson	2	RIA, RG - Building Reuse	Wildcat Territory	\$170,000	17
2015 Davidson	2	RIA, RG - Econ. Inf.		\$162,500	13
2016 Davidson	2	RIA, CDBG - ED		\$750,000	38
2016 Davidson	2	RIA, CDBG - ED		\$750,000	38
2016 Davidson	2	RIA, CDBG - ED		\$750,000	38
2016 Davidson	2	RIA, CDBG - ED		\$500,000	25
2016 Davidson	2	RIA, CDBG - ED		\$200,000	10
2016 Davidson	2	RIA, RG - Building Reuse	Thermo Products	\$90,000	9
2016 Davidson	2	RIA, RG - Building Reuse	Mohawk Industries	\$500,000	100
2017 Davidson	2	JDIG	EGGER Wood Products LLC	\$520,000	400
2017 Davidson	2	One NC	EGGER Wood Products LLC	\$2,500,000	232
2017 Davidson	2	RIA, CDBG - ED		\$240,000	12
2017 Davidson	2	RIA, RG - Building Reuse	Ennis-Flint	\$250,000	20
2012 Davie	2	JDIG	Ashley Furniture Industries, Inc.	\$3,753,000	560
2013 Davie	2	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2013 Davie	2	One NC	ProRefrigeration Inc.	\$75,000	58
2014 Davie	2	RIA, CDBG - ED		\$789,000	205
2014 Davie	1	RIA, CDBG - ED		\$50,000	0
2014 Davie	2	RIA, RG - Building Reuse	Dunlop Aircraft Tyres, Inc.	\$500,000	40
2014 Davie	2	RIA, RG - Econ. Inf.		\$332,500	205
2015 Davie	2	JDIG	Ashley Furniture Industries, Inc. II	\$5,119,000	1,676

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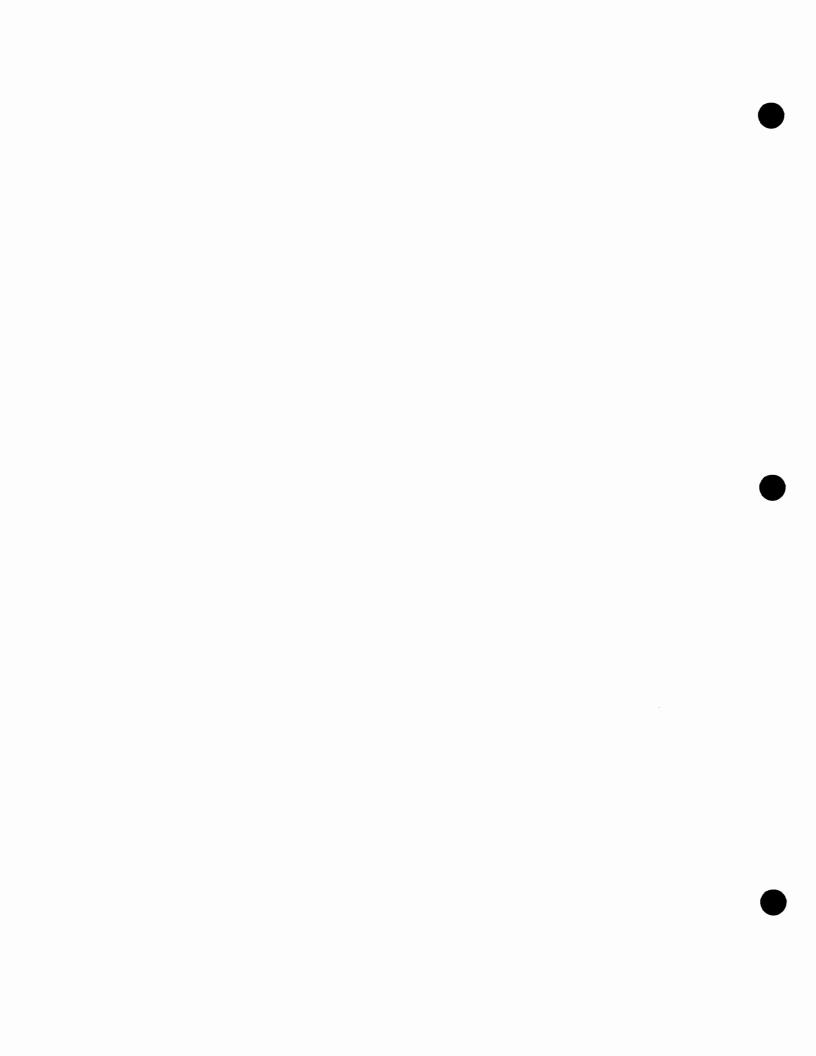


Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Davie	2	One NC	Ashley Furniture Industries, Inc. I	\$829,500	454
2015	Davie	2	RIA, CDBG - ED		\$221,760	50
2015	Davie	2	RIA, RG - Building Reuse	Avgol American	\$500,000	50
2015	Davie	2	RIA, RG - Building Reuse	AccuMed	\$500,000	40
2015	Davie	2	Utility Account	N/A, Industrial park development	\$450,000	0
2016	Davie	2	RIA, RG - Building Reuse	Gesipa Fasteners USA	\$160,000	12
2016	Davie	2	RIA, RG - Building Reuse	REEB Millwork	\$100,000	10
2014	Duplin	2	RIA, CDBG - ED		\$240,000	20
2015	Duplin	2	One NC	National Spinning Co., Inc.	\$100,000	50
2015	Duplin	2	RIA, RG - Building Reuse	Villari Bros. Foods	\$106,218	9
2015	Duplin	2	RIA, RG - Building Reuse	Villari Bros. Trucking	\$63,603	7
2016	Duplin	2	One NC	United States Cold Storage, Inc.	\$120,000	50
2016	Duplin	2	RIA, RG - Building Reuse	United Cold Storage	\$300,000	30
2016	Duplin	2	RIA, RG - Building Reuse	Vantage South Atlantic	\$30,000	3
2013	Durham	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	Durham	3	JDIG	Syngenta Biotechnology, Inc.	\$3,978,000	1,283
2013	Durham	3	One NC	bioMerieux, Inc.	\$220,000	44
2013	Durham	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2013	Durham	3	One NC	Purdue Pharma Manufacturing L.P.	\$300,000	100
2014	Durham	3	JDIG	Argos Therapeutics, Inc.	\$6,181,000	331
2014	Durham	3	One NC	Novozymes North America, Inc.	\$400,000	100
2015	Durham	3	JDIG	Fidelity Global Brokerage Group, Inc. II	\$20,697,000	4,163
2015	Durham	3	JDIG	Premier Research International LLC	\$3,440,000	373
2015	Durham	3	JDIG	Interactive Purecloud, Inc.	\$2,183,000	306
2015	Durham	3	JDIG	Frontier Communications of the Carolinas LLC	\$1,174,000	598
2015	Durham	3	One NC	WillowTree, Inc.	\$73,500	98
2016	Durham	3	JDIG	Aurobindo Pharma USA Inc.	\$5,073,000	289
2016	Durham	3	One NC	Braeburn Pharmaceuticals, Inc.	\$100,000	52



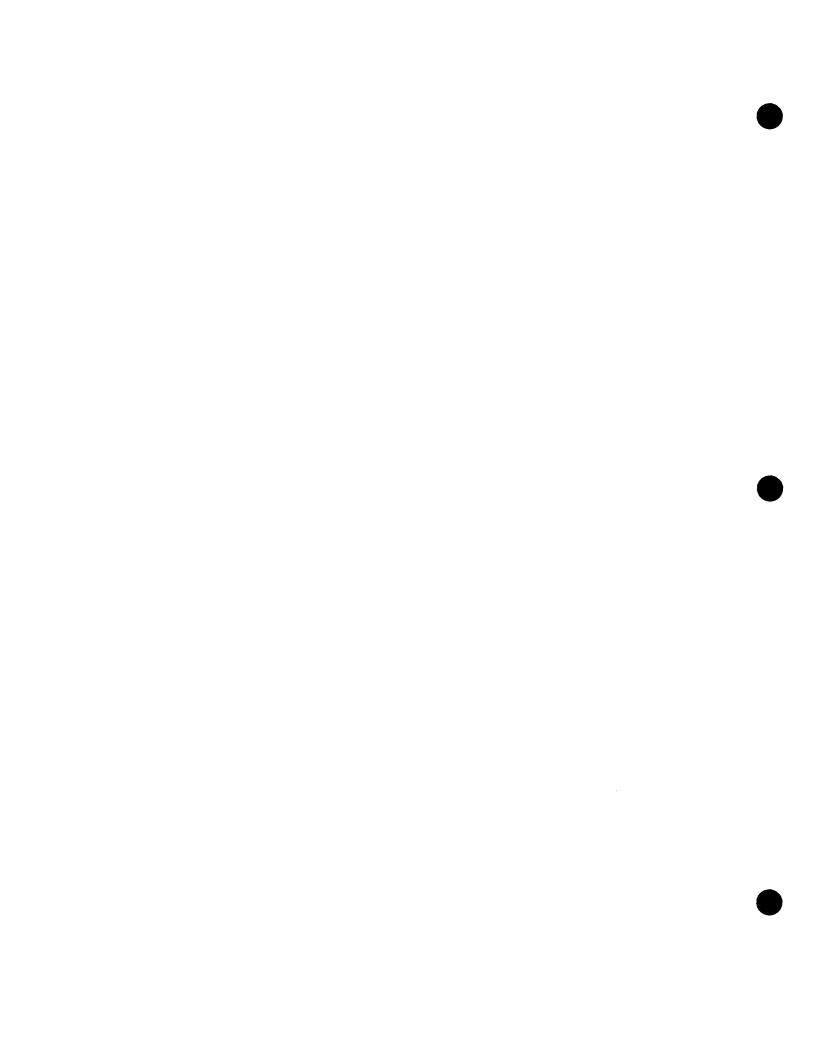
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2016	Durham	3	One NC	Almac Group Inc	\$77,000	79
	Durham	3	JDIG	Credit Suisse Securities (USA) LLC (III)	\$4,615,000	1,200
	Durham	3	JDIG	Corning Incorporated (Excalibur)	\$360,000	317
	Edgecombe	1	One NC	Nash Building Systems, Inc.	\$100,000	29
	Edgecombe	1	RIA, RG - Building Reuse	SePRO	\$180,000	15
	Edgecombe	1	RIA, RG - Building Reuse	Acme United	\$400,000	40
2013	Edgecombe	1	Utility Account		\$30,000	0
2014	Edgecombe	1	Utility Account	General Foam Plastics	\$750,000	100
2015	Edgecombe	1	RIA, CDBG - ED		\$500,000	25
2016	Edgecombe	1	JDIG	CSX Intermodal Terminals, Inc.	\$4,310,000	1,025
2016	Edgecombe	1	One NC	The Hillshire Brands Company	\$300,000	98
2016	Edgecombe	1	Utility Account	N/A	\$949,750	0
2017	Edgecombe	1	JDIG	Corning Incorporated (Agate)	\$103,000	111
2017	Edgecombe	1	JDIG	New Co. 1 (Grantee)	\$1,721,000	800
2017	Edgecombe	1	One NC	Keihin Carolina System Technology, LLC	\$150,000	42
2017	Edgecombe	1	One NC	New Co. 1 (Grantee)	\$16,000,000	800
2017	Edgecombe	1	RIA, CDBG - ED		\$367,000	0
2017	Edgecombe	1	RIA, RG - Building Reuse	Keihin Carolina System Technology	\$113,500	42
2017	Edgecombe	3	Utility Account	N/A	\$1,704,700	0
2012	Forsyth	3	JDIG	Deere-Hitachi Construction Machinery Corp.	\$3,509,000	1,083
2012	Forsyth	3	JDIG	Herbalife International Of America, Inc.	\$7,412,000	493
2012	Forsyth	3	JDIG	Inmar, Inc.	\$5,556,000	935
2014	Forsyth	3	One NC	United Furniture Industries NC, LLC	\$300,000	200
2015	Forsyth	3	JDIG	Herbalife International of America, Inc. II	\$3,998,750	794
2016	Forsyth	3	JDIG	Corning Optical Communications LLC (Cable)	\$2,572,000	1,448
2017	Forsyth	3	One NC	HPFABRICS, INC.	\$250,000	260
2014	Franklin	2	One NC	Novozymes North America, Inc.	\$400,000	100
2014	Franklin	2	RIA, CDBG - ED		\$300,000	15

Year	County	Tier	Award Type	Business	Award	# of
		1101			Amount	Jobs
2014	Franklin	2	Utility Account	DCN Cables	\$500,000	15
2015	Franklin	2	RIA, RG - Building Reuse	Youngsville Animal Hospital	\$15,000	3
2015	Franklin	2	RIA, RG - Building Reuse	Palziv North Ameroca	\$500,000	40
2016	Franklin	2	JDIG	K-Flex USA L.L.C.	\$1,261,000	302
2016	Franklin	2	RIA, CDBG - ED		\$1,700,000	66
2016	Franklin	2	RIA, RG - Building Reuse	Network South	\$125,000	10
2016	Franklin	2	RIA, RG - Building Reuse	K-Flex USA	\$500,000	70
2017	Franklin	2	One NC	PALZIV NORTH AMERICA, INC.	\$40,000	40
2017	Franklin	2	RIA, CDBG - ED		\$750,000	63
2017	Franklin	2	RIA, RG - Building Reuse	Farmers Home Furniture	\$25,000	5
2017	Franklin	2	RIA, RG - Building Reuse	State Farm	\$20,000	4
2017	Franklin	2	RIA, RG - Building Reuse	Impact Healthcare	\$70,000	7
2017	Franklin	4	Utility Account	N/A	\$1,807,000	0
2013	Gaston	2	JDIG	Owens Corning Composite Materials, LLC	\$1,991,000	185
2014	Gaston	2	One NC	Tosaf USA Inc.	\$225,000	75
2014	Gaston	2	RIA, RG - Building Reuse	Pacific Coast Feather	\$500,000	50
2014	Gaston	2	RIA, RG - Building Reuse	Carolina Care Center	\$300,000	30
2015	Gaston	2	RIA, RG - Building Reuse	Modern Polymers	\$133,021	11
2015	Gaston	2	RIA, RG - Econ. Inf.		\$500,000	60
2016	Gaston	2	RIA, CDBG - ED		\$150,000	0
2016	Gaston	2	Utility Account	Pharr Yarns	\$750,000	0
2017	Gaston	2	JDIG	Dhollandia MFG, LLC	\$152,000	150
2017	Gaston	2	RIA, RG - Building Reuse	Firestone Fibers & Textiles Company	\$300,000	25
2013	Graham	1	RIA, RG - Building Reuse	The Hub Coffee Shop	\$10,000	2
2014	Graham	1	One NC	Oak Valley Hardwoods, Inc.	\$156,000	114
2015	Graham	1	RIA, RG - Building Reuse	Oak Valley Hardwoods	\$500,000	40
2014	Granville	2	JDIG	Ideal Fastener Corporation	\$1,549,000	381
2014	Granville	2	RIA, RG - Building Reuse	PRM, Inc.	\$150,000	15

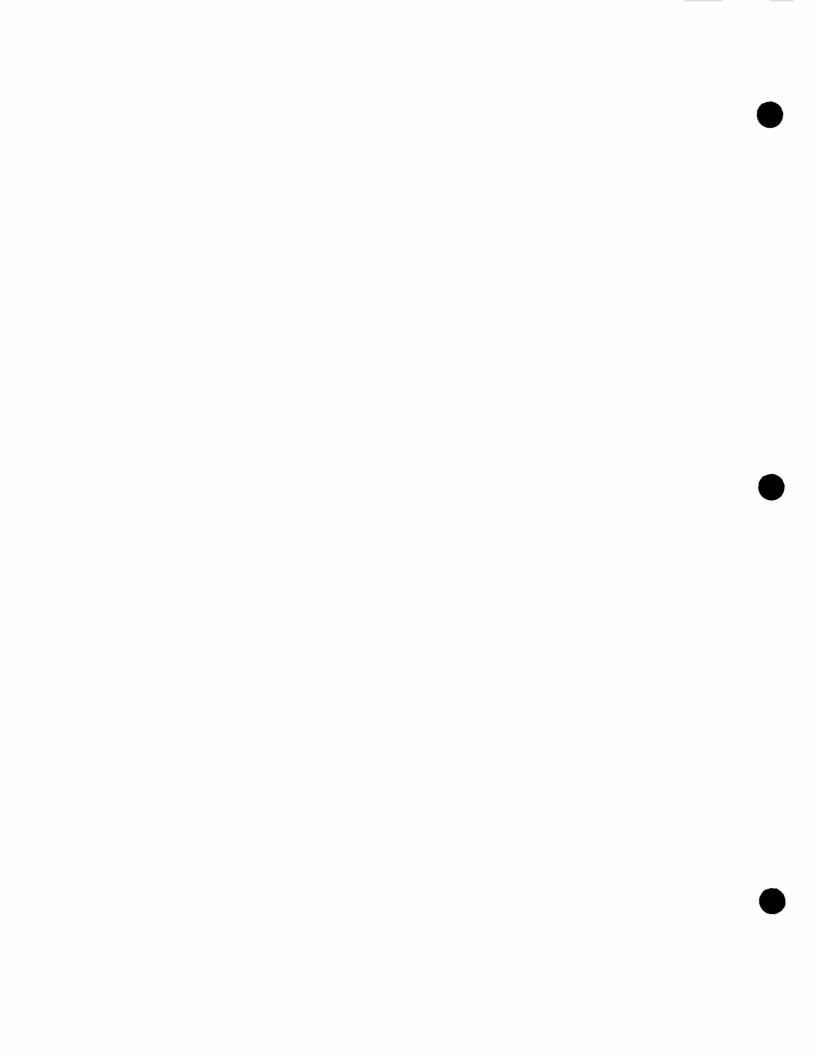


Voor	County	Tier	Award Type	Business	Award	# of
1 ear	County	1161	Awaru Type	Business	Amount	Jobs
2014	Granville	2	RIA, RG - Building Reuse	IDEAL Fastener	\$254,826	21
2015	Granville	2	One NC	Shalag US Inc.	\$100,000	40
2015	Granville	2	RIA, RG - Building Reuse	NT Techno USA	\$200,000	20
2015	Granville	2	RIA, RG - Building Reuse	Builder Services	\$175,500	18
2016	Granville	2	RIA, RG - Building Reuse	Altec Industries	\$500,000	50
2016	Granville	2	RIA, RG - Building Reuse	Stay Online	\$499,190	50
2017	Granville	2	One NC	Revlon Consumer Products Corporation	\$100,000	55
2017	Granville	2	RIA, RG - Building Reuse	Shalag US (2nd Line Spooling)	\$125,000	10
2016	Greene	1	One NC	Home Elevator & Lift Products, LLC	\$50,000	22
2016	Greene	1	RIA, RG - Building Reuse	Home Elevators & Lift	\$55,000	17
2012	Guilford	3	JDIG	Ralph Lauren Corporation II	\$3,274,000	1,922
2013	Guilford	2	JDIG	Syngenta Biotechnology, Inc.	\$3,978,000	1,283
2013	Guilford	2	One NC	Qualicaps, Inc.	\$235,000	123
2013	Guilford	2	One NC	N. S. Flexibles, LLC	\$61,500	41
2013	Guilford	2	One NC	OFS Brands Holdings, Inc.	\$300,000	126
2014	Guilford	2	One NC	BuzziSpace, Inc.	\$100,000	50
2015	Guilford	2	One NC	Ecolab Inc.	\$100,000	45
2015	Guilford	2	One NC	Packrite LLC	\$100,000	100
2015	Guilford	2	One NC	TIMCO Aerosystems, LLC	\$294,000	127
2015	Guilford	2	One NC	RF MICRO DEVICES, INC., d/b/a QORVO	\$500,000	100
2015	Guilford	2	RIA, RG - Building Reuse	Vault	\$180,000	15
2016	Guilford	3	One NC	Total Quality Logistics, LLC	\$70,000	70
2017	Guilford	2	One NC	Superion, LLC	\$160,000	80
2012	Halifax	1	JDIG	Klausner Lumber Two, LLC	\$3,913,000	350
2013	Halifax	1	One NC	Meherrin River Forest Products, Inc.	\$80,000	40
2013	Halifax	1	RIA, RG - Building Reuse	Project Chamber	\$35,871	4
2014	Halifax	1	RIA, RG - Building Reuse	Ventosa K9 Elite	\$50,000	5
2014	Halifax	1	RIA, RG - Building Reuse	Weldon Steel	\$33,794	4

Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Halifax	1	RIA, RG - Building Reuse	Enfield Timber	\$450,000	36
2016	Halifax	1	One NC	Swelect Energy Systems LLC	\$600,000	155
2016	Halifax	1	RIA, RG - Building Reuse		\$25,000	5
2016	Halifax	1	RIA, RG - Building Reuse	Meherrin River Forest Products	\$200,000	20
2017	Halifax	1	RIA, RG - Building Reuse	Scotland House Assisted Living	\$450,000	45
2017	Halifax	1	RIA, RG - Econ. Inf.		\$60,000	6
2013	Harnett	2	One NC	RTG Furniture Corp of Georgia	\$200,000	220
2015	Harnett	2	RIA, RG - Building Reuse	Saab Barracuda	\$148,868	15
2016	Harnett	2	RIA, RG - Building Reuse	Organic Butcher Shop	\$25,000	5
2016	Harnett	2	RIA, RG - Econ. Inf.		\$125,000	25
2014	Haywood	3	JMAC	Blue Ridge Paper Products Inc.	\$12,000,000	800
2014	Haywood	2	Utility Account	Evergreen Packaging	\$2,100,000	0
2013	Henderson	3	One NC	Continental Automotive Systems, Inc.	\$40,000	40
2014	Henderson	3	One NC	Shorewood Packaging LLC	\$60,000	47
2014	Henderson	3	One NC	Elkamet, Inc.	\$24,000	20
2015	Henderson	3	One NC	RAUMEDIC Inc.	\$500,000	138
2016	Henderson	3	JDIG	GF Linamar LLC	\$5,676,000	350
2016	Henderson	3	One NC	GF Linamar LLC	\$500,000	350
2016	Henderson	3	One NC	Demmel Inc.	\$150,000	50
2016	Henderson	3	One NC	Norafin (Americas) Inc	\$100,000	46
2016	Henderson	3	One NC	Elkamet, Inc.	\$35,000	25
2016	Henderson	3	RIA, RG - Econ. Inf.		\$135,000	42
2017	Henderson	3	RIA, CDBG - ED		\$500,000	0
2017	Henderson	3	RIA, RG - Econ. Inf.		\$72,575	0
2015	Hertford	1	Utility Account	N/A	\$602,000	0
2014	Hoke	1	One NC	Tyton BioSciences LLC	\$232,000	79
2015	Hoke	2	One NC	Butterball, LLC	\$150,000	367
2015	Hoke	2	RIA, CDBG - ED		\$1,000,000	84



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Hoke	2	RIA, RG - Building Reuse	Butterball	\$500,000	100
2017	Hoke	2	RIA, RG - Building Reuse	Butterball (Project Chief)*	\$500,000	0
2013	Hyde	1	One NC	UAV Communications, BOSH Global Services	\$64,000	32
2015	Hyde	1	RIA, RG - Building Reuse	1718: Ocracoke Brewing Company	\$25,000	5
2015	Hyde	1	RIA, RG - Building Reuse	Dare to Hyde	\$60,000	6
2016	Hyde	1	RIA, RG - Building Reuse	Courthouse Café	\$50,000	5
2013	Iredell	3	One NC	IOMAX USA, Inc.	\$75,000	35
2013	Iredell	3	One NC	Pactiv LLC	\$103,000	51
2013	Iredell	3	One NC	Weber Screwdriving Systems, Inc.	\$40,000	38
2014	Iredell	3	One NC	Highland Industries, Inc.	\$70,000	29
2014	Iredell	3	One NC	Harvest Garden Pro, LLC	\$45,000	33
2017	Iredell	3	JDIG	Tristone Flowtech USA Inc.	\$130,000	302
2017	Iredell	3	One NC	TrueLearn, LLC	\$50,000	44
2017	Iredell	3	RIA, RG - Building Reuse	Mack Molding Company (Project Victory)	\$250,000	60
2017	Jackson	1	RIA, RG - Econ. Inf.		\$50,000	10
2012	Johnston	3	JDIG	Caterpillar, Inc. (Bee)	\$2,192,000	1,477
2013	Johnston	3	RIA, RG - Building Reuse	Teknion Studio	\$250,000	50
2014	Johnston	3	RIA, RG - Econ. Inf.		\$350,000	70
	Johnston	3	JDIG	Novo Nordisk Pharmaceutical Industries, Inc. III	\$21,149,000	1,415
	Johnston	3	One NC	Novo Nordisk Pharmaceutical Industries, LP III	\$1,000,000	691
	Johnston	3	RIA, RG - Building Reuse	Atlantic Resources	\$175,000	35
2016	Johnston	3	RIA, RG - Econ. Inf.		\$250,000	50
2016	Johnston	3	RIA, RG - Econ. Inf.		\$250,000	50
2017	Johnston	3	RIA, CDBG - ED		\$750,000	38
2017	Johnston	3	RIA, RG - Building Reuse	Metallum Recycling	\$125,000	25
2012	Jones	1	Utility Account		\$150,000	0
2012	Jones	1	Utility Account		\$380,000	0
2014	Lee	2	JDIG	GKN Driveline North America, Inc. II	\$1,340,000	1,332
2014		2	RIA, RG - Building Reuse	GKN Driveline	\$500,000	50
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Year County	Tier	Award Type	Business	Award Amount	# of Jobs
2015 Lee	2	One NC	Magneti Marelli Powertrain USA LLC	\$225,000	76
2016 Lee	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2016 Lee	2	One NC	COTY US LLC	\$62,000	25
2016 Lee	2	RIA, RG - Building Reuse	Boston Fruit Slice	\$80,000	16
2016 Lee	2	RIA, RG - Building Reuse	Seal It Services	\$75,000	15
2016 Lee	2	RIA, RG - Econ. Inf.		\$103,615	20
2017 Lee	2	One NC	Wyeth Holdings LLC	\$250,000	40
2014 Lenoir	1	One NC	E.I. duPont de Nemours and Company	\$80,000	18
2015 Lenoir	1	One NC	Pactiv LLC	\$150,000	59
2015 Lenoir	1	One NC	Associated Materials, LLC	\$200,000	72
2015 Lenoir	1	One NC	NSA Holdings,Inc.	\$250,000	109
2016 Lenoir	1	One NC	The Social Beverage Company, LLC	\$68,000	34
2016 Lenoir	1	RIA, RG - Building Reuse	Midtown Motor Lodge	\$100,000	10
2016 Lenoir	1	RIA, RG - Building Reuse	Mother Earth Brewing	\$62,500	5
2016 Lenoir	1	RIA, RG - Building Reuse	The Social Beverage Co/Project Spirits	\$200,000	23
2012 Lincoln	3	JDIG	Denver Global Products, Inc.	\$3,663,000	477
2013 Lincoln	3	One NC	Borghetti Turbos North America, Inc.	\$99,000	86
2014 Lincoln	3	RIA, CDBG - ED		\$500,000	25
2016 Lincoln	3	One NC	Kaco USA Inc.	\$100,000	100
2016 Lincoln	3	RIA, RG - Building Reuse	Robert Bosch Tool	\$250,000	54
2017 Lincoln	3	RIA, RG - Building Reuse	Kaco USA	\$250,000	100
2013 Macon	2	One NC	Franklin Tubular Products Inc	\$56,000	121
2015 Macon	1	RIA, RG - Building Reuse	Brasstown Beef	\$87,777	9
2016 Macon	1	One NC	TekTone Sound & Signal Mfg., Inc.	\$90,000	35
2016 Macon	1	RIA, RG - Building Reuse	TekTone	\$187,500	15
2015 Madison	2	RIA, RG - Building Reuse		\$75,000	6
2015 Madison	2	RIA, RG - Building Reuse	Punker	\$260,000	26
2017 Madison	2	One NC	Advanced Superabrasives Inc	\$100,000	47



Year County		Tier	Award Type	Business	Award	# of
1 cai	County	Tici	Award Type	Dusiness	Amount	Jobs
2014	Martin	1	One NC	Syfan Manufacturing, Inc.	\$120,000	24
2015	Martin	1	One NC	AR TEXTILES LTD	\$114,400	38
2015	Martin	1	RIA, RG - Building Reuse	Ann's House of Nuts	\$500,000	50
2015	Martin	1	RIA, RG - Building Reuse	Syfan Manufacturing	\$250,000	25
2015	Martin	1	RIA, RG - Building Reuse	Penco Products	\$220,000	22
2015	Martin	1	Utility Account	Everetts Industrial Park	\$926,675	0
2016	Martin	1	RIA, CDBG - ED		\$335,000	0
2016	Martin	1	RIA, RG - Building Reuse	Metcore Industrial Solutions	\$150,000	12
2017	Martin	1	One NC	Weitron, Inc.	\$90,000	31
2017	Martin	1	RIA, CDBG - ED		\$150,000	0
2017	Martin	1	RIA, CDBG - ED		\$620,000	31
2017	Martin	1	RIA, RG - Econ. Inf.		\$387,500	0
2013	McDowell	1	One NC	The Solar Connection, LLC	\$156,000	50
2013	McDowell	1	One NC	Key Gas Components, Inc.	\$111,000	43
2014	McDowell	2	One NC	XOSTEEL LLC	\$90,000	30
2014	McDowell	2	RIA, RG - Econ. Inf.		\$100,000	10
2015	McDowell	2	RIA, CDBG - ED		\$500,000	0
2015	McDowell	2	RIA, RG - Building Reuse	Auto Tech Collision Center	\$40,000	4
2016	McDowell	1	RIA, RG - Building Reuse	Fat Boy's Burritos	\$25,000	5
2016	McDowell	1	RIA, RG - Econ. Inf.		\$150,000	0
2017	McDowell	1	One NC	Baxter Healthcare Corporation	\$1,000,000	90
2017	McDowell	1	One NC	Taylor Stave, LLC	\$84,000	28
2017	McDowell	1	RIA, RG - Building Reuse	Baxter Healthcare	\$500,000	90
2017	McDowell	1	RIA, RG - Building Reuse	Ethan Allen	\$195,462	16
2017	McDowell	1	RIA, RG - Econ. Inf.		\$60,000	12
2012	Mecklenburg	3	JDIG	JELD-WEN, Inc.	\$3,395,000	142
2012	Mecklenburg	3	JDIG	Sid Tool Co, Inc.	\$15,697,000	464
2012	Mecklenburg	3	JDIG	United Technologies Corporation	\$22,052,000	325

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Voor	County	Tior	Award Type	Business	# of
1 car	County	1161	Awaru Type	Amount	Jobs
2012	Mecklenburg	3	JDIG	XPO Logistics, Inc. \$4,293,000	205
2013	Mecklenburg	3	JDIG	AIG PC Global Services, Inc. \$6,659,000	230
2013	Mecklenburg	3	JDIG	Areva NP, Inc. \$3,406,000	770
2013	Mecklenburg	3	JDIG	Electrolux Home Products, Inc. III \$36,560,000	1,570
2013	Mecklenburg	3	JDIG	InVue Security Products, Inc. \$937,000	158
2013	Mecklenburg	3	JDIG	MetLife Group, Inc. \$116,362,000	2,765
2013	Mecklenburg	3	JDIG	Rack Room Shoes, Inc. \$884,000	247
2013	Mecklenburg	3	JDIG	XPO Logistics, Inc. II \$4,797,000	532
2013	Mecklenburg	3	One NC	Otto Environmental Systems (NC) LLC \$48,000	32
2014	Mecklenburg	3	JDIG	AvidXchange, Inc. \$10,023,000	808
2014	Mecklenburg	3	JDIG	Cognizant Technology Solutions U.S. Corp. \$6,784,000	1,986
2014	Mecklenburg	3	JDIG	RBUS, Inc. \$4,325,000	778
2014	Mecklenburg	3	JDIG	Sealed Air Corporation \$48,956,000	1,262
2014	Mecklenburg	3	JDIG	Spectra Group Inc. \$3,935,000	250
2014	Mecklenburg	3	One NC	YG-1 America, Inc. \$135,000	53
2014	Mecklenburg	3	One NC	Sealed Air Corporation \$2,500,000	1,262
2014	Mecklenburg	3	One NC	Burkert Contromatic Corp. \$110,000	61
2015	Mecklenburg	3	JDIG	Dimensional Fund Advisors LP \$13,747,000	316
2015	Mecklenburg	3	JDIG	Royal Appliance Mfg. Co. \$5,004,000	200
2015	Mecklenburg	3	JDIG	RBUS, Inc. II \$3,546,000	1,278
2015	Mecklenburg	3	JDIG	Corning Optical Communications LLC \$3,136,000	708
2015	Mecklenburg	3	JDIG	Albemarle Corporation \$2,720,000	241
2015	Mecklenburg	3	One NC	Nutec Inc. \$100,000	61
2015	Mecklenburg	3	One NC	Republic Services Customer Center East, LLC \$216,000	359
2016	Mecklenburg	3	JDIG	LendingTree, LLC \$6,514,000	609
2016	Mecklenburg	3	JDIG	PayPal, Inc. * \$3,730,000	400
2016	Mecklenburg	3	JDIG	JELD-WEN, Inc. II \$3,255,000	378
2016	Mecklenburg	3	JDIG	Dollar Express Stores LLC * \$1,634,000	131

Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2016	Mecklenburg	3	One NC	Snyder's-Lance, Inc.	\$100,000	100
2016	Mecklenburg	3	One NC	Oerlikon AM US Inc.	\$1,000,000	93
2017	Mecklenburg	3	JDIG	AXA Equitable Life Insurance Company	\$1,695,000	550
2017	Mecklenburg	3	JDIG	Allstate Insurance Company	\$2,148,000	2,250
2017	Mecklenburg	3	JDIG	NN, Inc.	\$363,000	200
2014	Mitchell	1	RIA, CDBG - ED		\$238,575	232
2016	Mitchell	2	RIA, CDBG - ED		\$100,000	235
2016	Mitchell	2	RIA, RG - Building Reuse	New Buck Corp.	\$46,850	5
2016	Mitchell	2	RIA, RG - Econ. Inf.		\$30,000	0
2013	Montgomery	1	One NC	Jordan Forest Products, LLC	\$43,600	31
2013	Montgomery	1	One NC	Wright Foods, Inc.	\$1,500,000	505
2013	Montgomery	1	RIA, RG - Building Reuse	Project Peaches	\$50,000	10
2013	Montgomery	1	Utility Account		\$721,020	0
2014	Montgomery	1	RIA, RG - Building Reuse	Grede Holdings, LLC	\$200,000	20
2014	Montgomery	1	Utility Account	Wright Foods	\$470,000	246
2015	Montgomery	1	RIA, RG - Building Reuse	Sandy Ridge Memory Care	\$200,000	20
2016	Montgomery	1	RIA, CDBG - ED		\$322,830	4
2016	Montgomery	1	RIA, RG - Building Reuse	Tractor Supply Company	\$50,000	5
2016	Montgomery	1	RIA, RG - Building Reuse	Alandale Knitting	\$120,000	12
2017	Montgomery	1	One NC	Carolina Structural Systems LLC	\$200,000	71
2017	Montgomery	1	RIA, RG - Building Reuse	Carolina Structural Systems	\$101,000	63
2014	Moore	3	RIA, CDBG - ED		\$270,000	27
2015	Moore	3	One NC	Reliance Packaging, LLC	\$52,000	48
2015	Moore	3	RIA, RG - Building Reuse	Reliance Packaging, LLC	\$40,000	8
2017	Moore	3	RIA, RG - Building Reuse	Reliance Packaging	\$55,000	11
2013	Nash	2	One NC	Nutkao USA Inc.	\$210,000	
2014	Nash	2	RIA, CDBG - ED		\$750,000	47
2014	Nash	2	RIA, CDBG - ED		\$479,925	64
2014	Nash	2	RIA, RG - Econ. Inf.		\$157,575	64
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Year	County	Tier	Award Type	Business	Award	# of
	•				Amount	Jobs
	Nash	2	Utility Account	Industrial Park	\$379,087	0
2016	Nash	1	RIA, RG - Econ. Inf.		\$292,425	36
2017	Nash	2	One NC	LS Tractor USA, LLC	\$60,000	31
2013	New Hanover	3	JDIG	Castle Branch, Inc.	\$1,651,000	600
2013	New Hanover	3	JDIG	General Electric (Aviation Division)	\$4,762,000	1,624
2013	New Hanover	3	One NC	General Electric Company (Aviation Division)	\$1,250,000	242
2015	New Hanover	3	One NC	AAIPharma Services Corp.	\$50,000	37
2012	Northampton	1	Utility Account		\$500,000	0
2016	Northampton	1	Utility Account	West Fraser Timber	\$568,769	0
2017	Northampton	1	RIA, RG - Building Reuse	Northampton Peanut Company	\$210,000	21
2015	Onslow	2	Utility Account	N/A	\$1,243,875	0
2013	Orange	3	One NC	Morinaga America Foods, Inc.	\$264,000	90
2016	Pasquotank	1	RIA, CDBG - ED		\$500,000	50
2013	Pender	3	JDIG	RC Creations, LLC	\$1,300,000	120
2014	Pender	3	RIA, CDBG - ED		\$750,000	89
2014	Pender	3	RIA, RG - Econ. Inf.		\$500,000	100
2014	Perquimans	1	Utility Account	N/A	\$1,500,000	0
2012	Person	2	JDIG	GKN Driveline North America, Inc.	\$1,319,000	1,127
2013	Person	2	One NC	Spuntech Industries, Inc.	\$235,000	60
2013	Person	2	RIA, RG - Building Reuse	Project Line5	\$300,000	60
2016	Person	2	JDIG	GKN Driveline North America, Inc. III	\$1,710,000	2,053
2013	Pitt	2	JDIG	ASMO Greenville of North Carolina, Inc.	\$1,477,000	736
2013	Pitt	2	One NC	Attends Healthcare Products, INC	\$70,000	35
2013	Pitt	2	One NC	Natural Blend Vegetable Dehydration, LLC	\$114,000	57
2014	Pitt	2	JDIG	Patheon Manufacturing Services LLC	\$7,437,000	2,133
2014	Pitt	2	RIA, CDBG - ED		\$750,000	42
2014	Pitt	2	RIA, RG - Building Reuse	Purilum	\$210,000	21
2015	Pitt	2	One NC	Metrics, Inc.	\$550,000	110

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2015	Pitt	2	RIA, RG - Building Reuse	Metrics Inc.	\$500,000	50
2015	Pitt	2	RIA, RG - Building Reuse	DR Burton Healthcare Products	\$250,000	20
2016	Pitt	2	RIA, RG - Building Reuse	Metallix Refining	\$125,000	10
2016	Pitt	2	RIA, RG - Building Reuse	Uptown Brewing Company	\$60,000	12
2016	Pitt	2	RIA, RG - Econ. Inf.		\$24,375	0
2016	Pitt	2	Utility Account	N/A	\$773,822	0
2017	Pitt	1	RIA, CDBG - ED		\$500,000	0
2017	Pitt	2	RIA, RG - Building Reuse	Pitt Street Brewing	\$45,000	9
2017	Pitt	2	RIA, RG - Building Reuse	Caremaster	\$150,000	15
2017	Pitt	2	RIA, RG - Building Reuse	Grady White Boats	\$400,000	44
2017	Pitt	5	Utility Account	N/A	\$773,822	0
2014	Polk	2	RIA, CDBG - ED		\$295,755	200
2017	Polk	2	Utility Account	Looking Glass Creamery	\$185,000	
2013	Randolph	2	One NC	Novamelt Americas, LLC	\$10,000	10
2013	Randolph	2	RIA, RG - Building Reuse	Project Hot Melt	\$70,000	14
2014	Randolph	2	One NC	Technimark LLC	\$450,000	163
2014	Randolph	2	RIA, CDBG - ED		\$168,000	14
2014	Randolph	2	RIA, RG - Building Reuse	Brookline Furniture	\$110,000	11
2014	Randolph	2	RIA, RG - Building Reuse	Ambella Home Collection	\$116,192	12
2014	Randolph	2	RIA, RG - Building Reuse	PetPro	\$380,000	38
2014	Randolph	2	RIA, RG - Building Reuse	H&H Furniture	\$100,000	20
2015	Randolph	2	RIA, CDBG - ED		\$490,000	163
2016	Randolph	2	RIA, RG - Building Reuse	Petty's Garage	\$170,000	21
2016	Randolph	2	RIA, RG - Building Reuse	Ace Avant Concrete Construction	\$220,000	22
2017	Randolph	2	JDIG	Fibertex Personal Care Corporation	\$200,000	145
2017	Randolph	2	One NC	MAS US Holdings Inc	\$575,000	133
2017	Randolph	2	One NC	SouthCorr, L.L.C.	\$50,000	22
2017	Randolph	2	RIA, CDBG - ED		\$400,000	15

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2017	Randolph	2	RIA, RG - Building Reuse	Pilgrim's Pride*	\$75,000	0
2017	Randolph	2	RIA, RG - Building Reuse	Sapona Plastics	\$250,000	25
2017	Randolph	2	RIA, RG - Building Reuse	SouthCorr	\$225,000	22
2017	Randolph	6	Utility Account	N/A	\$1,418,000	0
2017	Randolph	2	Utility Account	Younts Machine Co.	\$367,500	15
2014	Richmond	1	JDIG	Enviva Management Company, LLC	\$1,905,000	338
2015	Richmond	1	One NC	Global Packaging, Inc	\$100,000	33
2015	Richmond	1	Utility Account	N/A	\$1,000,000	0
2016	Richmond	1	One NC	Perdue Foods, LLC	\$90,000	30
2016	Richmond	1	One NC	RSI Home Products Manufacturing, Inc.	\$550,000	175
2016	Richmond	1	One NC	Direct Pack Inc.	\$300,000	94
2016	Richmond	1	RIA, CDBG - ED		\$2,400,000	158
2016	Richmond	1	RIA, CDBG - ED		\$545,000	38
2013	Robeson	1	One NC	Trinity Frozen Foods LLC	\$500,000	149
2013	Robeson	1	One NC	Cape Fear Arsenal, Inc.	\$490,000	150
2013	Robeson	1	One NC	Due Process Stable Trading Company LLC	\$40,000	45
2014	Robeson	1	RIA, CDBG - ED		\$456,638	50
2014	Robeson	1	RIA, RG - Building Reuse	Capel Rugs	\$500,000	50
2014	Robeson	1	RIA, RG - Building Reuse	SE Health Medical Education Center	\$500,000	50
2015	Robeson	1	One NC	Sanderson Farms, Inc.(Processing Division)	\$1,000,000	1,000
2015	Robeson	1	One NC	Asbury Graphite of North Carolina, INC	\$100,000	25
2015	Robeson	1	RIA, CDBG - ED		\$240,000	16
2015	Robeson	1	RIA, CDBG - ED		\$1,000,000	900
2015	Robeson	1	RIA, CDBG - ED		\$495,041	0
2015	Robeson	1	RIA, RG - Building Reuse	Smith's Refridgeration	\$125,000	10
2015	Robeson	1	Utility Account	Asbury Carbons Rail Spur	\$208,000	16
2016	Robeson	1	One NC	Pepsi Bottling Ventures, LLC	\$150,000	50
2016	Robeson	1	RIA, RG - Building Reuse	Alamac Investors	\$500,000	14
2016	Robeson	1	RIA, RG - Building Reuse	Speech N Progress	\$40,000	4
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Year	Year County Tier Awa		Award Type	Business	Award Amount	# of Jobs
2016	Robeson	1	RIA, RG - Building Reuse	Trinity Frozen Foods	\$500,000	50
2016	Robeson	1	RIA, RG - Building Reuse	Watts Water Technology	\$500,000	50
2016	Robeson	1	RIA, RG - Econ. Inf.		\$500,000	40
2016	Robeson	1	Utility Account	Prestage Farms	\$1,000,000	0
. 2017	Robeson	1	One NC	Ventura Coach Corp	\$200,000	61
2017	Robeson	1	RIA, RG - Building Reuse	Driven Contractors	\$40,000	4
2017	Robeson	1	RIA, RG - Building Reuse	Speech Fundamentals	\$25,000	5
2017	Robeson	1	RIA, RG - Building Reuse	Absolute Bus	\$340,000	34
2013	Rockingham	1	JDIG	Sturm, Ruger & Company, Inc.	\$9,462,000	473
2013	Rockingham	1	One NC	The Southern Finishing Company, Incorporated	\$13,000	11
2013	Rockingham	1	RIA, RG - Building Reuse	Loparex	\$120,000	12
2013	Rockingham	1	RIA, RG - Building Reuse	Sturm, Ruger, & Company	\$480,000	48
2014	Rockingham	1	RIA, CDBG - ED		\$750,000	120
2014	Rockingham	1	RIA, CDBG - ED		\$750,000	38
2015	Rockingham	1	One NC	Aladdin Manufacturing Corporation	\$765,000	105
2015	Rockingham	1	RIA, RG - Building Reuse	Karastan Rug Mills	\$500,000	40
2015	Rockingham	1	RIA, RG - Building Reuse	SGRTEX, LLC	\$500,000	250
2016	Rockingham	2	RIA, CDBG - ED		\$1,539,000	87
2016	Rockingham	2	RIA, RG - Building Reuse	Unifi*	\$500,000	0
2017	Rockingham	2	RIA, CDBG - ED		\$275,000	0
2017	Rockingham	2	Utility Account	N/A	\$997,000	0
2012	Rowan	2	JDIG	CanAm Yarns, LLC	\$1,833,000	598
2013	Rowan	2	JDIG	Gildan Yarns, LLC	\$4,116,000	1,065
2014	Rowan	2	One NC	AFS MFG LLC	\$300,000	149
2014	Rowan	2	RIA, CDBG - ED		\$1,000,000	129
2014	Rowan	2	Utility Account	Gildan Yarns	\$1,133,000	184
2015	Rowan	2	RIA, RG - Building Reuse	Morgan Ridge Vineyards	\$162,500	13
2016	Rowan	2	RIA, RG - Building Reuse	Aldo Products	\$180,935	15
2017	Rowan	2	One NC	New York Air Brake LLC	\$50,000	28

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Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2012	Rutherford	1	JDIG	Valley Fine Foods Company, Inc.	\$2,786,000	305
2012	Rutherford	1	Utility Account		\$1,000,000	0
2013	Rutherford	1	One NC	Trelleborg Coated Systems US, Inc.	\$440,000	76
2013	Rutherford	1	RIA, RG - Building Reuse	Project Cozy (Sunrise, USA)	\$39,392	8
2013	Rutherford	1	RIA, RG - Building Reuse	Trelleborg Coated Systems US, Inc.	\$380,000	76
2014	Rutherford	1	One NC	Team Air, Inc.	\$50,000	70
2014	Rutherford	1	One NC	Bonita Packaging Products, Inc.	\$75,000	50
2014	Rutherford	1	RIA, RG - Building Reuse	Team Air, Inc.	\$110,000	11
2014	Rutherford	1	RIA, RG - Building Reuse	Bonita Pioneer	\$430,000	43
2014	Rutherford	1	RIA, RG - Building Reuse	Ameridial	\$290,000	29
2014	Rutherford	1	RIA, RG - Building Reuse	Family Preservation Services of NC, Inc.	\$122,190	13
2014	Rutherford	1	RIA, RG - Econ. Inf.		\$500,000	50
2014	Rutherford	1	Utility Account	Alliance Precision Plastics	\$150,000	20
2014	Rutherford	1	Utility Account	Team Air	\$112,035	55
2015	Rutherford	1	One NC	CAP White Oak Carpet Mills, LLC	\$25,000	40
2015	Rutherford	1	Utility Account	Facebook	\$148,900	10
2016	Rutherford	1	JDIG	Everest Textile USA, LLC	\$3,008,000	610
2016	Rutherford	1	RIA, CDBG - ED		\$600,000	30
2016	Rutherford	1	RIA, CDBG - ED		\$311,000	0
2016	Rutherford	1	RIA, CDBG - ED		\$1,500,000	307
2016	Rutherford	1	RIA, RG - Building Reuse	US Precision Construction	\$500,000	40
2016	Rutherford	1	RIA, RG - Building Reuse	Main Street Market	\$10,000	2
2016	Rutherford	1	RIA, RG - Building Reuse	Parkdale	\$500,000	40
2016	Rutherford	1	RIA, RG - Econ. Inf.	:	\$96,890	20
2017	Rutherford	2	RIA, RG - Econ. Inf.		\$360,000	36
2013	Sampson	2	One NC	Carolina Cellulosic Biofuels, LLC	\$300,000	65
2014	Sampson	2	JDIG	Enviva Management Company, LLC	\$1,905,000	338
2014	Sampson	2	RIA, CDBG - ED		\$780,000	65



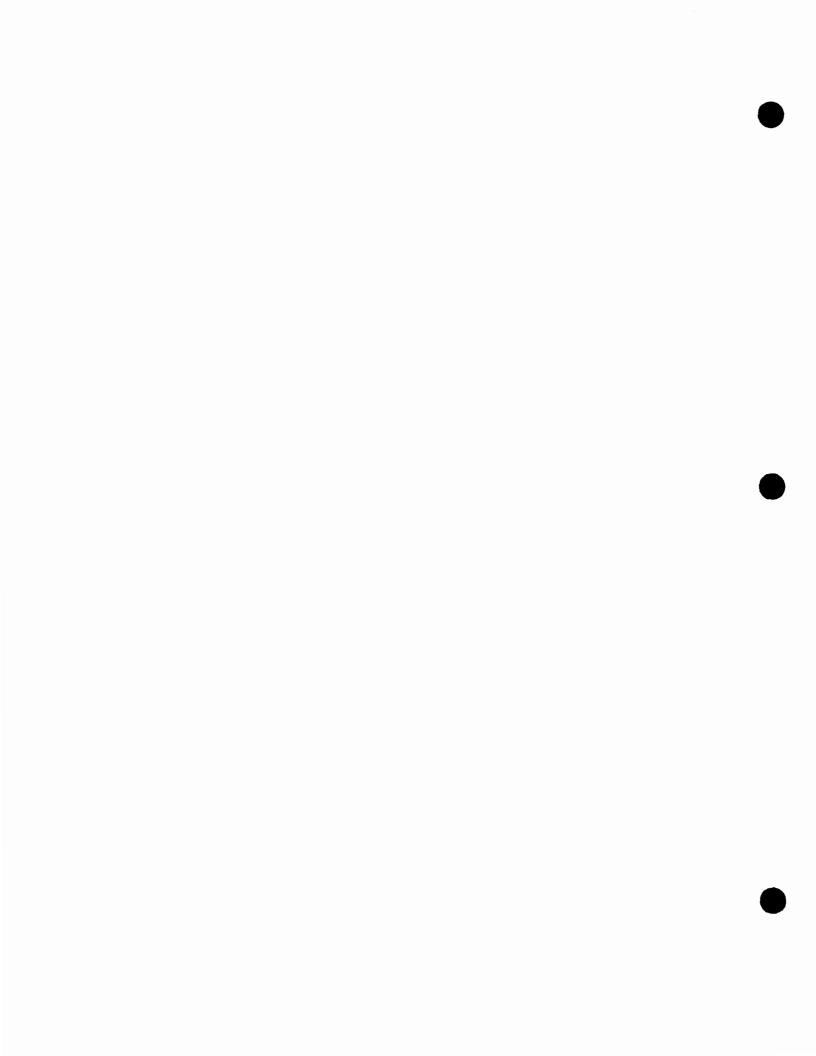
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Sampson	2	RIA, CDBG - ED		\$566,925	80
2014	Sampson	2	Utility Account	Chemtex	\$750,000	67
2015	Sampson	2	RIA, CDBG - ED		\$500,000	50
2015	Sampson	2	RIA, RG - Building Reuse	Brooks Brothers	\$110,000	11
2015	Sampson	2	RIA, RG - Econ. Inf.		\$500,000	50
2016	Sampson	2	RIA, RG - Building Reuse	Farm Fresh Produce Distribution	\$180,000	36
2013	Scotland	1	Utility Account		\$500,000	0
2014	Scotland	1	One NC	Cascades Tissue Group - North Carolina Inc.	\$402,000	68
2015	Scotland	1	One NC	BlueScope Buildings North America, Inc.	\$402,500	115
2016	Scotland	1	Utility Account	N/A	\$708,000	0
2017	Scotland	1	One NC	Mountaire Farms Inc.	\$200,000	65
2017	Scotland	1	One NC	FCC (North Carolina), LLC	\$90,000	28
2017	Scotland	1	One NC	Edwards Wood Products, Inc	\$150,000	46
2017	Scotland	1	RIA, CDBG - ED		\$1,350,000	65
2013	Stanly	2	One NC	Fiber Composites, LLC	\$48,000	25
2013	Stanly	2	RIA, RG - Building Reuse	United Forest Products	\$87,385	9
2014	Stanly	2	Utility Account	N/A	\$500,000	0
2015	Stanly	2	RIA, RG - Building Reuse	Kraftsman	\$240,000	20
2015	Stanly	2	RIA, RG - Building Reuse	Piedmont Custom Meats	\$500,000	40
2017	Stanly	2	RIA, RG - Building Reuse	Locust Pediatric Dentistry	\$76,600	8
2017	Stanly	2	Utility Account	N/A	\$950,000	0
2013	Surry	2	One NC	Awesome Products, Inc.	\$300,000	90
2013	Surry	2	One NC	Ottenweller Co Inc.	\$50,000	20
2013	Surry	2	RIA, RG - Building Reuse	Shenandoah Furniture	\$480,000	48
2013	Surry	2	RIA, RG - Building Reuse	Willow Tex	\$270,000	27
2013	Surry	2	Utility Account		\$255,900	0
2013	Surry	2	Utility Account		\$80,000	0
2013	Surry	2	Utility Account		\$648,259	0

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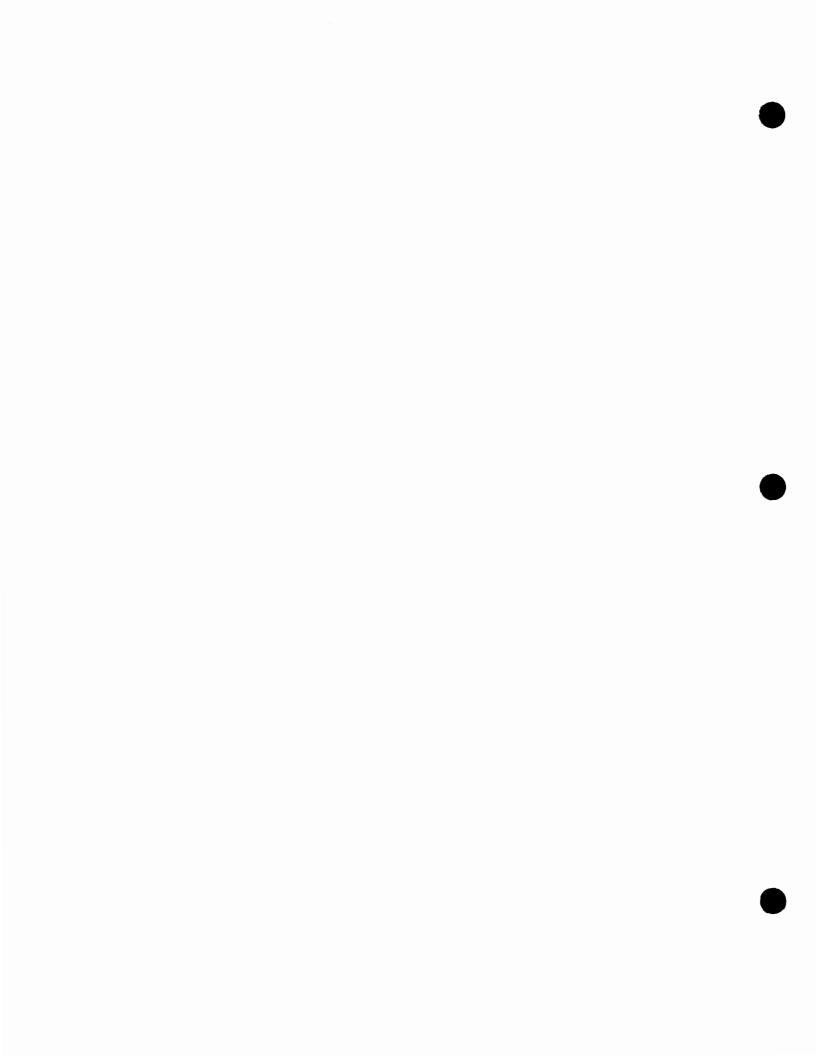
Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Surry	1	RIA, RG - Building Reuse	Prism Medical Products, LLC	\$300,000	30
2015	Surry	1	RIA, RG - Building Reuse	Johnson Granite	\$80,000	8
2015	Surry	2	Utility Account	Pittsburgh Glass Works	\$148,259	0
2017	Surry	2	RIA, CDBG - ED		\$300,000	0
2017	Surry	2	Utility Account	Weyerhaeuser Company	\$493,480	0
2014	Transylvania	2	One NC	New Excelsior Inc.	\$80,000	80
2016	Transylvania	2	RIA, CDBG - ED		\$500,000	0
2016	Transylvania	2	RIA, RG - Building Reuse	Stone Mountain Cabinetry and Millwork	\$80,000	8
2016	Tyrrell	1	RIA, RG - Building Reuse	Stiletto Manufacturing	\$100,000	8
2016	Tyrrel1	1	RIA, RG - Building Reuse	Waypoint Oyster Bar	\$25,000	5
2014	Union	3	One NC	Harris Teeter, LLC	\$40,000	41
2015	Union	3	One NC	Scott Technologies Inc.	\$150,000	67
2015	Union	3	One NC	O'Neil Digital Solutions, LLC	\$2,250,000	250
2015	Union	3	One NC	TDY Industries LLC	\$140,000	70
2015	Union	3	RIA, RG - Econ. Inf.		\$237,500	48
2016	Union	3	RIA, CDBG - ED		\$400,000	0
2015	Vance	1	RIA, RG - Building Reuse	Profilform US	\$100,000	20
2015	Vance	1	Utility Account	N/A	\$90,955	50
2015	Vance	1	Utility Account	N/A	\$74,401	0
2016	Vance	1	One NC	Ardagh Glass Inc.	\$1,000,000	0
2016	Vance	1	RIA, RG - Building Reuse	Hoyle's Tire & Axle	\$150,000	12
2017	Vance	1	JDIG	Mako Medical Laboratories LLC	\$281,000	153
2017	Vance	1	RIA, RG - Building Reuse	Mako Medical Laboratories	\$500,000	76
2017	Vance	1	Utility Account	Robco Manufacturing	\$217,272	10
2012	Wake	3	JDIG	Citrix Systems, Inc.	\$11,540,000	490
2012	Wake	3	JDIG	NetApp, Inc. III	\$15,709,000	1,910
2012	Wake	3	JDIG	Reed Elsevier Inc.	\$11,814,000	661
2013	Wake	3	JDIG	Allscripts Healthcare, LLC	\$7,138,000	1,614

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Voor	County	Tior	Award Type	Business	Award	# of
1 cai	County	1101	Awaru Type	Dusiness	Amount	Jobs
2013	Wake	3	JDIG	DB Global Technology, Inc. II	\$7,413,000	750
2013	Wake	3	JDIG	Evalueserve, Inc.	\$3,901,000	400
2013	Wake	3	JDIG	Ipreo US, LLC	\$5,044,000	252
2013	Wake	3	JDIG	MetLife Group, Inc.	\$116,362,000	2,765
2013	Wake	3	One NC	MetLife Group, Inc.	\$2,000,000	2,622
2013	Wake	3	One NC	Teleflex Medical, Inc.	\$200,000	75
2014	Wake	3	JDIG	Advance Stores Company, Incorporated	\$23,210,000	600
2014	Wake	3	JDIG	Cisco Systems, Inc.	\$17,309,000	5,297
2014	Wake	3	JDIG	HCL America Inc. II	\$26,144,000	2,068
2014	Wake	3	One NC	Novozymes North America, Inc.	\$400,000	100
2014	Wake	3	One NC	Tyton BioSciences LLC	\$232,000	79
2014	Wake	3	One NC	HCL America Inc. II	\$123,700	1,237
2014	Wake	3	One NC	Overland Contracting Inc.	\$70,000	89
2015	Wake	3	JDIG	Fidelity Global Brokerage Group, Inc. II	\$20,697,000	4,163
2015	Wake	3	JDIG	DB Global Technology, Inc. III	\$4,512,000	1,000
2015	Wake	3	One NC	CBC AMERICAS Corp.	\$63,000	101
2015	Wake	3	One NC	Proto Labs, Inc.	\$150,000	170
2015	Wake	3	One NC	Metrics, Inc.	\$550,000	110
2016	Wake	3	JDIG	INC Research, LLC II	\$11,209,000	1,933
2016	Wake	3	JDIG	Citrix Systems, Inc. II	\$7,707,000	1,221
2016	Wake	3	JDIG	Relias Learning LLC	\$7,151,000	763
2017	Wake	3	JDIG	Trilliant Networks, Inc.	\$169,000	130
2017	Wake	3	JDIG	Credit Suisse Securities (USA) LLC (III)	\$4,615,000	1,200
2017	Wake	3	JDIG	Infosys Limited (d/b/a Infosys Limited of India)	\$2,869,000	2,000
2017	Wake	3	JDIG	ABC Phones of North Carolina, Inc.	\$399,000	250
2017	Wake	3	JDIG	Conduent Business Services, LLC	\$249,000	200
2016	Warren	1	RIA, CDBG - ED		\$500,000	0
2017	Warren	1	RIA, RG - Econ. Inf.		\$41,250	0



Year	County	Tier	Award Type	Business	Award Amount	# of Jobs
2014	Washington	1	Utility Account	County Commerce Center	\$1,259,550	0
2013	Wayne	2	One NC	ACX Pacific Northwest, Inc.	\$60,000	38
2016	Wayne	2	One NC	yet to be formed (U-Play)	\$200,000	88
2016	Wayne	2	RIA, RG - Building Reuse	Goldsboro Pediatric Dentistry & Orthodontics	\$200,000	20
2017	Wayne	2	One NC	Stormberg Foods LLC	\$125,000	60
2017	Wayne	2	RIA, RG - Building Reuse	Stormberg Foods	\$450,000	60
2014	Wilkes	1	One NC	InterFlex Acquisition Company, LLC	\$180,000	63
2014	Wilkes	2	RIA, CDBG - ED		\$750,000	38
2014	Wilkes	2	Utility Account	Aaron Aerospace	\$178,225	10
2014	Wilkes	2	Utility Account	Interflex/PSG Custom Fabricators	\$1,100,000	101
2014	Wilkes	2	Utility Account	Gardner Glass	\$500,000	30
2014	Wilkes	2	Utility Account	Jeld-Wen, Inc.	\$50,000	0
2015	Wilkes	2	RIA, RG - Building Reuse	Cub Creek Kitchens & Baths	\$62,500	5
2015	Wilkes	2	RIA, RG - Building Reuse	Carolina Heritage Cabinetry	\$50,000	4
2016	Wilkes	2	RIA, CDBG - ED		\$1,900,000	75
2013	Wilson	1	One NC	Purdue Pharma Manufacturing L.P.	\$300,000	100
2014	Wilson	1	JDIG	Linamar Forgings, Inc.	\$993,000	270
2014	Wilson	1	One NC	Linamar Forgings Carolina Inc.	\$100,000	125
2016	Wilson	2	One NC	Ardagh Glass Inc.	\$1,000,000	0
2016	Wilson	2	One NC	Peak Demand Inc.	\$100,000	37
2016	Wilson	2	RIA, CDBG - ED		\$500,000	19
2016	Wilson	2	RIA, RG - Building Reuse	217 Brew Works	\$50,000	10
2016	Wilson	2	RIA, RG - Building Reuse	Peak Demand	\$462,500	37
2016	Wilson	2	Utility Account	N/A	\$1,377,759	0
2017	Wilson	2	JDIG	Fresenius Kabi USA, LLC	\$787,000	445
2017	Wilson	2	One NC	Linamar Forgings Carolina, Inc	\$62,000	31
2017	Wilson	2	RIA, RG - Building Reuse	Duke LifePoint Wilson Medical Center	\$360,000	36
2017	Wilson	2	RIA, RG - Building Reuse	Linamar Forging Carolina (Project Pewter)	\$280,000	31



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Year County	Her	Award Type	Business	Amount	Jobs	
2016 Yadkin	2	One NC	B&G Foods Snacks, Inc.	\$105,000	58	
2016 Yadkin	2	RIA, RG - Building Reuse	Unifi	\$190,000	19	
2016 Yancey	1	RIA, RG - Building Reuse	Blind Squirrel Brewery	\$20,000	4	



# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE January 11, 2018

#### Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, January 11, 2018 at 1:10pm. The meeting was held in Room 643 of the Legislative Office Building. 16 members were present including 8 Senators and 8 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross (Vice Chair); Debra Conrad; John A. Fraley; Ken Goodman; Edward Hanes, Jr.; Rodney W. Moore; Rena W. Turner; Senate Members present were Harry Brown (Co-Chair); Rick Gunn; Brent Jackson; Paul A. Lowe, Jr.; Erica Smith; Tommy Tucker; Trudy Wade; Mark Brody; Angela R. Bryant.

Senator Harry Brown presided and called the meeting to order at 1:10pm.

Senator Brown recognized the Sergeant-at-Arms staff Ray Cook, Kim Blockman and Russell Salisbury and asked members for a motion to approve minutes from the November 2, 2017 meeting. Rep. Turner made the motion. Members voted unanimously to approve the minutes.

The Chairs' remarks will be at the end.

# Presentation: Prosperity Zones Update (Presentations Attached)

Senator Brown recognized John Loyack, VP for Global Business Services, EDPNC (standing in for Bill Slagle) for the first presentation on the western part of the state.

Mr. Loyack said the idea is to get Raleigh out of Raleigh – to give people in diverse parts of the state access to resources by putting people out to work with them in prosperity zones. He said teams act as salespersons for each other. To highlight how they bring service to the business community – he offered an assessment of a waste stream which is preventing a company from hiring additional employees.

An example he gave of a company which was helped to increase jobs is Maco Medical (153 jobs) – expanded out of Wake. He said companies don't always require incentives, but may just need support from DOT, CC, etc. He cited a small company in Cherokee which was helped and is now selling internationally.













Senator Brown recognized Wesley Barker, ARC Community Development Planner for the Department of Commerce, for the next presentation on the western part of the state. Mr. Barker represents the NW Zone. He began in 2017 meeting with Tier 1 and Tier 2 towns with small staffs to offer assistance which he said was important because they wouldn't normally have these resources available.

Senator Brown recognized Darren Rhodes, Planning Program Administrator for the Department of Commerce, for a presentation on the central part of the state.

Mr. Rhodes talked about partnering with the School of Business at Greensboro developing a tool to grow festivals in the area and help towns develop strategic plans with implementation plans and annual review. He said they are the only organization in the state providing this kind of comprehensive support. He said a common thread of all communities large and small is a desire to increase economic development

Senator Brown recognized Jenni Harris, Southeast Region Regional Industry Manager, EDPNC, for the first part of a presentation on the eastern part of the state. Ms. Harris said the approach is 12 counties in 12 months – to go out and offer assistance.

Senator Brown recognized Mark Sutherland, Economic Development Planner, Department of Commerce, for the next part of the presentation on the eastern part of the state. Mr. Sutherland represents the SE region. He said the most requested service category is economic planning support. He said a tech assistant came out of a Downtown Revitalization and Development Grant – leading up to a full economic plan. He said they go out once a month to an area explaining services in the county and how they can get in touch with them for help. They meet once a quarter to review projects they're working on. He said they spent most of 2017 staffing up. They are staffed now and plan to complete all visits by June.

Senator Brown asked for questions from the committee.

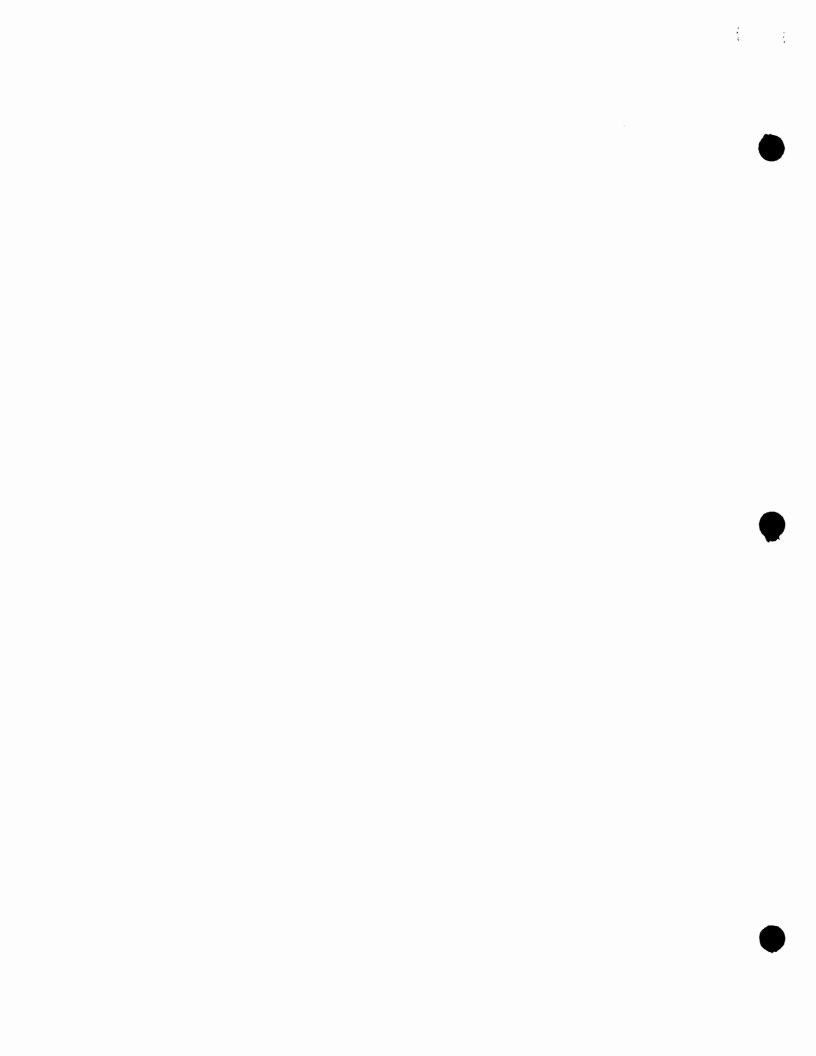
#### Q&A:

Sen. Wade: Prosperity Zones address governments. When do you contact the businesses that actually bring the jobs? My experience on city council shows these government groups do not bring in the jobs.

Mr. Loyack: That is the EDPNC regional representative's role.

Sen. Wade: On the info given, looking at data, number of jobs created is 3,524. Is that across the state?

Mr. Loyack: Yes, those are the jobs that team of 8 have created, and in addition at EDPNC we have a business recruitment team addressing major expansions.





Sen. Wade: Does that include existing employers who have expanded their businesses?

Mr. Loyack: That is exclusively it – those are existing businesses out in each region who are considering an expansion of anywhere from 5 to 150 new jobs.

Sen. Wade: So we went to 1,141 employers and they created with our help 3,514 jobs, which is 3 jobs?

Mr. Loyack: 75 projects is how many businesses. We are out supporting 1,141 businesses - not everyone is in a position where they can expand. In some ways we go out and play defense and help them retain the jobs they've got. The 75 projects were with 75 unique businesses that lead to the 3,514 jobs.

Sen. Wade: When talking about the Piedmont, which is what I represent, I didn't hear anything about what happened in the Piedmont except we helped plan their festival, which we know how to do. I didn't hear anything about talking to businesses to help expand, etc. We really need some help. I'm trying to understand what you do to help expand businesses other than coordinate.

Mr. Loyack: I'm happy to provide the Piedmont Triad specific results. We had 11 unique projects that led to 300-400 jobs. In Randolph and Surrey working at businesses like Altec and others.

Sen. Wade: I would like to see in our specific area what has happened so that if there is anything we can do at this level to help bring jobs – I'm sure we all want to do that.

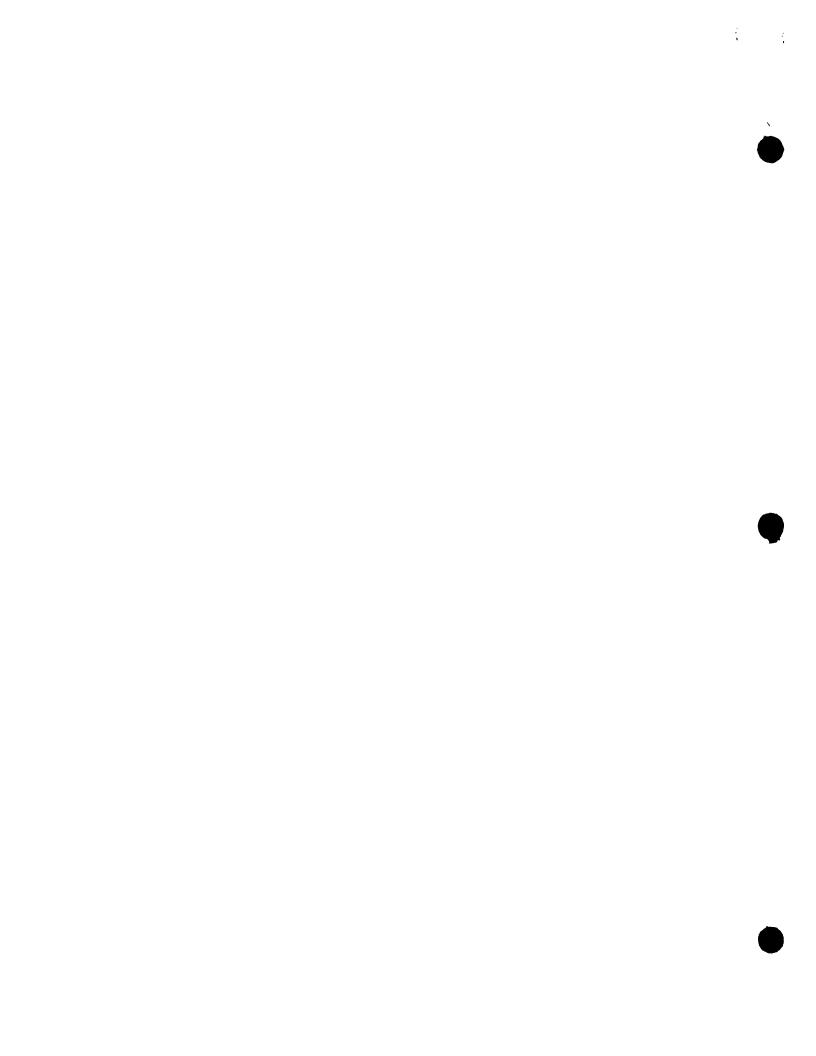
Mr. Loyack: We're finalizing the EDPNC report, and I will follow up with a report on that.

Rep. Martin: Follow up on Sen. Wade's same slide about the metrics. To clarify, these jobs created are jobs you have touched, but it is not a total jobs that have been created and does not include an incentive grant. It could just be one or two jobs here or there. Correct?

Mr. Loyack: Yes, the 3500 jobs are what the regional team brought and then we have business recruitment bringing in the major expansions. In terms where incentives are needed, our projects are anywhere from 10-40 in terms of existing industry expansions.

Rep. Martin: But we may see that growth in several regions. Seeing challenge of data and what is really informative for us and how to look at the data and where the gaps are for what makes sense for us. We need to work with Commerce to find ways to get that. This is one of our challenges.

Rep. Fraley: Suggestion for waste meeting in Huntersville, it may be helpful to reach out to Representatives and Senators In surrounding counties. It would be helpful to know these situations exist.





Senator Lowe: Particularly concerned about what is happening in Winston Salem. In a lot of our communities you have pockets of prosperity in inner cities and then utter poverty. I'm concerned about that. Whitaker Park is an example – what can we do to make it viable?

Mr. Rhodes: We typically work with rural communities, but I'm happy to meet with Winston Salem city officials to provide assistance.

Sen. Lowe: Your thrust is just to the rural basically. We have people who know how to plan. We will need an infusion of real resources to actually get things done. I would like to hear more about that. There are major needs in our urban areas that are just as dramatic as rural areas.

Sen. Brown: Do we have Planners in all the Prosperity Zones and do they live in them?

Mr. Rhodes: Yes and yes.

Sen. Brown: When Prosperity Zones were created the thought was DQ, Transportation, Community College Planners could get together with the business community and talk about expansion and how to shorten the process on permitting to create a new business in a prosperity zone. Are you seeing progress in that way?

Mr. Loyack: Yes through building relationships all over regions and locally knowing who to call for that.

Sen. Brown: So then if someone in North Hampton County wants to expand their business, the group in that particular prosperity zone would meet with that business to help?

Mr. Loyack: Yes, a call comes in from a business, and we identify the opportunity there. Results from direct contact with business, government agency or connections with specific group of stakeholders we work with, as well.

Sen. Brown: You feel you are reaching out to those individual businesses and accomplishing that goal?

Mr. Loyack: Yes, and we continue to make progress and we are looking at our metrics now and each is going up and we plan to do more.

Sen. Brown: We are going to see a presentation that shows JDIG grants and other grants such as utility funds that are being used across the state, and there is quite a disparity. The goal for priority zones was to be sure funds were dispersed evenly all across the state. That's the mission and goal, and I don't think we are quite there yet. There is work to be done.

Mr. Loyack: I agree there is work to be done and we have taken several steps in terms of getting into areas that weren't seeing this three years ago. Having this team on the street is helping. We



would not have seen projects that we're seeing now if we were working out of Raleigh. Some of these would not have been developed and some are smaller projects, but we continue to work closely with partners in Commerce to find areas. We are looking to see how we can do more like Clay County. Our goal is to continue to serve areas who didn't know these services were available. Help increase sales, employees. A bittersweet moment is when they say I wish we would have known about this earlier, but we continue to address that.

Sen. Brown: We would like you to come out later with a list of success stories of new businesses that have located in the prosperity zones or that you helped facilitate those businesses moving there. We need to hear about these. Need to hear how we can help you because this is the ultimate goal. In some of these smaller counties, small companies are just as important as big ones and those are the challenge.

Rep. Moore: Piggy back off Sen. Lowe's question and frame it differently. Priority Zones set up for economic development in distressed counties. Is there some kind of a relationship you have with some of the pockets of poverty in Tier 3 areas? Mecklenburg may look affluent, but there is economic need within it. Do you have any collaboration with agencies to help lift up those communities?

Mr. Loyack: Yes we are. All of our managers need to be aware of what resources are available on a local level so that we can have the greatest impact. We look at strategic plans, we look at urban and rural areas to understand where we can help. Many may be outside of our area, but we look at several areas. We work with SBC, SBTDC, the Institute and other underserved minority-owned businesses, women-owned businesses, Latino-owned, etc. One thing we did is in 6 of 8 prosperity zones we took EDPNC with business partners who speak the local language along with our business link team, which is a small support line to explain how to start a business in NC.

Sen. Tucker: We hired 4 people this week in my business. So if I would have hired 5, would I have received a call from EDPNC or the Department of Commerce?

Mr. Loyack: It starts with our local EDPNC whether it is 4 or 5.

Sen. Tucker: I've never had anyone call on me. Hard to digest all you are saying. Looking at the confusion from a business standpoint - we've talked about EDPNC, Department of Commerce, DEQ, DOT, Community College, NC Rural Development Program, Priority Zones, County Economic Developers, Dept. of Commerce Planners, City Economic Developers. If I look at this list, it looks like we have it all covered. Wow, look at all these agencies. If I were a business, I would be confused. Can you share the collaboration with Commerce and EDPNC working together with all these folks? When I was on City Council, etc. everyone has planners. Trying to understand with inertia of all these working together – I'm confused with all these resources. I've called on some of your Economic Developers - one in city, one in county, commerce, agencies to contact. I'm seeking clarity for someone from outside looking at this with these massive agencies.



Mr. Loyack: That value that we can bring is being a conduit out to all of those resources and helping a business understand. We have an 800 number taking calls from all these people helping them to understand. We are trying to act as those translators for them and how to get that answer. Way to show our impact in a city or a region. It is painful when we run into a business who doesn't know about all these resources. It's our job to be out there and to let them know who to call and where and when.

Sen Lowe: Thank you Senator Tucker. I'm still confused. Maybe what I want to hear doesn't exist. In urban areas you say you have done something. Where are these actual successes where something has been done to created jobs for people of color or need? Where do I get an answer?

Mr. Loyack: It's our job to show all 100 counties across the state. If I talk to 99, I know I'm going to get a call. Then we go down the county level and look at how many of these businesses are we serving? The success stories are out there. When I started in this role, my question was why is there not a line of businesses out on the sidewalk using these resources? Not enough know about them. Not enough time is spent highlighting the success stories. It's not just us getting the word out – we've got partners in towns.

Rep. Lowe: Where just tell me where? Name a success story in a city.

Mr. Loyack: Look at the website.

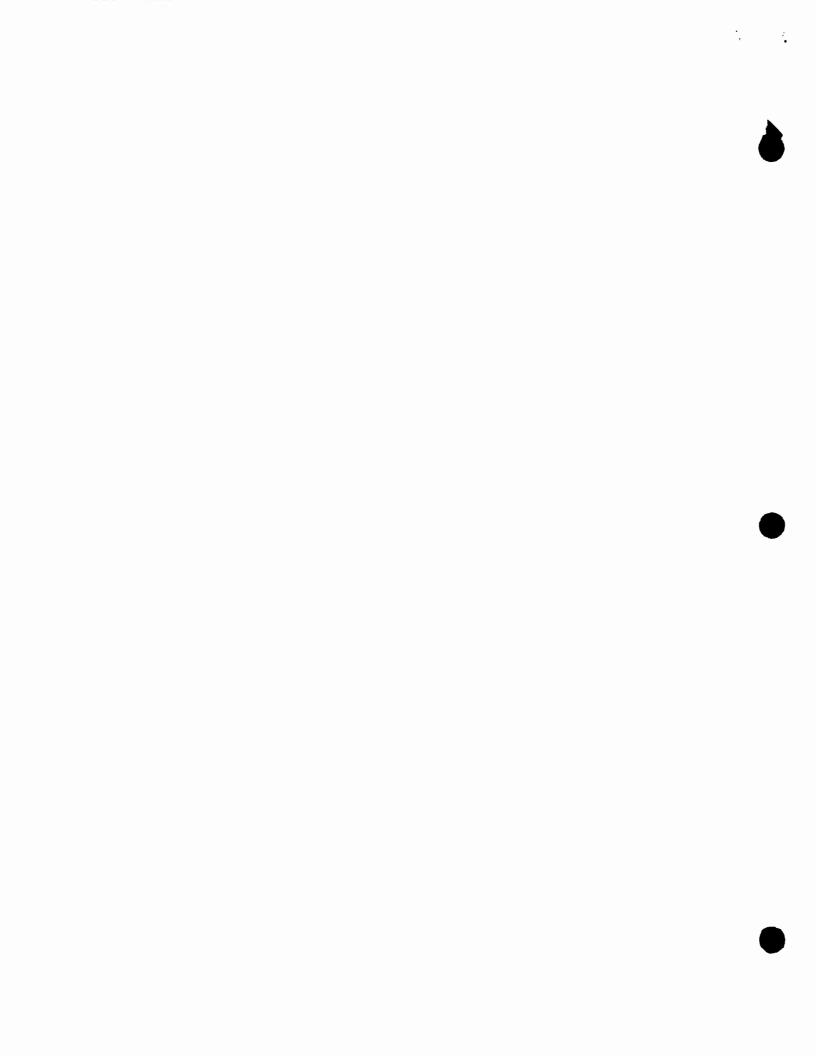
Sen. Brown: Goes again that you need to come back with those success stories.

Rep. Fraley: Also bring estimated ROI information.

Sen. Gunn: As you are working through these communities and businesses in them and looking at opportunities to grow or expand, what are challenges for small businesses you are seeing and how much of it has been for capitol? What has been your strategy to capitalize on these opportunities?

Mr. Loyack: Access to capital, qualified workforce and regulatory issues are the three main questions we get in terms of small businesses. In terms of the Regulatory issues: We have an 800 number (2200 calls last year). Qualified Work Force: how to get them in touch. Access to capital. Last year to drive activity in counties impacted by hurricane – we have a number of different funds and tools available to small businesses so we didn't wait to hear from them. Our team called them to find out what they were dealing with and put them in touch with Rural Center contacts.

Sen. Gunn: I understand hurricane – I'm talking about the regular Joe or Joette trying to grow a business. Would love to follow up at a later date on how to help them.





Sen. Wade: I would like to see how we are actually getting to business owners. 85-90% of small businesses don't even know you exist or how you can help them. I think you're helping the big businesses not the smaller businesses. Don't know how you're getting info out to them. Big disconnect.

Sen. Smith: I want to commend you on the metrics and your outreach to Tier 1 & 2 counties.

Mr. Loyack: Thank you.

Sen. Brown: I agree with Sen. Wade that you need to get your word out there, and it's a real challenge. Think about coming back.

# Presentation: Measures of County Economic Well-Being and Local Revenue Capacity (Presentation Attached)

Senator Brown recognized Cindy Avrette, Committee Counsel, Legislative Analysis Division, NCGA to begin the presentation Measures of Economic Well-Being and Local Revenue Capacity. Ms. Avrette said there are many pieces to the puzzle of Economic Development -- the state has spent \$1.3b on expenditures for Economic Development (grants, support services through colleges, commerce, non-profit appropriations, tax expenditures, sales tax exemptions). In 2005 a committee was created to oversee this investment. She said over the last 18 months, we've looked at how resources are being distributed by Tier designation which was enacted in 1987 with a goal to award tax credits to distressed counties and identify and rank counties based on rate of unemployment and per capita income. In the past 30 years the program for which the Tier System was created no longer exists.

Ms. Avrette said there have been several adjustments and weaknesses identified. She said the Committee could not come to a consensus about what the Tier System should look like -- it was determined that the Tier was not succeeding in its role. She talked about a 10 member committee which was created and met for 10 months with Brent Lane facilitating, trying to define economic distress. But she said they found it is very hard to reach a consensus of what defines economic distress – it's been even harder to determine what a Tier System should be when it's not clear what goal is trying to be achieved by the various programs. She explained that the Chairs have continued to delve into this along with staff and that "Executive Summary" will be presented today. She asked members to remember, there are 4 indicators currently used: the rate of unemployment, median household income, population growth and adjusted assessed property per capita.

Senator Brown recognized Emma Turner, Economist, Fiscal Research Division, NCGA, for a presentation on measuring economic distress. She discussed how Residents and Government are not as connected as you may think and pointed to a map which shows the problem. For example, Beaufort (white on the map) ranks 68 on both measures. Dark red indicates rank on property value is much higher than rank on average wage. High property values sometimes coincide with very low wages:



- Pamlico has lowest average wage, and ranks in the top 20 for property values
- Alleghany 2<sup>nd</sup> lowest average wage, ranks in top 10 for property values
- Clay ranks in the bottom 10 for average wage, 2<sup>nd</sup> highest property values

Brunswick County is a good example of imbalance. Brunswick is the fastest growing county in the state, but its unemployment rate (top 25% in the state for unemployment) does not reflect the economic distress of the area. Employment growth is a better indicator for economic distress. Camden County 94<sup>th</sup> smallest county and has the highest income from retirees, but it will always be a Tier 1 due to the population – it is an example of Tier designated by population growth. Hyde County (2<sup>nd</sup> smallest county with 5<sup>th</sup> highest property rate per capita) will be Tier 1 indefinitely. When saying Tier 1 county, saying economically distressed county, but they're not all really that.

Ms. Turner discussed Adjustment Factors - Watauga County (2<sup>nd</sup> highest poverty rate in the state) is a Tier 3 county and an example of poverty rate adjustment not applying. She said it is difficult to define economic distress without knowing the intention of the General Assembly so it must be defined by the General Assembly

#### Local Tax Capacity

Senator Brown recognized Rodney Bizzell, Principal Fiscal Analyst, Fiscal Research Division, NCGA, for a presentation on local tax capacity. Mr. Bizzell discussed possible ways to tweak tax capacity:

You can consider adding Sales Tax base to the Property Tax Base because it gives a more complete picture of the local government resource capacity. He said Property Tax is used as one of the measures in the Tier System. He said alternatively, you could separate out the Property Tax Capacity Measure and use it for purposes that are more directly related to Resource Capacity - a primary example is Match Requirements. He said maps show variations of property values. County Sales Tax Base doesn't include tax base for Municipalities -- if you want to include this, it would take more work.) Point is you're not seeing big shifts where tax capacity is – you're seeing more along coast and in the mountains, and when you combine the two it doesn't look a lot different than the first slide showing just the property tax base per capita. He said the last slide showing Sales Tax gives a more complete picture of the Sales Tax Base. Tax Capacity is not a good economic measure of residents, but is a good measure for government. It is a measure of something different in the Tier System. He noted that if you combine these two, it does give you a slightly more accurate picture of tax capacity. Mr. Bizzell said there is an option to continue using the measure alongside the current mix of economic well-being measures or separating it out and not to be more focused on the ability to pay is a more important consideration.

Senator Brown said this shows how complicated the issue is. He said the tier system was established in 1987 and things have really changed across the state since then -- it is complicated

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to start moving counties from one Tier to another. He said we need to take a hard look at it because things have changed in past 30 years.

Senator Brown asked for questions from the committee.

#### O&A:

Rep. Fraley: Emma, you talk about alternative measures for residents with bachelor degrees. Would it make a huge difference to include % of population with associate degrees?

Ms. Turner: Good question. BA is shown as an example but any measure of education attained is worth including. If the focus is on technical, that would be appropriate to include in lieu of bachelor degrees.

Rep. Fraley: I don't mean in lieu of, but in addition to.

Ms. Turner: Difficult to include both because you're going to be measuring those that have an associate degree or higher which would include those with bachelor degrees.

Sen. Bryant: You talked about ratio of sales to property tax, and this may be a place to see change. Clarify the kind of change that we would see here?

Mr. Bizzell: These are the counties where sales tax base is a more important mix of the overall revenue mix for the county and so if you include that to measure, then you would see more change than in others counties for sales tax as a smaller percentage.

Rep. Bryant: By change do you mean what the counties are? If included, you would see more change in the counties?

Mr. Bizzell: I mean in terms of rank or in terms of the measure and how they might potentially move up in that measure.

Sen. Bryant: What normally would contribute, particularly those counties in the middle like one I represent, Vance? What is a reason the sales tax would be exceeding the property tax? Is there a trend you would normally see that would explain that? Location specific.

Mr. Bizzell: Yes, here you're looking at two things – the Sales Tax distribution and all that goes into that and also looking at it in relation to the Property Tax. It's a combo of how strong is the Sales Tax base, and it might be a function of a lower tax base, as well.

Sen. Smith: Map as relates to No. Hampton County, where 4% of county commissioner budget is generated from Sales Tax, and it has a very high Property Tax (@ 92 cent on the \$). Can you explain based on your map what lighter regions indicate and how that would play if used as an economic factor in determining economic distress?

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Sen. Brown: I think no. Hampton County is the lowest Sales Tax revenue in the state correct?

Mr. Bizzell: In terms of this map what you are looking at is how the county's going to move; what is the difference going to be. If they're lighter, you will probably see less movement in Tiers. They're primarily effected more by the property tax measure. They're measure is not likely to change as a county that has more Sales Tax revenue relative to Property Tax.

Sen. Smith: To Emma, as it relates to the 5 year property level, was there an analysis done where you extracted those counties where it's only based on the population (Tier 1 only b/c of population)? We have counties that are consistently ranked in poverty that is not based on population. Did you do that analysis and if not, would we as Members have access to a tool that would help us play around with the different adjustment factors to see which ones come out purely leaning toward and really measuring economic distress based on the factors of the adjustment factors?

Ms. Turner: The specific 5 year poverty rate didn't look at that specific measure, but it did look at a number of other measures. One thing that is very similar to poverty is the median household income. The data source you would use for MHI is a little more reliable for counties so that was the measure I chose to focus on. Could look at poverty if that was more relevant. I can get you what you need afterwards.

Rep. Goodman: With proliferation of online business - the sales taxes are charged, but does the tax where the business was originated online go to that county or to Raleigh or how does that work?

Ms. Avrette: Sales Tax goes to the county where the person receives the goods.

Rep. Goodman: What if ordered Harnett County and delivered Richmond?

Ms. Avrette: If delivered to Richmond that would be the place where the sale was consummated.

Sen. Brown: Thank you. Good information

Rep. Martin: Comment – thank you to the staff who tried to get good information going. It's clear that when Tier was developed it had a specific purpose used for one program and then over time a lot of different programs. Important that we articulate the purpose of the funding for each program and that way we can have the proper mechanism in place. We may also want the Senate to consider what the House passed which was an optional Sales Tax for education purposes so that local municipalities could offer taxing for just schools or different things to increase flexibility of different funding not maybe tied to this program to see additional local options for raising funds.

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Sen. Tucker: Comment - Don't need to lose sight that the Tiers were created in 1987 for the 20 lowest counties and now they go to the most prosperous counties in the state. Something is wrong. Emma's evaluation and the relevance today is really the fact that we're not doing what was originally intended to do in 1987 when Cindy Avrette came to work here.

# Presentation: Utility Account Overview (Presentation Attached)

Senator Brown recognized Kenny Flowers, Assistant Secretary, Rural Economic Development for a presentation on Utility Account Overview. Mr. Flowers said he came to Commerce from ECU and spent the last 8 years working on outreach for the University. Having worked on outreach for eastern rural communities and rural, he said it is in his blood. He also worked in Fiscal Research at NCGA.

Mr. Flowers said they are being very intentional as they reach out to invest from the Utility Fund. In 2013 he said the average grant was \$213k, which has grown to upward of \$1m in 2017 with 60% in Tier 2 Counties-40% in Tier 1 counties.

Senator Brown asked for questions from the committee.

#### Q&A:

Sen. Wade: Are any grants for water sewer infrastructure going to any county below 12k population? Maybe it's really not a distressed county, but may have a grant in a Tier 1?

Mr. Flowers: It has to be a Tier 1 or Tier 2 county to have investment from the Utility Account.

Sen. Brown: Sen. Wade that is a possibility as the Tiers are today.

Sen. Wade: I just wanted to know if that is a possibility.

Mr. Flowers: We will get back to you about that. Is it receiving any grants at this time?

Sen. Smith: What kind of outreach is being done with Tier 1 counties that have not received a grant?

Mr. Flowers: We recently completed a survey to all 100 counties assessing their rural utilities needs around their industrial parks, and we'll be building programming trying to reach out to those communities to identify how can connect and in particular get funding to them wanting to create a pipeline of projects so that we can invest in them.

Sen. Tucker: What is the required investment by the county to get the JDIG funds for an investment for an industrial site? Is there a number?



Mr. Flowers: Program Leader Mark Poole will address that.

Mr. Poole: For 25 most distressed counties in the state there is no local match required. Other 65 counties a 25% match is required within the project itself.

Sen. Wade: Any other criteria for awarding the grant other than the Tier designation?

Sen. Brown: It has to be a Tier 1 or 2 county.

Mr. Poole: Tier 1 and 2 and it must be a public infrastructure and have industrial access in other areas which come into play. It must be a publicly owned industrial park- public utilities. Statute allows some flexibility. Assumes that jobs will come as a result of the investment. Look to communities to drill down on their economic strategy, look at their recruitment wins and more importantly at their losses and why they may have lost recruitment. Look to play to weaknesses and build up their industrial parks or sites. Serve companies that are either expanding or need a piece of infrastructure in order to retain employees which the Statute also allows us to do.

Sen. Wade: 1f 20 counties out of the 25 wanted water and sewer project funds, how do you evaluate which ones receive those if you didn't have enough money for all of them?

Mr. Poole: That's a problem we would like to have. We would evaluate applications as they come to us. There is no cycle that opens and closes. As applications come to us, we take them before the Rural Infrastructure Authority. We have not had that problem.

Sen. Wade: So priority goes to Tier 1 and whoever applies first gets it. Next priority would be 2 or how does that work?

Mr. Poole: We have not had to face that in the past. We would look at the strength of the Tier 1 applicants before we looked at 2s. We would also have to look at communities that have not used the program in the past - a # of factors

Sen. Wade: So therefore, we have \$ that is not being appropriated so you are asking for other counties to apply, or what are you saying?

Mr. Poole: We have a balance of unencumbered funds and open for business.

Sen. Brown: You must have an economic development project.

Sen. Wade: Do we know the balance that is unencumbered?

Mr. Poole: Approximately \$17m. It's not a traditional budget cycle, so as of June 30<sup>th</sup> we are at the high water mark due to the way funds go into the utility account. Funds go in as JDIG payments are made around end of the third quarter or beginning of the fourth quarter of any given year. So we've just come at the end of the JDIG payment cycle which gives us @ \$17m

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to spend over the next twelve months. We've committed over last 18 months @ \$26m for projects.

Rep. Martin: To staff - Have we been able to utilize all the funds or do we have more than what communities are asking for - so we are not denying, and they know what qualifies a project so we get good applicants. We hear over and over infrastructure is needed. We added Broadband, and I know there have to be some changes to the way we do that so that we can put in some infrastructure such as rural broadband, which will be a big thing installed. It's my understanding that in Appropriations some of the money gets shifted out of the Utility Account balance into other programs because it's sitting there not being used. Also want to note the tie-in to JDIG - that all that money is coming out of those projects. Going into Tier 3 counties is where we get the money to support the rural area, so we need to keep that connection in mind. On the Appropriations side, do we see money being removed from that fund?

Mr. Poole: Some monies have been removed but not to the point that it cripples the program. We still have a healthy balance and looking for ways to get it out to the communities. Actively building a pipeline and have a strategy to get out to the communities that don't traditionally use the program.

Sen. Brown: Rep. Martin makes a good point that we need to make sure those monies are getting out and figure a way to get them out.

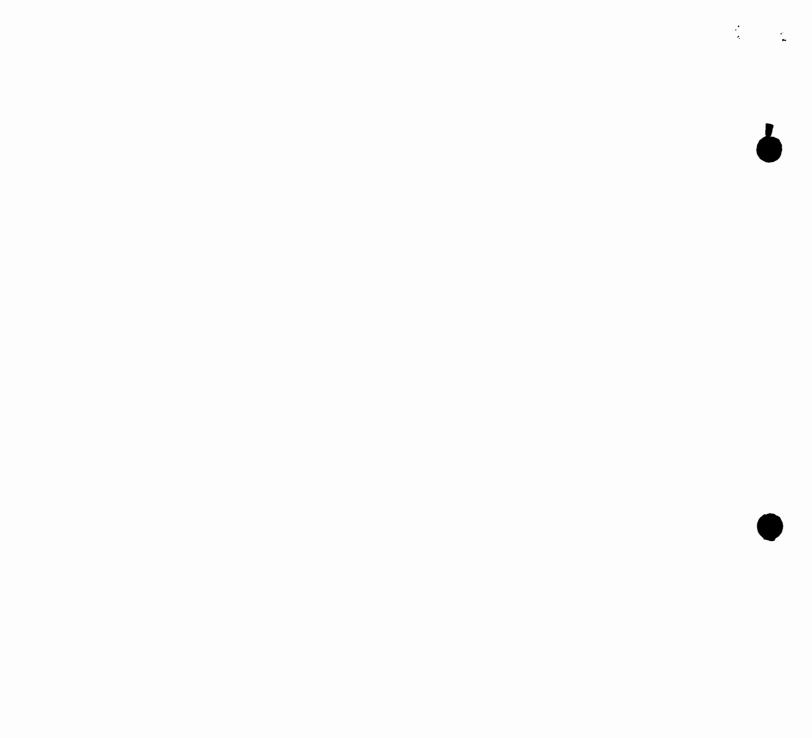
Mr. Flowers: With \$24m coming in last year, we have exceeded that with funds out the door.

### Presentation: Comparison of House and Senate Versions of S.B. 660 (Presentation Attached and Notes Attached)

Senator Brown recognized Dan Ettefagh, Committee Counsel, Bill Drafting Division, NCGA for a presentation on the comparison of House and Senate versions of S.B. 660. Senator Brown noted that the bill introduced by the House did not pass and the bill introduced by the Senate did pass. He also noted that we should look at these two bills as we try to put together a bill out of the committee.

Mr. Ettefagh said this presentation covers where the rubber met the road with respect to both chambers, specifically SB660 as it passed the Senate and SB660 as it was modified in House Finance. He said there are five areas of consonance; 4 areas where both chambers addressed the same problem, but addressed them in different ways; 4 additional areas where the Senate identified areas of concern and addresses them, but the House did not; and 5 areas where the House wanted to see them addressed and the Senate did not address (Summary: 5 areas where both chambers are consistent and a total of thirteen areas where there would be additional working between the chambers.)

Senator Brown said you can see we have a lot of work to do and asked for questions from the committee.





#### Q&A:

Rep. Fraley: May we have your notes?

Mr. Ettefagh: There should be a copy in your package. The one that is a PCS is a House Finance PCS and the one that's labeled a sample of 660 is the Senate version, as passed by the Senate.

Rep. Fraley: I mean actual differences.

Mr. Ettefagh: You mean a copy of them, yes I will get that to you.

Presentation: Economic Development Incentive Grants by County 2012-2017 (Presentation Attached with Economic Development Awards by County Tables)

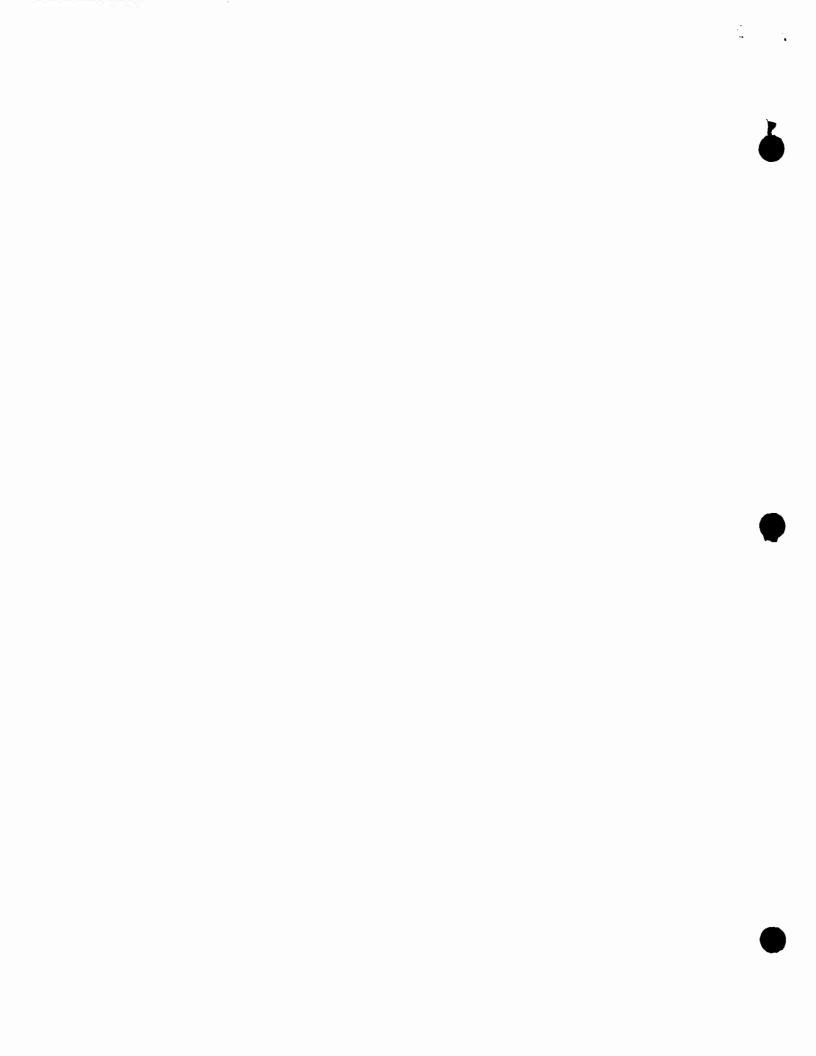
Senator Brown recognized Katherine Tamer, Fiscal Analyst, Fiscal Research Division, NCGA, for a presentation on Economic Development Incentive Grants by County from 2012-2017. She added the following comments to the maps she presented:

<u>JDIG</u> - JDIG is a performance based incentives program of grant distributed over up to 12 years. Mecklenburg received most followed by Wake County (rec'd. 73%). 19 counties received 1 JDIG award (there were 106 in all. JDIG funded 97,623 jobs across the state – 57% in Durham, Wake and Mecklenburg.

One NC Awards - One NC is a performance based incentive program that provides matching grants to local governments to help recruit new and expanding businesses to create jobs. Edgecombe received the most at \$16.6m. 41 counties received 1 or 2 ONC Awards. ONC funded 25,213 jobs over the last five years. Most went to Wake, Mecklenburg and Robison. Utility Account - It provides grants to local governments of Tier 1 and Tier 2 counties to improve the industrial infrastructure of their communities. Edgecombe received the most at \$3.4m; all together 34 counties earned \$38M; 16 counties earned 1 award. Total number of jobs (note: specific job commitment is not required to receive an award, and the utility award used to improve infrastructure may or may not create new jobs. Most jobs funded in Montgomery, Wilkes, and Rowan.

<u>RIA</u> - Other RIA include the Building Reuse Program, Economic Infrastructure Program and CDBG Davidson County earned the most - \$15.8m. Over \$125m was awarded to 75 counties Davidson received the highest number of awards and amount of awards with 23 projects. 356 awards in all – 29 counties earned 1 to 2 RIA awards. RIA funded 13,207 jobs across the state Robison created the most new jobs with 1,277 new jobs.

JMAC - Job Maintenance and Capital Fund. JMAC is an incentive program available in Tier 1 and Tier 2 counties designed to retain high quality jobs and large capital investment. Haywood County received the only JMAC award for \$12m; was guaranteed to retain 800 jobs TOTAL - Over \$1b in economic development awards were granted to 91 counties over the last 5 years. 59% were earned by Mecklenburg, Wake and Durham counties; \$299m most by





Mecklenburg. 926 economic development awards granted across the state in the last 5 years-majority split between Mecklenburg, Wake and Robison counties. 10 counties earned 1 award Every program does not require a job commitment, but based on the commitments stated the State created 138k jobs through economic development grants. Wake County grew by 31,189 jobs; Mecklenburg by 20,638; 32 of the 91 counties listed increased their capacity by 750 more jobs over the last 5 years.

Senator Brown asked for questions from the committee.

#### Q&A:

Sen. Brown: 32 counties created 750 jobs or more correct?

Ms. Tamer: Yes

Sen. Tucker: In Robeson, what were those jobs? Were there 31 projects in that one county? What industry was it?

Ms. Tamer: I'll get back to you.

Sen. Smith: I've been concerned about a lack of projects in Northeastern NC. We should see at least One NC project in these areas that are Tier 1 and systemic properties. Do you have the disaggregated data to compare over the last 10 years?

Ms. Tamer: I do not, but I can get it to you – I do have 5 years.

Rep. Martin: I looked at the data before it was put into the map format, and I suggest that you look at the committee website because it lists out each award by year. Have you seen any trends over the years or differences from where we were in 2013 to where we are now? Edgecombe distorts it with one big significant announcement in a Tier 1 that looks good over the whole period, but I would be interested in seeing it in a clearer way.

Ms. Tamer: Happy to talk about a format that would work for the trends, but for this I was just collecting the data and putting it in the maps to see it by county.

Sen. Smith: So you will be able to get us the data over next 2 weeks so that we can make decisions about how we can look at the Tier System which relies upon this in terms of making sure we are doing our best to reach those hard to reach areas who don't have JDIG projects or One NC or the tools that we are using for promoting economic development?

Ms. Tamer: Happy to reach out to Commerce and get that data soon.

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Sen. Brown: Hate to say 2 weeks, but we'll get it as soon as we can. I'm concerned because my district has not received 1 job from these programs in 5 years, and I've been chairing this committee.

Sen. Jackson: Rep. Martin commented that information is on the web, but it doesn't say who received the grants. Is that on the website somewhere, and I've missed it?

Ms. Tamer: The tables are by county and not by the actual business that received it. I do have that information and can get back to you if there is one specific company you want to know about.

Following the presentations, Senator Brown remarked that this was a long meeting and that it is clear there will be many challenges moving forward. Representative Martin extended her appreciation to the Members for working together and thanked Commerce for their partnership and participation in the meeting. She also thanked Staff for all the leg work they did and said she looks forward to finding solutions.

#### Adjournment

Senator Brown adjourned the meeting at 3:53pm.

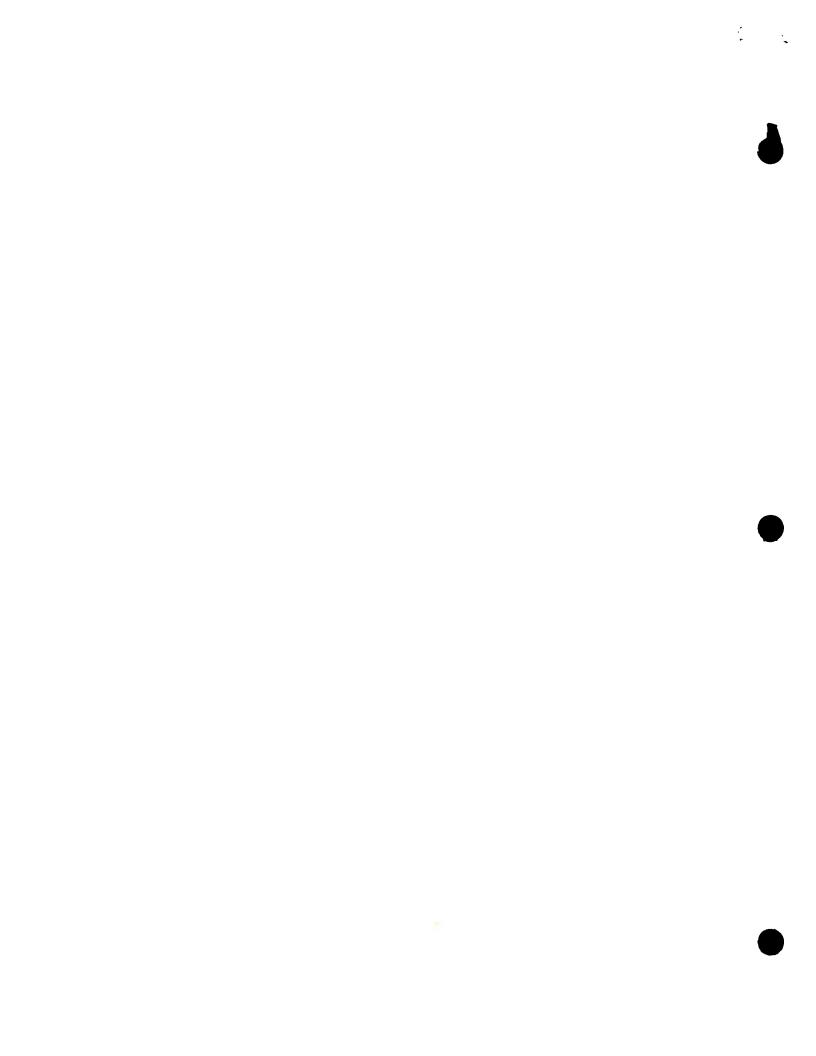
Senator Harry Brown, Co-Chair

Presiding

Susie Farrell, Committee Clerk

#### Attachments:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from November 2, 2018 meeting
- 4 Visitor's Registration





- Prosperity Zones Update Presentations by John Loyack, Wesley Barker, Darren Rhodes, Jenni Harris and Mark Sutherland from the Dept. of Commerce
- Measures of County Economic Well-Being and Local Revenue Capacity by Cindy Avrette, Emma Turner, Rodney Bizzell from the NCGA
- 7 Utility Account Report by Kenny Flowers from the Dept. of Commerce
- 8 Comparison of House and Senate Versions of S.B. 660 by Dan Ettefagh from NCGA
- 9 Dan Ettefagh's notes on the Comparison of House and Senate Versions of S.B.660
- Economic Development Incentive Grants by County 2012-2017 by Katherine Tamer, from NCGA
- JDIG Awards by County 2013-3017 Graph





# Economic Development Incentive Grants by Prosperity Zone, 2013-2017

Joint Economic Development and Global Engagement
Oversight Committee

March 8, 2018

**Katherine Tamer** 

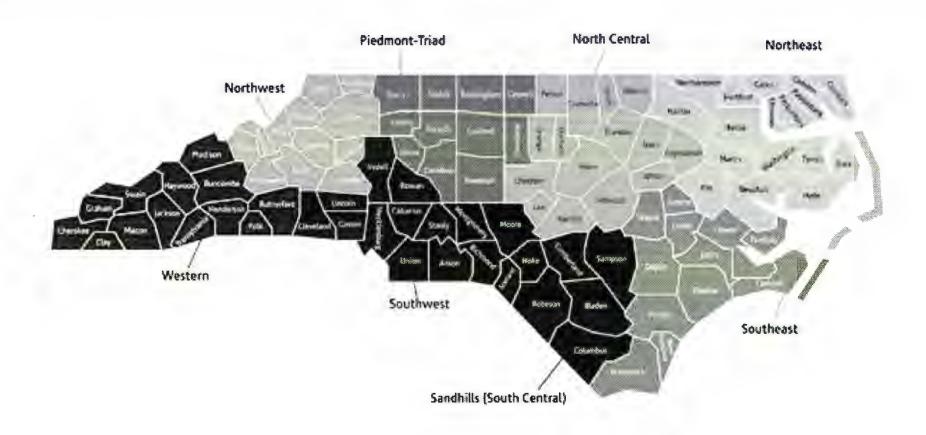
# Agenda

- History of Prosperity Zones
- Total Amount of Awards
- Total Number of Awards
- Total Number of Jobs

# Key Points of S.L. 2014-18 / H.B. 1031

- Creates eight zones.
- Requires Commerce, DENR (now DEQ), and DOT to have one employee, called a liaison, physically located in each zone. NCCCS and SBE must designate representatives.
- Details the responsibilities of Prosperity Zone liaisons.
- Requires agencies to report on the establishment and activities of their Prosperity Zone liaisons.
- Directs agencies to use available funds to carry out requirements.

# North Carolina Prosperity Zones

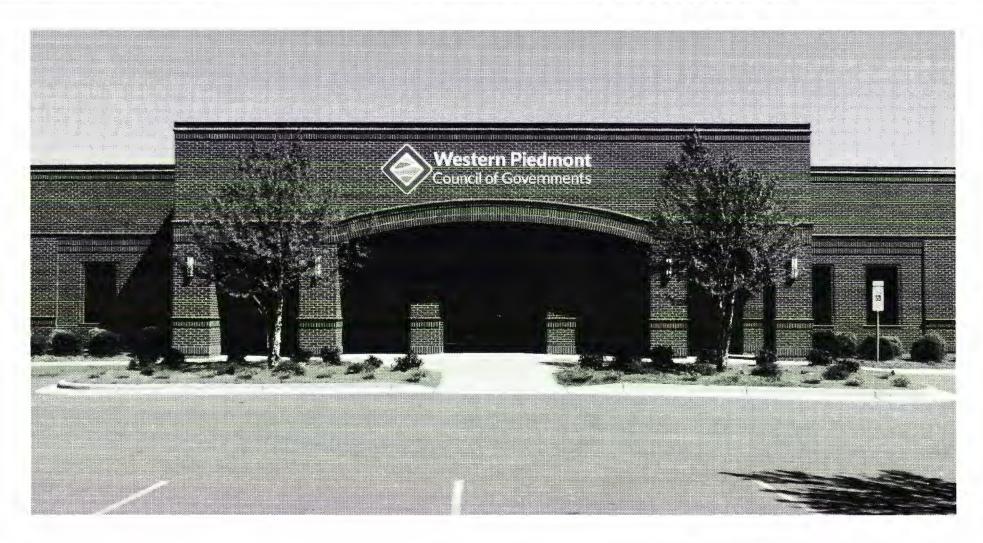


Source: NC Department of Commerce

# Purpose of the Prosperity Zones

- S.L. 2014-18, Section 3.1:
  - Facilitate coordinated planning and use of resources.
  - Improve cooperation between governmental and nonprofit entities.
  - Facilitate administrative efficiencies.
  - Receive advice on local economic development issues.
  - Establish one-stop sources for citizens and businesses.

# One Stop Shop: Northwest Region



Source: Western Piedmont Council of Governments

# Role of Prosperity Zone Liaisons

- Commerce: Support local economic development efforts, coordinate these efforts, and coordinate Commerce's activities in each zone.
- DEQ & DOT: Consolidate and simplify the permit process within their agencies for businesses.
- NCCCS & The State Board of Education: Promote job development through career technical education.











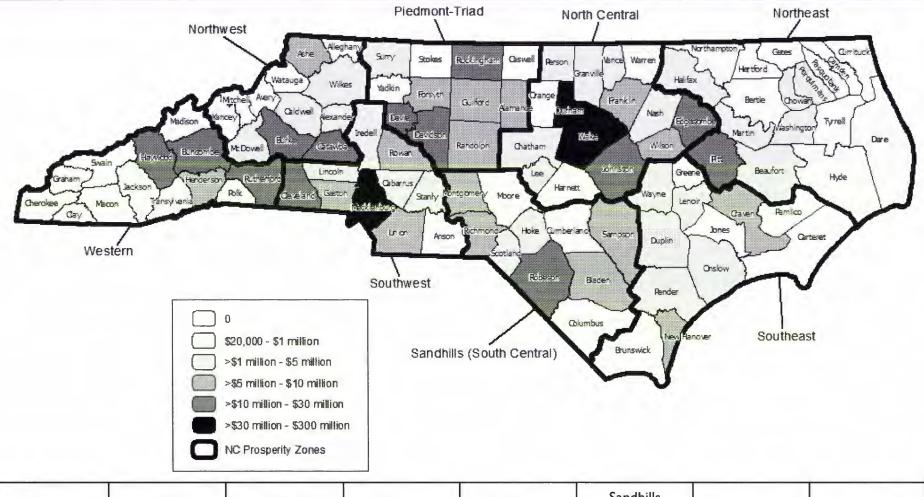
# Amendment to S.L. 2014-18

- S.L. 2016-94, Section 15.8:
  - Requires Commerce to have a Community Planner from the Rural Economic Development Division physically located in each zone.
  - Planners are responsible for:
    - Economic development strategic planning;
    - Implementation services;
    - Downtown economic revitalization; and
    - Technical support.

# Economic Development Awards by Prosperity Zone 2013-2017

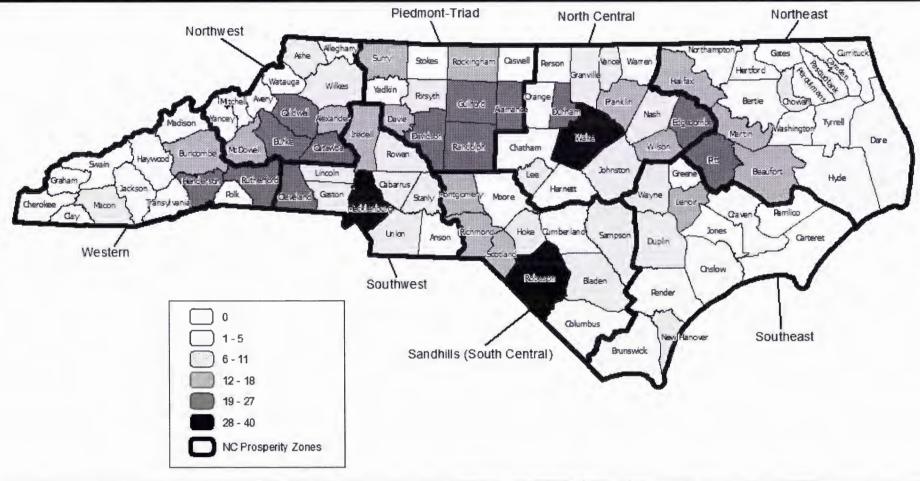
- The Job Development Investment Grant (JDIG)
- One NC
- The Utility Account
- Rural Infrastructure Awards: Community
   Development Block Grants (CDBG), Building Reuse,
   Economic Infrastructure
- The Job Maintenance and Capital Development Fund (JMAC)

# Total Amount of Awards by County and Prosperity Zone 2013 – 2017



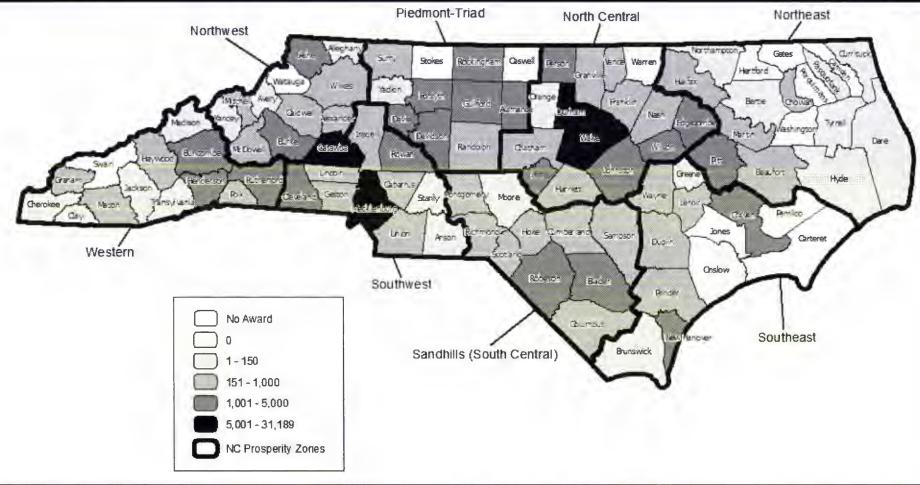
Northwest	Piedmont-Triad	North Central	Northeast	Southeast	Sandhills (South Central)	Southwest	Western
\$50,465,481	\$87,745,812	\$421,669,498	\$33,868,498	\$22,892,196	\$46,116,607	\$341,355,019	\$53,838,942

# Total Number of Awards by County and Prosperity Zone 2013 – 2017



Northwest	Piedmont-Triad	North Central	Northeast	Southeast	Sandhills (South Central)	Southwest	Western
126	146	177	90	49	109	131	90

# Total Number of Jobs by County and Prosperity Zone 2013 – 2017



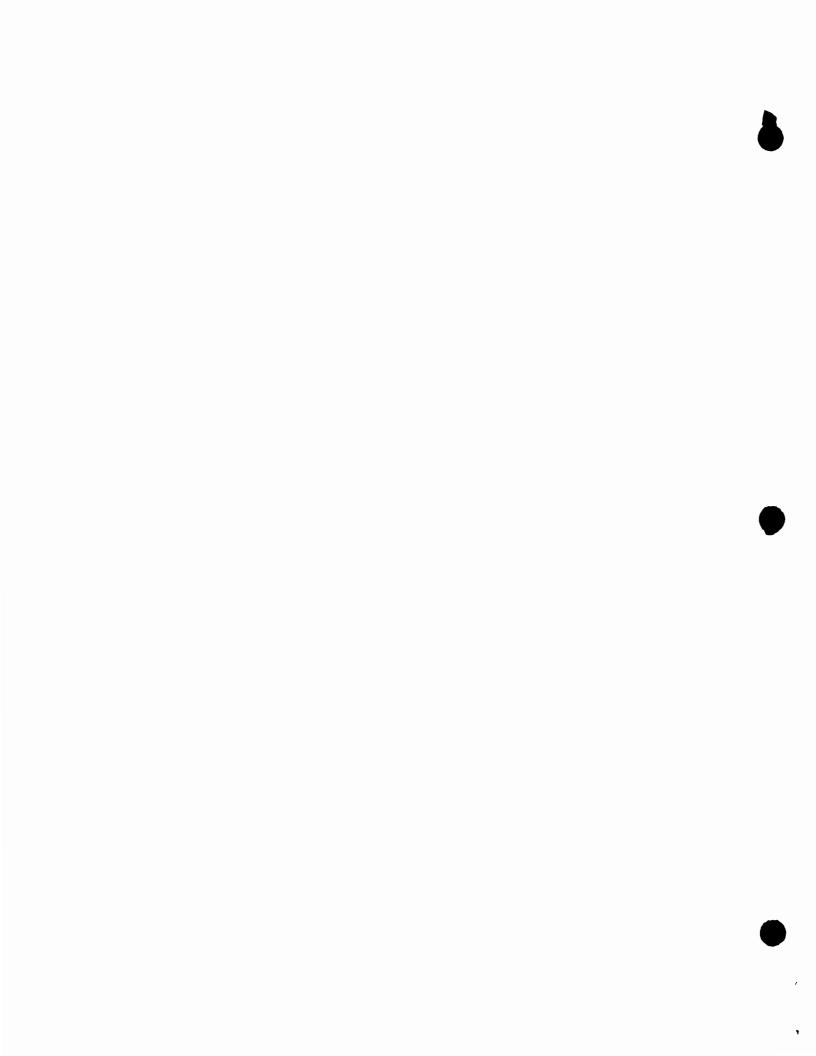
Northwest	Piedmont-Triad	North Central	Northeast	Southeast	Sandhills (South Central)	Southwest	Western
10,358	16,916	57,992	4,764	5,304	8,091	26,662	7,362

# Questions

# Fiscal Research Division 919-733-4910

Katherine Tamer- Katherine.Tamer@ncleg.net

Commerce, Agriculture & Consumer Services







Christopher Chung Chief Executive Officer EDPNC

## Topics

- 1 What matters to businesses?
- 2 How is EDPNC focusing on rural communities?
- **3** How are other states incentivizing jobs and investment?
- 4 What do we need?

## What matters to businesses?

#1: Highway accessibilit	#1:	Hig	hway	acces	sibility
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#2: /	Ava	ilab	ility	of	skilled	d labor
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#3: Cost of labor

**#4:** Occupancy/construction costs

**#5:** State and local incentives

#6: Corporate tax rate

**#7:** Tax exemptions

#8: Energy availability and costs

**#9: Proximity to major markets** 

#10: Quality of life

COMBINED RATINGS* CORPORATE SURVEY 2016		
Site Selection Factors	2016	2015
RANKING		
1. Highway accessibility	94.4	88.0 (2)**
2. Availability of skilled labor	89.8	92.9 (1)
3. Labor costs	89.6	80.8 (6)
4. Occupancy or construction costs	86.0	85.4 (4)
5. State and local incentives	84.0	75.8 (V)
6. Corporate tax rate	82.3	78.8 (7)
7. Tax exemptions	79.7	74.7 (11)
8. Energy availability and costs	78.5	75.3 (10)
9. Proximity to major markets	78.1	76.3 (8)
10. Quality of life	76.4	87.6 (3)
11. Available buildings	75.5	83.7 (5)
12. Available land	75.3	73.9 (13)
13. Expedited or "fast-track" permitting	71.7	74.2 (12)
14. Environmental regulations	70.8	69.8 (14)
14T.Low union profile	70.8	66.3 (15)
16. Right-to-work state	70.1	67.7 (161)
17. Inbound/outbound shipping costs	69.1	64.6 (19)
18. Training programs/technical colleges	66.7	68.7 (15)
18T.Availability of long-term financing	66.7	67.7 (16)
20. Proximity to suppliers	66.0	64.3 (20)
21. Raw materials availability	53.7	52.6 (24)
22. Accessibility to major airport	52.4	58.6 (21)
23. Availability of unskilled labor	51.9	47.8 (26)
24. Water availability	46.3	54.6 (22)
25. Availability of advanced ICT services	40.9	53.6 (23)
26. Proximity to innovation/commercialization R&D centers	39.2	48.4 (25)
27. Railroad service	33.7	32.4 (27)
28. Waterway or oceanport accessibility	18.1	24.0 (28)

All figures are percentages and are the total of the "very important" and "important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

<sup>\*\* 2015</sup> ranking

Economic Development Partnership of North Carolina

## What matters to businesses?

**#11: Available buildings** 

#12: Available land

**#13: Expedited permitting** 

**#14: Environmental regulations** 

**#15: Presence of labor unions** 

#16: Right-to-work status

**#17:** Logistics costs

**#18: Training programs** 

#19: Financing availability

**#20: Proximity to suppliers** 

**COMBINED RATINGS\* CORPORATE SURVEY 2016** Site Selection Factors 2016 2015 RANKING 1. Highway accessibility 94.4 88.0 (2)\*\* 2. Availability of skilled labor 89.8 92.9 (1) 3. Labor costs 89.6 80.8 (6) 4. Occupancy or construction costs 0 88 85.4 (4) 84.0 5. State and local incentives 75.8 (9) 6. Corporate tax rate 82.3 78.8 (7) 7. Tax exemptions 79.7 74.7 (11) 8. Energy availability and costs 78.5 75.3 (10) 9. Proximity to major markets 78.1 76.3 (8) 10. Quality of life 76.4 87.6 (3) 11. Available buildings 75.5 83.7 (5) 12. Available land 75.3 73.9 (13) 74.2 (12) 13. Expedited or "fast-track" permitting 71.7 14. Environmental regulations 70.8 69.8 (14) 14T.Low union profile 70.8 66.3 (18) 16. Right-to-work state 70.1 67.7 (161) 17. Inbound/outbound shipping costs 69.1 64.6 (19) 18. Training programs/technical colleges 66.7 68.7 (15) 18T Availability of long-term financing 66.7 67.7 (16) 20. Proximity to suppliers 66.0 64.3 (20) 53.7 21. Raw materials availability. 52.6 (74) 574 58.6 (21) 22. Accessibility to major airport 23. Availability of unskilled labor 51.9 47.8 (26) 24. Water availability 46.3 54.6 (22) 25. Availability of advanced ICT services 40.9 53.6 (23) 26. Proximity to innovation/commercialization R&D centers 39.2 48.4 (25) 27. Railroad service 33.7 32.4 (27) 28. Waterway or oceanport accessibility 24.0 (28)

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<sup>\*\* 2015</sup> ranking

Economic Development Partnership of North Carolina

## What matters to businesses?

**#21: Raw materials availability** 

**#22: Access to major airport** 

#23: Availability of unskilled labor

**#24: Availability of water resources** 

#25: Availability of ICT/telecom

#26: Proximity to R&D/innovation

#27: Railroad service

**#28: Seaport or water port access** 

#### COMBINED RATINGS\* CORPORATE SURVEY 2016

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Economic Development Partnership of North Carolina

## How is EDPNC focusing on rural communities?

- 1 "Spread offense" (i.e. more than just recruitment)
- 2 Putting more of North Carolina in play
- **3** Targeting a broad mix of industry sectors
- 4 Capacity building

The world we're all working

# Urbanization

1900 | 2 cut of every 10 people |

1990 | 4 cut of every 10 people lived in an urban area

2010 | Sout of every 10 people lived in an urban area

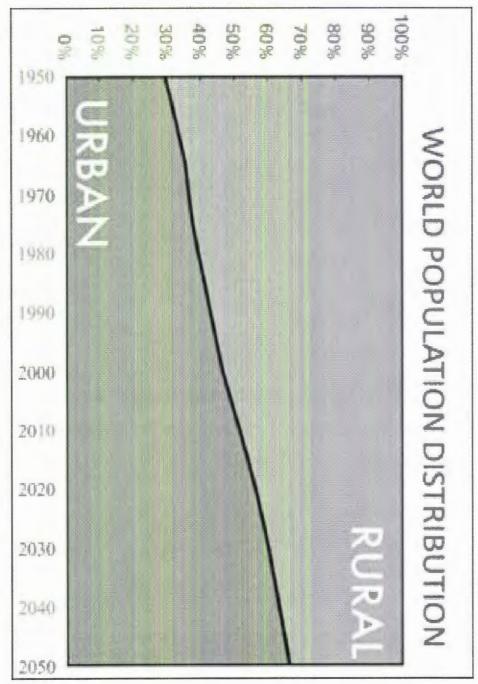
2030 Sout of every 10 people will live in an urban area

2050 | Toul of every 10 people will live in an urban area



Destroy by UN HAMBITAT on a city with a population of store than 10 metaon





# How are other states incentivizing jobs?

- 1 Ohio example: Job Creation Tax Credit incentive
- 2 Missouri example: Missouri Works incentive
- **3** Key issues that all states face re: incentives

## What do we need to be more successful?

- 1 Understanding that economic development is not just recruitment
- 2 Resources to tell our story more aggressively
- 3 An opportunity to help inform policy decisions

### FY17-18 EDPNC Budget (in millions by function)



- Tourism
- Existing Industry & Small Business Support
- International Trade
- Business Recruitment
- Marketing & Business Development
- Administration



### Christopher Chung Mobile - 919.724.7943 Christopher.Chung@EDPNC.com









# MOLI MOL

COMMUNITY FOCUSED PARTNERSHIPS

March 08, 2018

### Let's Get to Work

### HOMETOWN STRONG



### Backdrop

### HOMETOWN STRONG

- Top priority for Governor Cooper
- Cabinet agency workgroup convened in 2017
  - Review of State/Fed programs in rural areas
  - Review of historical/current organizational reports including:
    - Rural Prosperity Task Force
    - UNC Institute of Government
    - NC Rural Center
    - NC Institute of Medicine
    - North Carolina Chamber of Commerce
    - NCGA Joint Select Committee on Economic Growth and Development
    - NCGA Economic Development and Global Engagement Commission
    - USDA

## Core Principles

णिइन च्यान्याग्व

Paisa &

Local Priorities

### HOMETOWN

Share Templates for Success

> Build on Strengths ៥

रोडडडर्ड

STRONG

### County Engagement Process

HOMETOWN STRONG

Review Existing Data Listen &
Partner
With
Communities

Confirm Local Priorities

Connect to Existing Programs

### Identifying Local Needs

### HOMETOWN STRONG



### **Cusp Projects**

- Needs a push to make it happen
- Short term



### **Convening Conversations**

- Needs to pull all decision-makers into agreement on next steps
- Medium term



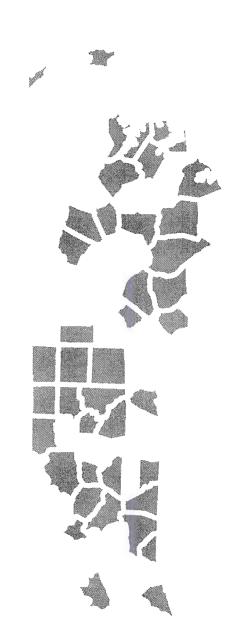
### Identifying Long-Term Projects

- Needs help with momentum
- Long term

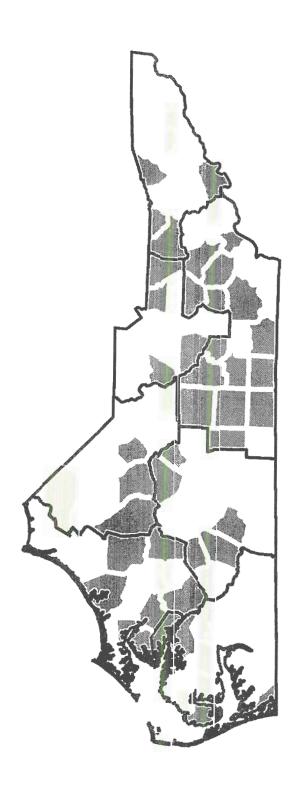
### HOMETOWN STRONG

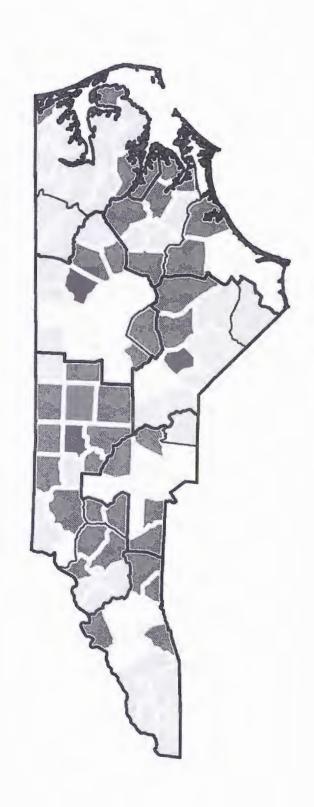
### Broad Common Themes to date

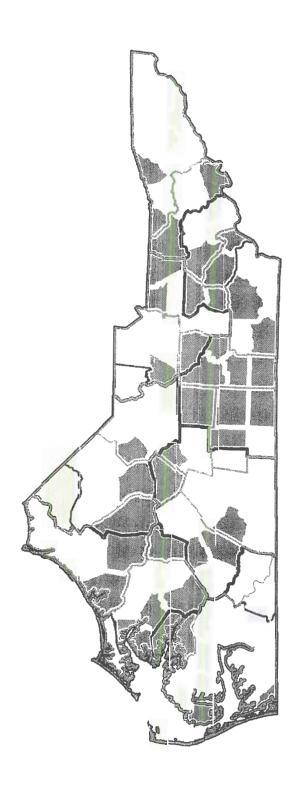
- Revitalizing Local Economies
- Infrastructure
- Connectivity
- Workforce Training

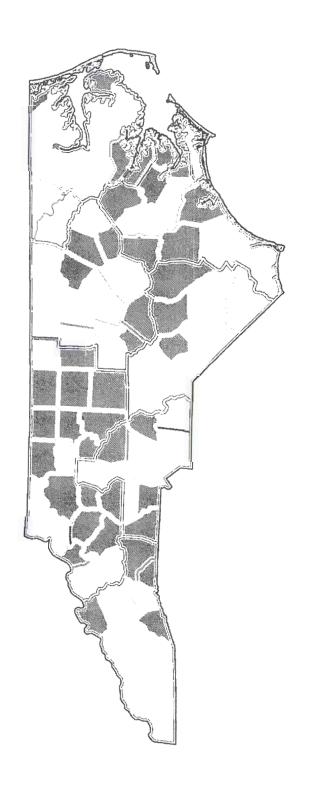


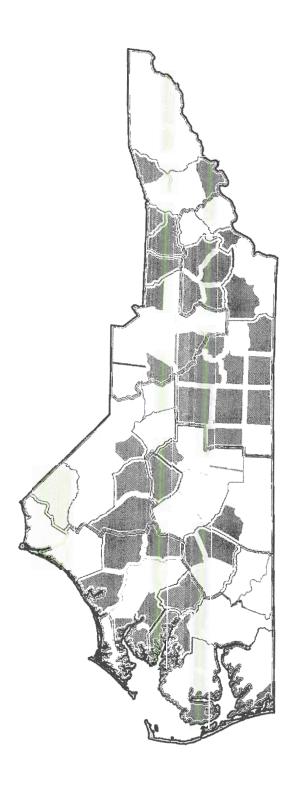
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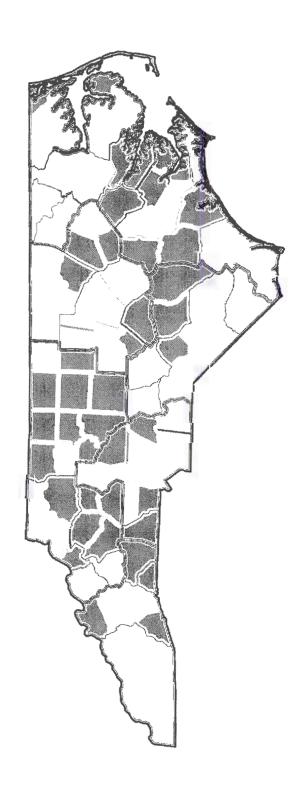












### HOMETOWN STRONG

### Contact

**Pryor Gibson** 

(919) 814-2081

pryor.gibson@osbm.nc.gov

116 W. Edenton Street Raleigh, NC 27603

Mail Service Center 20320 Raleigh, NC 27699-0320 North Carolina Department of Commerce EDGE Committee Meeting Thursday, March 8, 2018

The **H-1B nonimmigrant visa program** is used by employers to hire **college-educated workers** in **specialty occupations**. "The intent of the H-1B provisions is to help employers who cannot otherwise obtain needed business skills and abilities from the U.S. workforce by authorizing the temporary employment of qualified individuals who are not otherwise authorized to work in the United States." – U.S. Department of Labor (Labor)

**Employers** must **attest** that the wages they will pay to H-1B workers will be at least equal to wages paid to other workers with similar experience and qualifications, or equal to the prevailing wage – whichever is greater.

There are three federal agencies involved in the H-1B process

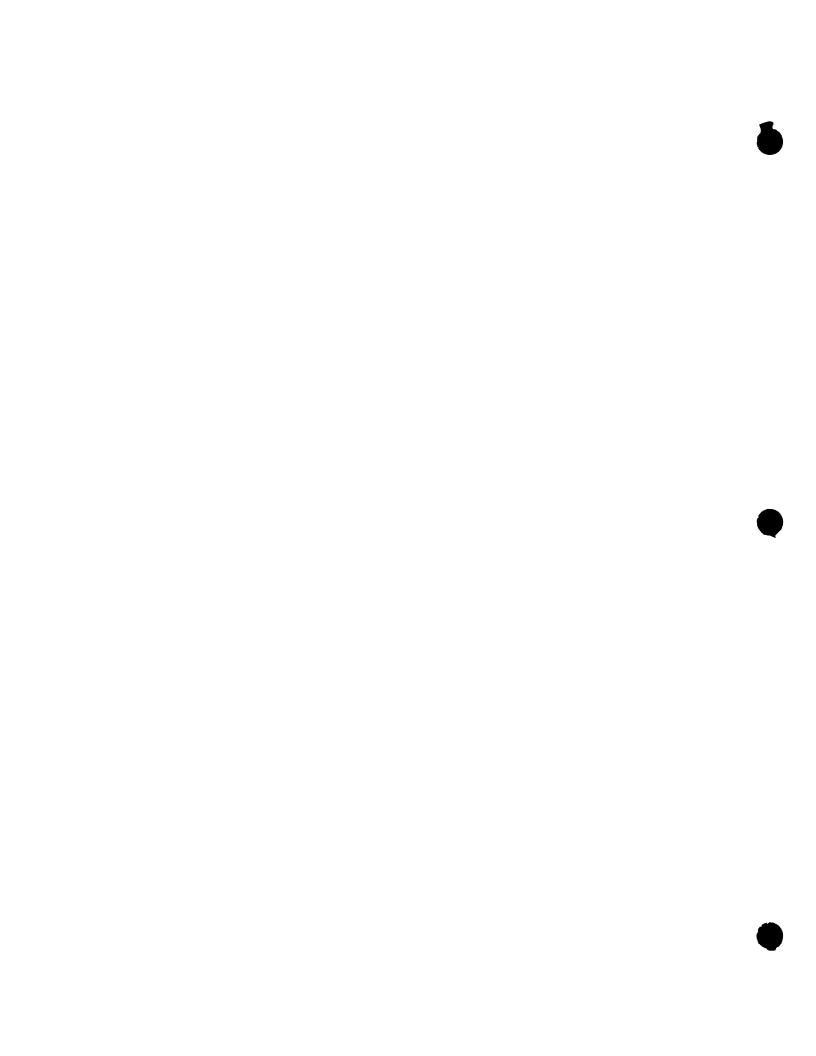
- U.S. Department of Labor (Labor)
- U.S. Citizenship and Immigration Service (Immigration)
- U.S. Department of State (State Department)

### **H-1B Visa Application Process**

- 1. Employer submits Application to Labor for certification of positions not specific H-1B workers
- 2. Labor certifies the application of the positions
- 3. Employer files a petition for a specific Nonimmigrant Worker with Immigration for certified positions
- 4. Workers Outside the US apply for Visa and/or Admission to the State Department

### Availability of H- 1B Visa Worker and Employer data for North Carolina

- Data Not Available for NC to Answer:
  - o How many companies currently claim incentives for H-1B workers?
  - What percentage of the jobs are held by H-1B workers?
  - O Which industries employ the H-1B workers?
- Labor published 2016 summary level data for certification of positions (not employment statistics) by state.
  - Number of NC worksites certified by Labor was 17,130 with 32,820 positions certified
  - Top three locations requesting H-1B certified positions were:
    - Charlotte
    - Raleigh
    - Cary
  - Top five occupational specialties certified were:
    - Computer System Analysts (8,232)
    - Applications Software Developers (4,861)
    - Computer Programmers (3,143)
    - All Other Computer



### Defining Appropriate Program Indicators

JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

THURSDAY, MARCH 8<sup>TH</sup>, 2018

Rodney Bizzell, FRD, NCGA

### County Tier System

2

1987

### 2018

### Policy Goal

 Award tax credits for employers who create jobs in any of the 20 most severely distressed counties

### Indicators

- Rate of unemployment
- Per capita income

### Policy Goals

- Tax credit program eliminated in 2014
- More than 15 programs use the tier system to distribute funding or resources

### Indicators

- Rate of unemployment
- · Median household income
- Population
- Property value per capita
- Application of adjustment factors

### January 11, 2018 Meeting



- Evaluated the Tier System
  - Includes a mix of indicators that do not represent a single cohesive definition of economic distress
- There are many ways to define economic distress
  - Economic distress of residents
  - Economic distress of governments
- The definition of economic distress should be consistent with a program's goals
  - Define what is intended to be measured
  - Then determine the indicators that best measure it



### Econ Dev Programs

OneNC Fund

**CDBG** 

**IDF** Account

**JDIG** 

**JMAC** 

NC Green Business Fund

**Main Street Solutions** 

Building Reuse & Economic Infrastructure Fund

- What is the stated purpose or goal of the program?
- How is the tier system used in the program?
- Is the tier system the appropriate measure for the program?
- If the tier system is not used appropriately, are there better indicators?

### One North Carolina Fund

5

DISCRETIONARY CASH-GRANT PROGRAM

AWARDED TO LOCAL GOVERNMENTS AS PART OF A NEGOTIATED CHALLENGE GRANT

ALLOWS GOVERNOR TO RESPOND QUICKLY TO JOB-CREATION PROJECTS

### OneNC: Program Goals

- Awards based on:
  - Number of jobs created and level of investment
  - Economic impact of project
  - Importance of project to State and region
- Funds awarded to a company must be used for:
  - Installation or purchase of equipment
  - Infrastructure needs of existing building
  - Infrastructure needs of new or proposed building to be used for manufacturing and industrial operations.
- https://edpnc.com/incentives/one-north-carolinafund/

### OneNC: Use of Tier System

7

### Local Match

- Tier 1 = \$1 for every \$3
- Tier 2 = \$1 for every \$2
- Tier 3 = \$1 for every \$1
- Funding grant criteria NOT based upon tier location of project
  - Lower tier counties receive more funding grants through OneNC than through JDIG
  - 2017: \$24.2M; 34 awards; 2959 jobs
  - o 2013-2017: \$73.9M; 208 awards; 25,213 jobs

### OneNC: Appropriate Use of Tier System?

### Analysis:

- Is the tier system used appropriately in this program?
- If not, are there better indicators available?

### County well-being or Resident well-being?

- Local match requirement seems to indicate program goal to measure government well-being.
- Tier System does not effectively measure government economic distress.
- Government economic distress may be more accurately measured by local tax capacity.

### Local Tax Capacity Indicator

ADJUSTED PROPERTY VALUE PER CAPITA

SALES TAX BASE PER CAPITA (30%)

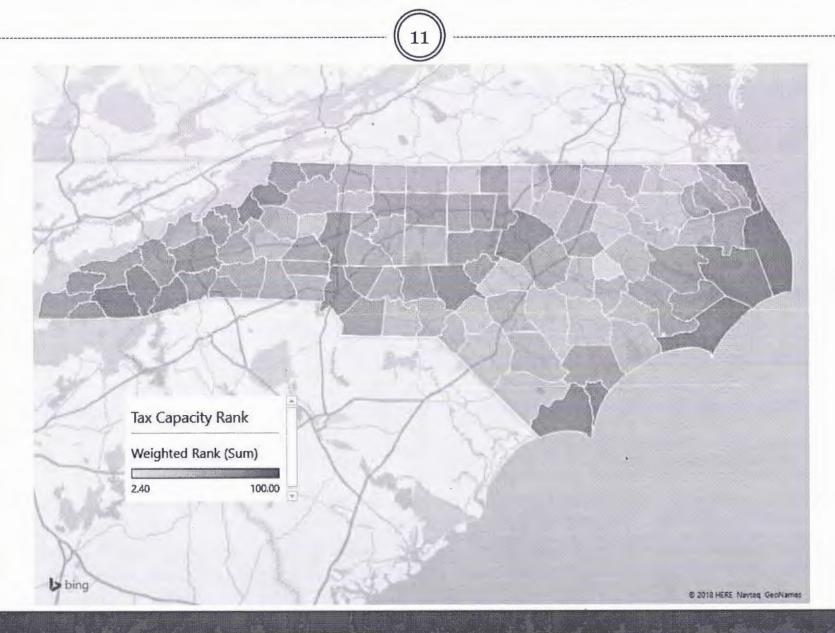
(70%)

### January 11, 2018 Meeting



- Tax capacity typically measured by 2 or 3 largest revenue sources
  - Adjusted property value per capita (70%)
  - Sales tax base per capita (30%)
- Tax capacity among local governments varies
  - Good measure for ability to pay
  - NOT a direct measure of the economic well-being of county residents
- Useful for determining resource allocation and required local contributions where ability to pay is a factor

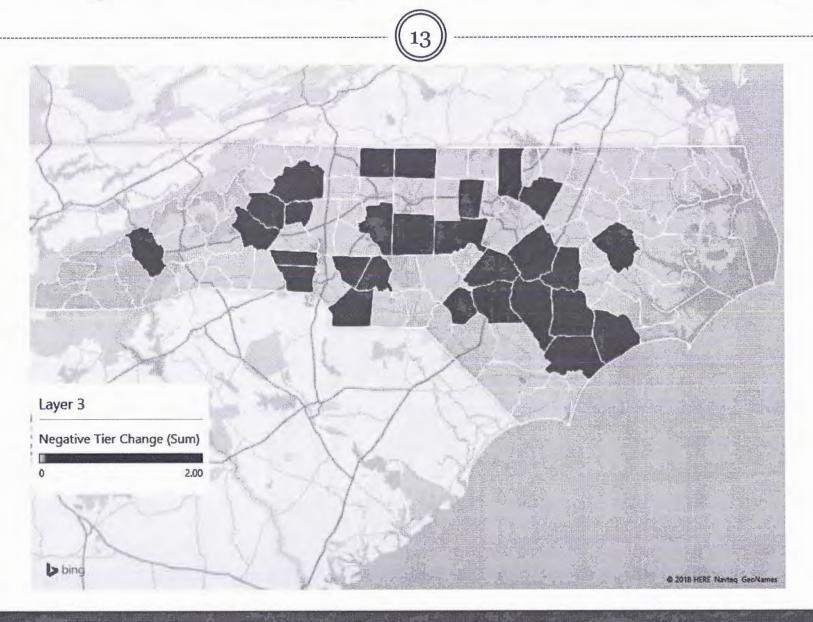
### Tax Capacity Rankings



### Positive Change from 2018 Rankings



### Negative Change from 2018 Rankings



### **OneNC**

Stated purpose of program?

How is tier system used?

Is tier system the appropriate measure?

Is there a better indicator?

- Create jobs via a grant that may be used for equipment, structural repairs, and construction of infrastructure
- Tier system used to determine local match requirement (ability to pay?)
- Tier system a mix of indicators that are not representative of a single cohesive definition of economic distress
- Tax capacity is a good measure for ability to pay

### **Policy Questions**

15

- Is the Tier System the appropriate indicator for the local match requirement in the OneNC program?
- Would tax capacity be a better indicator for the local match requirement?





### Utility Account CDBG, Ec Dev

Stated purpose of program?

How is tier system used?

Is tier system the appropriate measure for local match requirement?

Is there a better indicator?

- Provide infrastructure grants to local governments, with an emphasis on economically distressed counties
- Tier system used in two different ways:
  - Determine economically distressed counties
  - No local match required for 25 most distressed counties
- Tier system a mix of indicators that are not representative of a single cohesive definition of economic distress
- Tax capacity is a good measure for ability to pay (re: local match)

# Joint Legislative Economic Development and Global Engagement Oversight Committee

	Joint Legislative Economic D	even	opm	ent a	illu (	1100	ai Li	igago	шен	LOV	CISIR	III C	JIIII	iiiic	_	
	DATES	04-05-18														
	NAMES (30 Members)															
	22 voting – 12 quorum															
	Senator Brown, Co-Chair	1														
	Representative S. Martin, Co-Chair	/														
	Representative S. Ross, Vice Chair	/														
	Senator Chuck Edwards	/										-				
	Senator Rick Gunn	$\checkmark$														
	Senator Brent Jackson	/														
	Senator Paul A. Lowe, Jr.															
	Senator Floyd B. McKissick, Jr.	V														
2	Senator Wesley Meredith															
	Senator Bill Rabon															
	Senator Erica Smith	/														
	Senator Tommy Tucker		/													
	Senator Trudy Wade	V														
	Representative Debra Conrad	/														
	Representative Ted Davis, Jr.															
	Representative John A. Fraley															
	Representative Ken Goodman	/														
	Representative Edward Hanes, Jr.															
	Representative Rodney Moore	1														
	Representative Bob Muller	1														
	Representative Michele Presnell															
	Representative Rena Turner															
	Rep. Mark Brody (Advisory)	/														
	Rep. Josh Dobson (Advisory)															
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# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE April 5, 2018

# Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, April 5, 2018 at 1:00 PM. The meeting was held in Room 643 of the Legislative Office Building. Fourteen members were present. Senators present were: Harry Brown (Co-Chair), Chuck Edwards, Rick Gunn, Brent Jackson, Floyd McKissick, Erica Smith and Trudy Wade. House members present were Susan Martin (Co-Chair), Stephen Ross (Vice Chair), Bob Muller, Debra Conrad, Ken Goodman, Rodney Moore and Mark Brody (Advisory).

Senator Harry Brown presided and called the meeting to order at 1:08 PM.

Senator Brown recognized the Sergeant-At-Arms staff – Terry Barnhardt and Linda Matthews on the Senate side and Bill Bass, William Moore and Jim Moran on the House side.

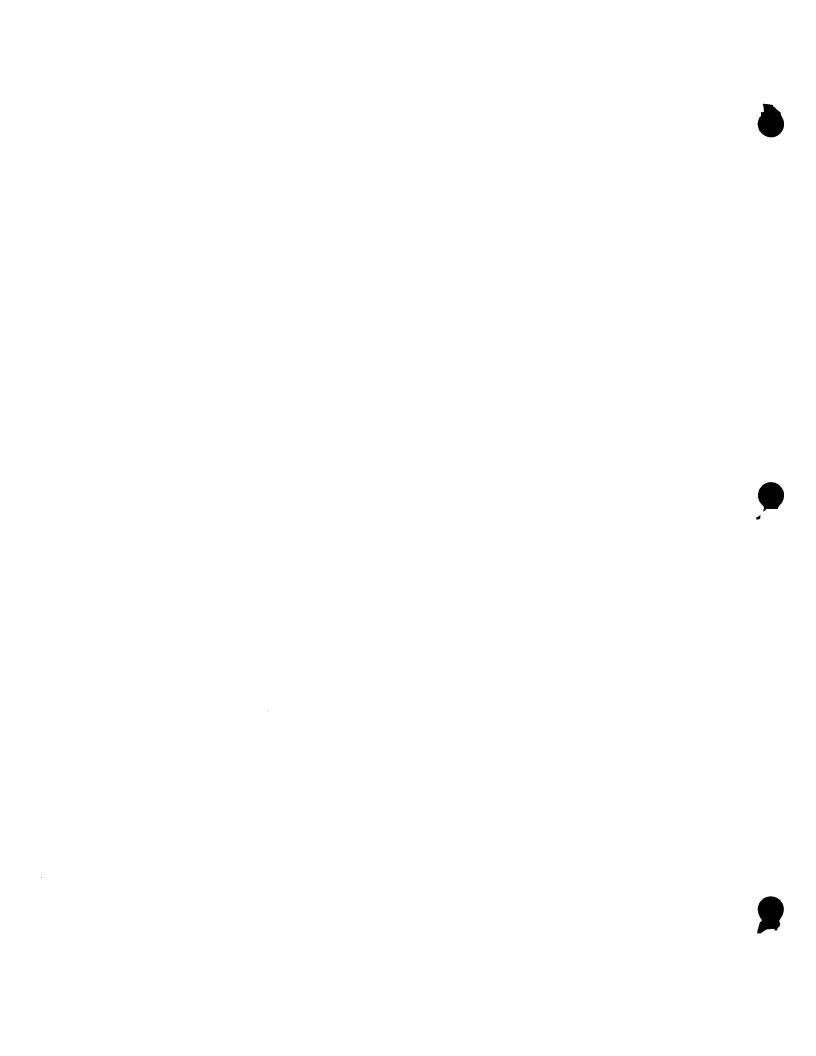
Senator Brown asked his co-chairs for any comments. Representative Martin thanked the presenters for coming and said in this meeting "we are trying to get an on the ground approach from people who are out in the field."

Senator Brown then asked members for a motion to approve the minutes from the March 8, 2018 meeting. Senator McKissick made the motion and the members voted unanimously to approve the minutes.

Chris Chung, the Chief Executive Officer of the Economic Development Partnership of North Carolina (EDPNC), presented the committee members with a copy of the EDPNC's 2017 Annual Report and gave an overview of some of the contents of the report. He also gave a comparison of North Carolina's JDIG program to jobs incentive programs in Ohio and Missouri. He talked about the importance of not only bringing new business recruitment deals to the state, but the need to help existing businesses in the state to stay and grow here.

Senator Wade asked if Mr. Chung had been working with the Governor on the opportunity zones and requested an update. Mr. Chung mentioned Napoleon Wallace who is responsible for the formation of a list of these zones. Senator Brown stated they would get more information in May.

Representative Goodman asked Mr. Chung what he would do differently to make JDIG a more effective program. Mr. Chung sited that the cap forces certain choices.





Senator Edwards was recognized by Senator Brown. Senator Edwards first asked how many jobs on his performance metrics were attributed to the 47 and 60 wins. Mr. Chung stated that he will have to follow up with him. Next Senator Edwards asked what would be the one thing that he would fund if this was an appropriations committee. Mr. Chung responded by saying more foreign direct investment.

Representative Conrad asked how North Carolina's corporate tax rate compared to Ohio and Missouri. Mr. Chung stated that Missouri was around 5% and that Ohio had gotten rid of corporate income tax and use a commercial activities tax.

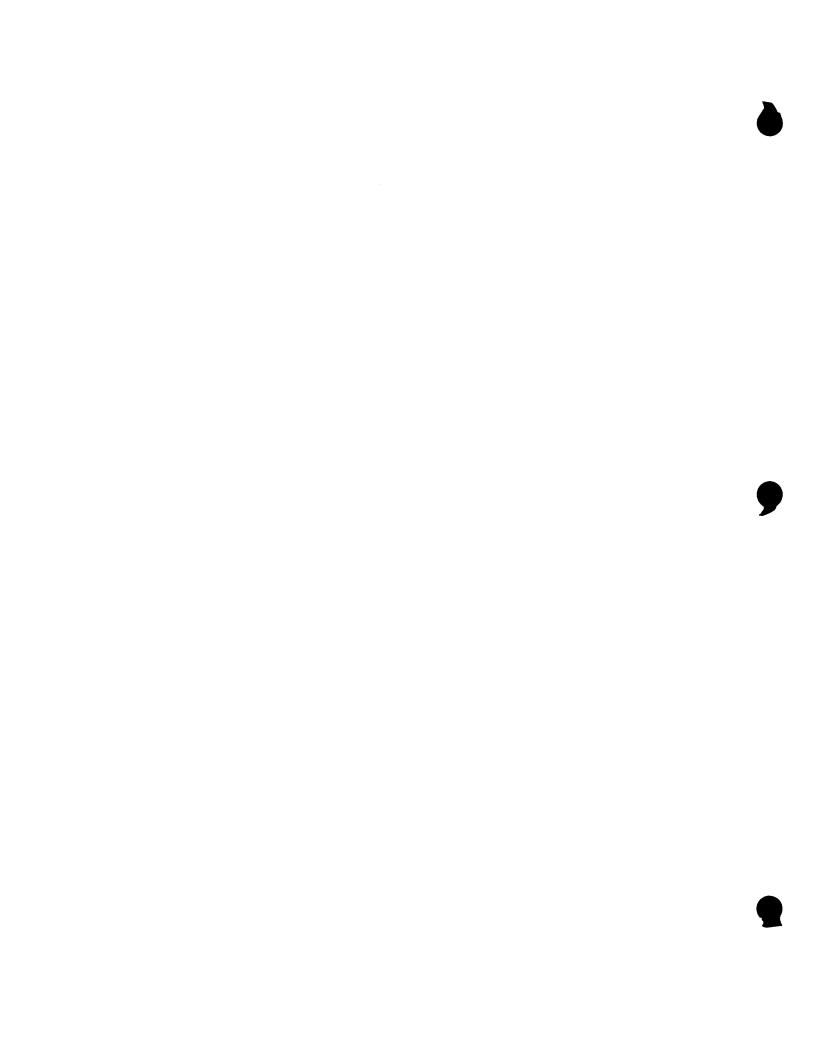
Representative Brody asked for clarification on policy if incoming jobs come at the cost of already existing jobs. Mr. Chung assured that they prepare to avoid situations and that there are safeguards in place.

Gary Salamido, Vice President of Governmental Affairs for the North Carolina chamber gave a presentation to the committee which included stats that show how reforms made over the past several years are working positively for businesses in the state. He specifically mentioned that North Carolina has the lowest corporate income tax rate of any state (now at 3 percent, down from 6.9 percent in 2013) and the impact that has had on businesses here. He also noted the positive impact of tort reform and wage growth we are experiencing. He said going forward we need to avoid complacency and that talent supply is the number one challenge – that we need to make sure skills in our talent supply match available jobs.

Senator Jackson asked what states are utilizing intellectual property more effectively. Mr. Salamido sited California/Silicon Valley, Texas, and Massachusetts.

Representative Moore wanted to know if the chamber has any type of outreach or mentoring that promote minorities and women into the bigger picture. Mr. Salamido said that the chamber is working to improve diversity and inclusion at all levels.

Bob Morgan, the President and Chief Executive Officer for the Charlotte Chamber of Commerce, spoke to the committee about job recruitment in the Charlotte-Mecklenburg area. He said the Charlotte Chamber is the lead business recruitment agency for Mecklenburg County with 3 full-time economic developers who market and recruit nationally and internationally. They have landed 614 projects and more than 56,000 jobs since 2008. He said they partner with the state, working with NC Department of Commerce and EDPNC. He identified five target clusters for the area – financial services, transportation and logistics, health care, information technology and advanced manufacturing. He pointed out that Charlotte is the third largest banking center in the United States, has the 7<sup>th</sup> busiest airport in the world (by takeoffs and landings) and they have a growing young and diverse workforce. He said their primary competitors for businesses are from outside of North Carolina including Atlanta, Nashville, Austin, Tampa, New York/New Jersey (for financial projects) and upstate South Carolina. Mr. Morgan thanked the NC General Assembly for low tax rates and support for education. He said





the acquisition of talent is the number one challenge in recruiting business to Charlotte. He also said that transportation is a huge challenge due to the high number of people who commute into Charlotte to work -175,000 people daily.

Senator Brown asked the members if they had any questions. Representative Martin praised the organization and work the chamber is doing.

Representative Brody asked how important Highway 74 is compared to other projects such as Highway 73. Mr. Morgan stated that the highway was extremely important based on traffic patterns, tourism, and effectiveness.

Jennifer Lantz, Executive Director of the Wilson Economic Development Council, gave a presentation on the economic development challenges Wilson and other similar cities face and the work her group does. She said some of the ways "Wilson has invested in Wilson" are with infrastructure and product including the Buckhorn Reservoir and their 50-year supply of water, Greenlight Gigabyte Fiber, Downtown and Highway 301 revitalization and the Wilson Academy of Applied Technology. Many of the companies Wilson targets are in life science, aerospace, automotive, food and packaging and their competition includes nearby Wake and Durham counties and similar NC counties, as well as the suburbs of major metropolitan cities from Chicago/Austin east and even international locations. They are focused on bringing in new companies, but also are very active working to keep existing companies like Bridgestone in Wilson.

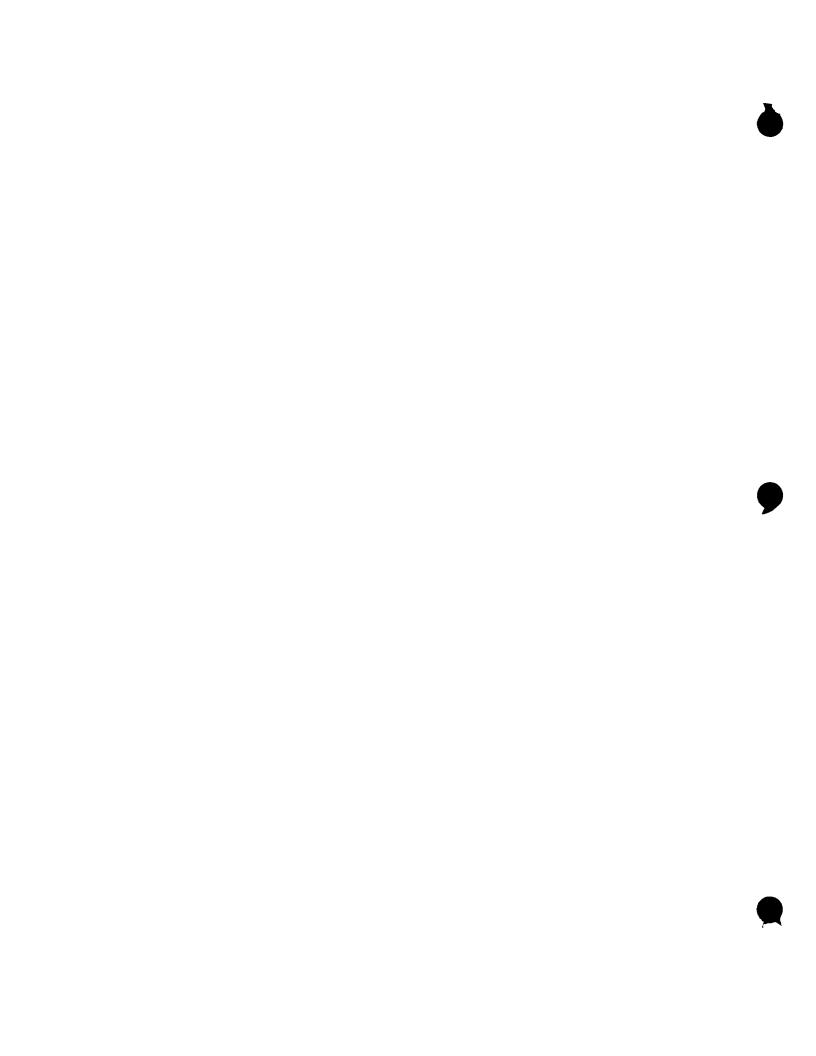
Representative Muller asked how many graduates from their Academy of Applied Technology are able to go straight into industry jobs. Mrs. Lantz stated that all students are able to go directly to work and also have internships post-graduation.

Senator McKissick asked about her comment regarding there not being programs to retain jobs in NC. Senator McKissick followed up by asking Mrs. Lantz what they should be doing differently to increase these programs. Director Lantz deferred to Chris Chung.

Senator Brown recognized Senator Smith. Senator Smith asked how many economic developers the Wilson Economic Development Council had. Director Lantz stated that there were three and half economic developers on her staff. Senator Smith followed up by stating interest in bringing permanent full-time economic developers to smaller NC counties.

Representative Martin asked Director Lantz to share on partners getting dispersed to know the state and also about projects being successfully pushed out around the state and how they are working with the Department of Commerce. Ms. Lantz said the EDPNC meets with people in several locations in the different prosperity zones and that a third of her clients are coming from EDPNC now.

Patrick Woodie, President of the NC Rural Center, spoke to the committee about bridging the rural-urban divide. He said that North Carolina is second largest in the country in rural area and





is 2<sup>nd</sup> in the number of small towns. He gave an update on the "Rural Road Trip" he has been on – having just recently completed visits to 76 of the 80 rural counties in the state. He talked about the success being seen with early college programs and the importance of access to rural broadband and public/private partnerships. He also identified some of the challenges rural counties face including the opioid epidemic, access to healthcare, mental health, affordable housing and water and sewer. He said the top 3 issues in rural North Carolina are broadband, health and small business retention/entrepreneurship development.

Senator McKissick asked Mr. Woodie's opinion on the best solution. Mr. Woodie said there is no single thing, but a comprehensive plan is needed for success.

Clarification was requested on post-secondary education degree in slide 11. Mr. Woodie stated that is at a minimum an Associate's Degree.

The meeting concluded with a presentation of demographic trends in North Carolina from Michael Cline, State Demographer with the Office of State Budget and Management. He presented a report showing the state's growth through both migration and birth rates, looking at both historic and future projections. He showed charts indicating the state has had a much higher number of migration than that of our closest neighbors in recent years, and net domestic migration in NC is larger than all other states, but Florida and Texas. He also discussed the fiscal impacts of the census and the number of federal dollars distributed to North Carolina based on census statistics.

Senator Brown asked how the military population will be counted in the 2020 census. Mr. Cline stated that they are working to account for at least a proportion of military members who are temporarily positioned elsewhere. Senator Brown and Mr. Cline agreed this would make a big difference in the numbers in military communities.

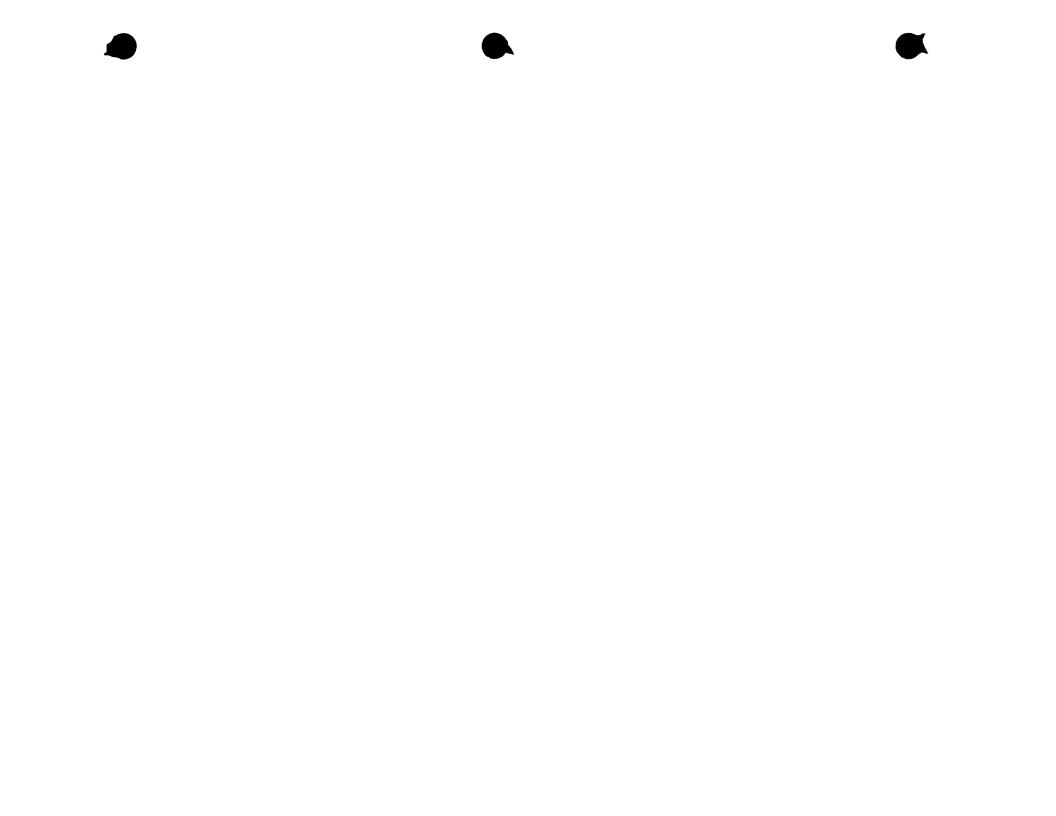
Senator Brown commented that there is a possibility that the committee will meet again on May 15. Senator McKissick asked for thoughts on the impact of tariffs on our economy and its sectors including pork and tobacco and ways of dealing with those impacts. Senator McKissick said he that if there is a meeting on the 15<sup>th</sup> he would like to hear from someone about that topic.

There being no further business, the meeting adjourned at 3:31 PM.

Senator Harry Brown, Co-Chair

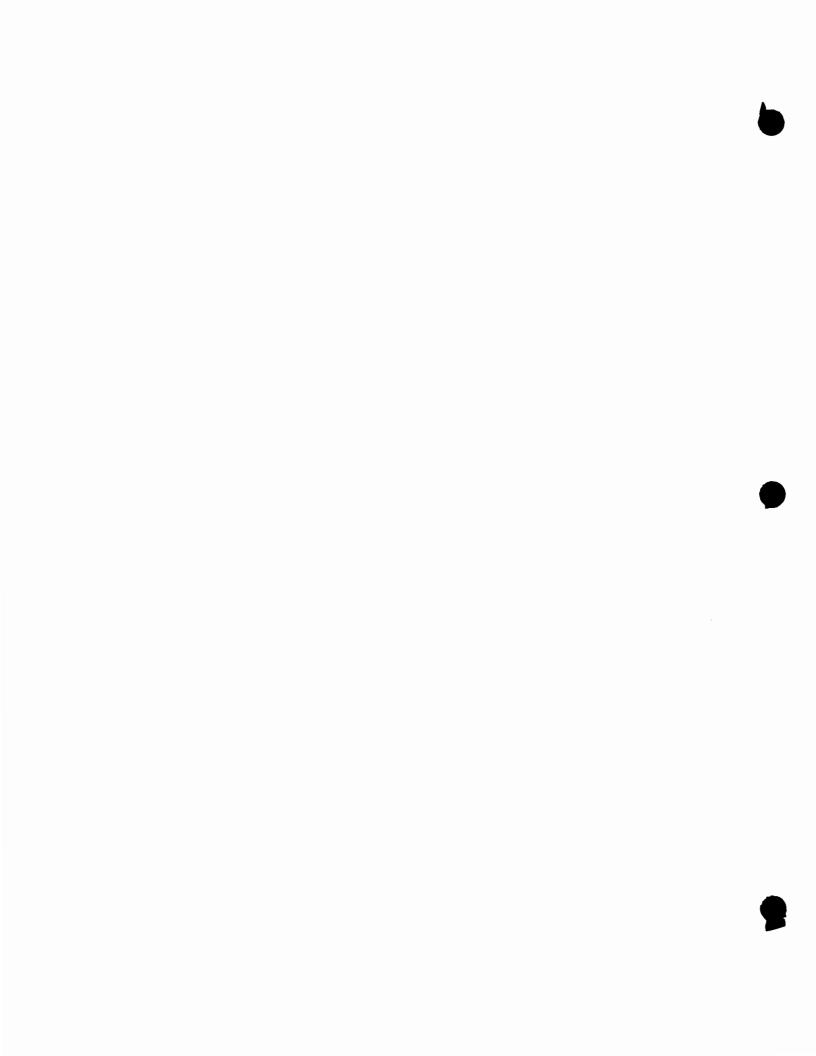
Presiding

Lorie Byrd, Committee Clerk





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- EDPNC 2018 Corporate Survey
  Charlotte Chamber and Economic Development Presentation
  Wilson Economic Development Council Presentation
  NC Rural Center Presentation Bridging The Rural-Urban Divide 9
- OSBM Presentation Demographic Trends in North Carolina 10



#### Susie Farrell (Rep. Susan Martin)

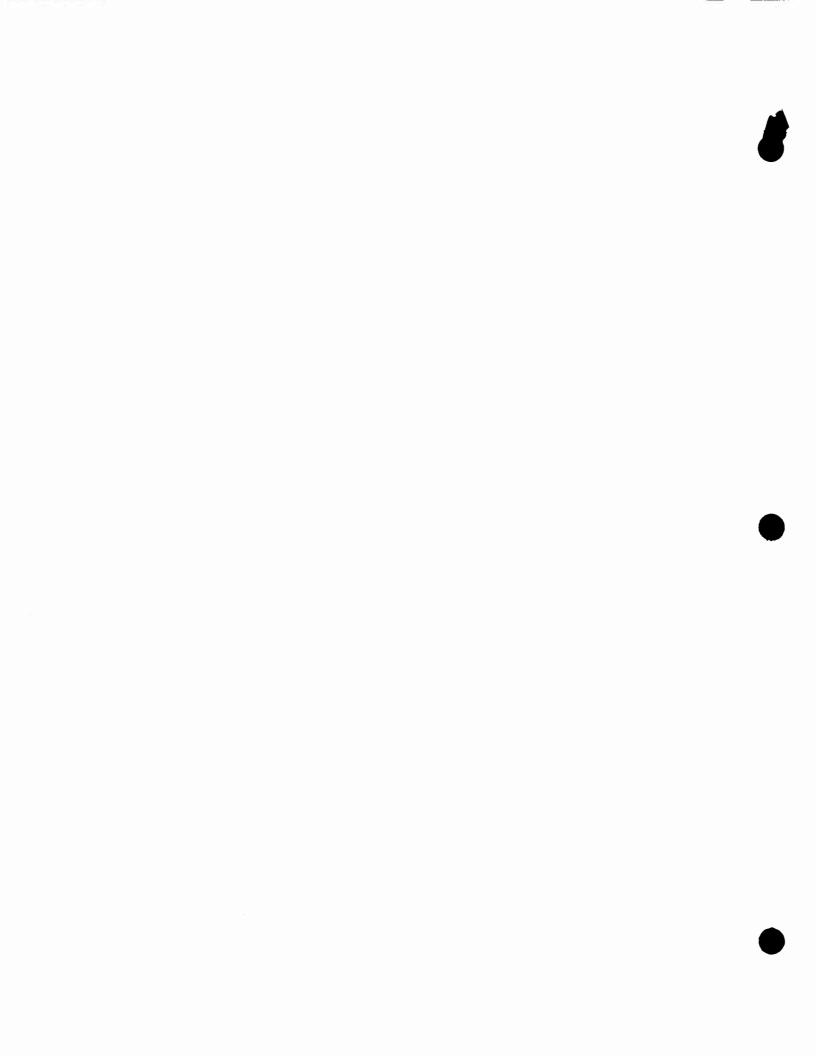
From:

brownla2@ncleg.net.

cc: Committee Record \_X\_ Interested Parties X

Thursday, March 22, 2018 11:11 AM Gent: Lorie Byrd (Sen. Harry Brown) < NCGA > Joint Legislative Economic Development and Global Engagement Oversight Subiect: Committee Meeting Notice for Thursday, April 05, 2018 at 1:00 PM Add Meeting to Calendar LINC .ics Attachments: NORTH CAROLINA GENERAL ASSEMBLY Raleigh, North Carolina 27601 March 22, 2018 MEMORANDUM TO: Members, Joint Legislative Economic Development and Global Engagement Oversight Committee FROM: Rep. Susan Martin, Co-Chair Sen. Harry Brown, Co-Chair SUBJECT: Meeting Notice The Joint Legislative Economic Development and Global Engagement Oversight Committee will meet at the following time: DAY DATE TIME LOCATION 643 LOB Thursday April 5, 2018 1:00 PM Parking for non-legislative meeting attendees is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting http://www.ncleg.net/graphics/downtownmap.pdf. If you are unable to attend or have any questions concerning this meeting, please contact Lorie Byrd at

Lorie Byrd (Sen. Harry Brown)



### JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

#### Room 643 Legislative Office Building

Thursday, April 5, 2018 1:00 P.M.

#### I. CALL TO ORDER

Chairs: Representative Susan Martin

Senator Harry Brown, Presiding

#### II. APPROVAL OF MINUTES

#### III. PRESENTATIONS

#### Opening Remarks by Chairs

#### **EDPNC Annual Report**

Christopher Chung, Chief Executive Officer The Economic Development Partnership of North Carolina (EDPNC)

#### **Economic Development in North Carolina**

Gary Salamido, Vice President of Governmental Affairs The North Carolina Chamber

Bob Morgan, President & Chief Executive Officer Charlotte Chamber of Commerce

Jennifer Lantz, Executive Director Wilson Economic Development Council

### **Rural Economic Development**

Patrick Woodie, President The NC Rural Center

# Demographic Trends in North Carolina

Michael Cline, State Demographer
The Office of State Budget and Management (OSBM)

#### IV. COMMITTEE DISCUSSION

#### V. ADJOURNMENT

#### **House Members**

Rep. Martin (Chair)

Rep. Ross (Vice-Chair)

Rep. Conrad, Rep. Davis, Rep. Fraley, Rep. Goodman, Rep. Hanes

Rep. Moore, Rep. Muller, Rep. Presnell, and Rep. Turner

Rep. Brody (Advisory) and Rep. Dobson (Advisory)

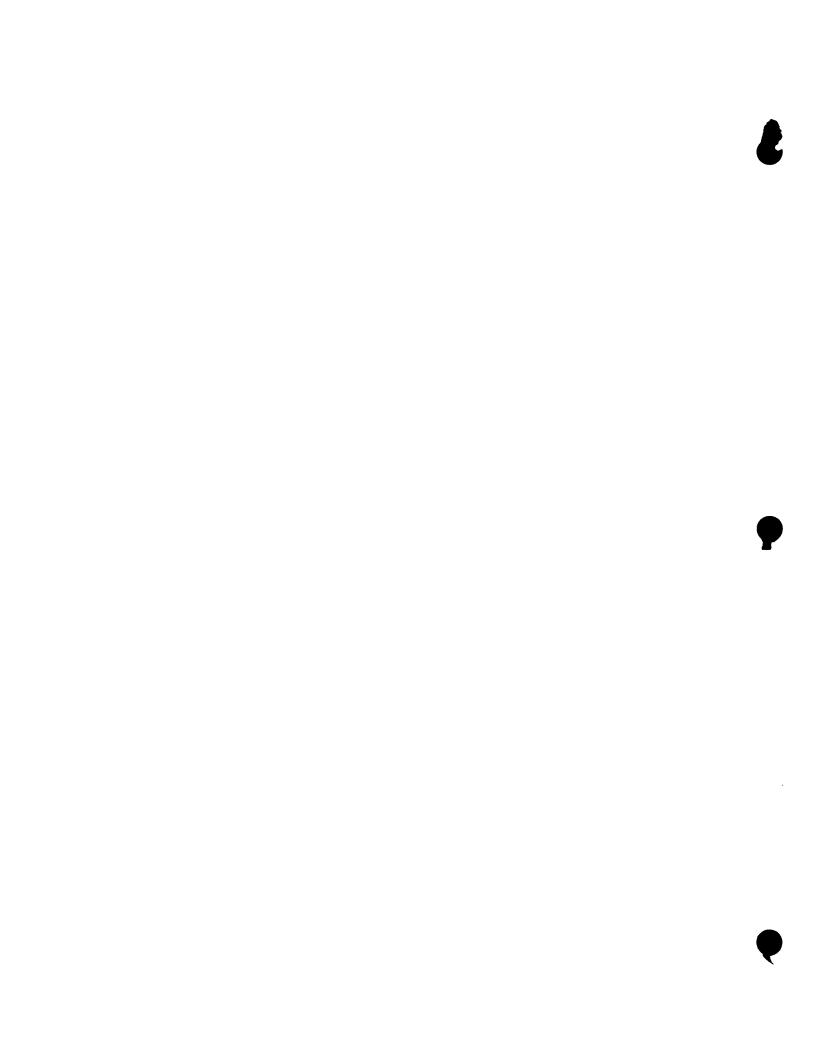
#### **Senate Members**

Sen. Brown (Chair)

Sen. Edwards, Sen. Gunn, Sen. B. Jackson,

Sen. Lowe, Sen. McKissick, Sen. Meredith,

Sen. Rabon, Sen. Smith, Sen. Tucker, and Sen. Wade





# NAME OF MEETING: Joint Committee on Economic Development and Global Engagement Oversight

DATE: April 5, 2018 10:00 AM Room 643

## PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Corner This	MVA
dem Burbe	MINC
JOE 3054	Charlotte Chember
BOS Margen	Chalotte Chamber
mike tine	State Demographic - OSEN
Kasey Ginsony	Goden LEAT
Tom LOONEY	EDPNC
SHEKLA KNIGHT	EDPNC
JENNIFER LANTZ	WILSON ECONOMIC DEVELOPMENT
MARN ZIMM PRAMAN	CD?NC
Gene Me Laurin	EDPNC
George Sherrill	Dept of Commerce
Steve Yest	NISE
Gntreague	NMR5
Jillian Tolman	muclic
Erin Wyna	NCLM
Ciary Obbid	Businoss Break-Thru
S. RANDALL SPAIN, JR. GJS	





# NAME OF MEETING: Joint Committee on Economic Development and Global Engagement Oversight

DATE: April 5, 2018 10:00 AM Room 643

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NAME	FIRM OR AGENCY				
Patrick Woodie	NC Ruval Center				
John Coggin	NC Rual Certas				
Michael Vouth	NCAEC				
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Jernife Tolle Mitzide	NC Rural Center				
DebbieHamrich	NC Rural Center/NC7				
Gina Bock +1	Leave of Woman Voters				
BRENTLANE	UNGCH KABS				
Jack Morgan	Charlotte Charle				
mez morgan	Charlotte Over				
Pobert Magan	CI+ Chamber				
heo John	Secry of State				
Midulo Frazier	SMLOS				
Jocelyn MitMaul	WCBA Mentreship Program				
amanda Donovar	KTS				
LAWRENCE BIVINS	NCEDA				
WILL EZ	NCVOC				



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# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE March 8, 2018 Room 643 of the Legislative Office Building

The Joint Legislative Economic Development and Global Engagement Oversight Committee met on Thursday, March 8, 2018 at 1:15 p.m. The meeting was held in Room 643 of the Legislative Office Building. 18 Members were present including 9 Senators and 9 Representatives. House Members present were Susan Martin (Co-Chair); Stephen Ross (Vice Chair); Bob Muller; Debra Conrad; John A. Fraley; Ken Goodman; Michele D. Presnell; Rena W. Turner; Mark Brody. Senate Members present were Harry Brown (Co-Chair); Chuck Edwards; Rick Gunn; Brent Jackson; Paul A. Lowe, Jr.; Floyd B. McKissick, Jr.; Erica Smith; Trudy Wade; Angela R. Bryant.

Representative Susan Martin presided and called the meeting to order at 1:15 p.m.

Representative Martin recognized the Sergeant-at-Arms Senate staff Terry Barnhardt, Tom Burroughs, House Staff Bill Bass, Rex Foster and Jim Moran, thanked the staff for all of their hard work, and asked members for a motion to approve minutes from the January 11, 2018 minutes. Rep. Turner made the motion. Members voted unanimously to approve the minutes.

Minutes are on the website along with questions from the last meeting with answers.

#### **PRESENTATIONS**

Presentation: Economic Development Incentive Grants by Prosperity Zone 2013-2017 (Presentation Attached or Posted on Website)

Representative Martin recognized Katherine Tamer, Fiscal Analyst of Fiscal Research Division, NCGA for the first presentation.

Ms. Tamer took a question from Sen. McKissick and will provide him with the information requested.

Presentation: Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017
Anthony Copeland, Secretary of Commerce

Christopher Chung, Chief Executive Officer, EDPNC
The Economic Development Partnership of North Carolina (EDPNC)
(Presentation Attached or Posted on Website)

Representative Martin recognized Anthony Copeland, Secretary of Commerce, Department of Commerce for the first presentation.



Secretary Copeland started off with project lost – Toyota is an example from 1/12/17 that we accomplished together. Toyota Executives had two questions. First they asked will the House, Senate and Governor's office work together for certainty and clarity. He shared that without reservation that happened by putting the package together – Senator Berger, Speaker Moore, and Senator Wade were instrumental in putting that together. Their second question was is there an adequate workforce? They were satisfied we had an adequate workforce. He continued to share that we put together a monumental incentive package that allowed them to bend their supply chain, because we stepped up and stayed in play well into January in the end. He thanked both sides of the isle for working together, because this makes us competitive in the global market place and showed we can work together – locals, regulators, environmentalists. It was lots of work and with direction, we can do it again. He said problems from previous year when he was not here have been fixed.

Last year Credit Suisse in May had 1200 jobs retained and invested \$70M. He shared that since 2017, we have awarded 24 job development investment grants with 50% in tier 1 & tier 2 counties. We awarded 34 One NC Grants, 94% grants in tier 1 and tier 2 counties. Rural Infrastructure awarded grants – 27 in tier 1, 47 in tier 2 and this is the culmination of 21k jobs total, which is where we were in 2008. Very good thing. He talked about projects that show creativity and hard work: called wrap around strategy with government, local, municipality, state working together. An example is German Company - Englewood Properties in Davidson – why did that happen? Adequate employees, site & infrastructure (takes time w/state & local private dollars). It takes time and we must continue making sites, broadband, etc. ready. He shared that Corning announced 2 projects at once, which did not happen by accident. 317 jobs in Durham 111 jobs in Edgecombe. He took credit for encouraging them to split total jobs and not put all into tier 3. They put some in a tier 1 by using life sciences. Another company is Baxter Healthcare in McDowell that retained 2600 jobs.

A Chinese company - Triangle Tire Co. brought 800 jobs into Edgecombe tier 1. He talked about his trip to China to land this company was very arduous.

He believes that if we continue to work hard, we can put more of these into our struggling counties such as the current ongoing prospects with Armstrong in Onslow, continuing in Burke, etc. – These take hard work and don't happen by accident and require post deal work.

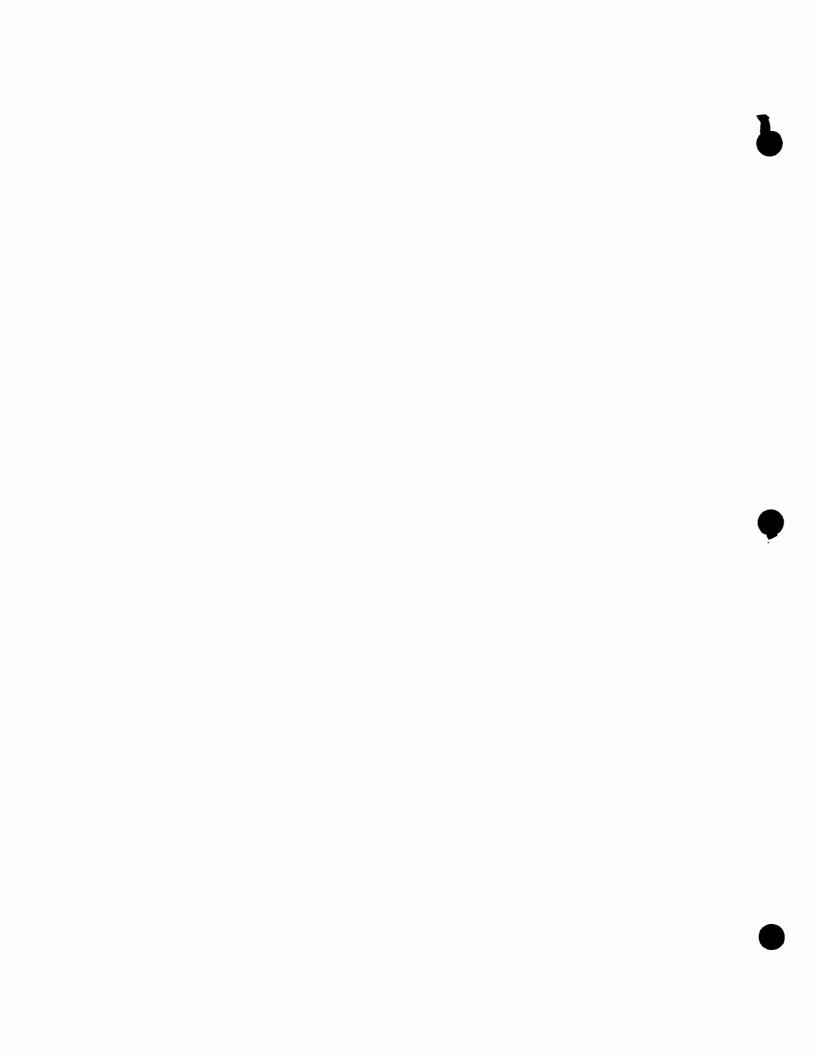
He concluded that we have uphill challenges, and he would like to continue to work with you, asked that you give him the tools to do what he needs to do. Driven by site consultants.

Questions were taken concerning business recruitment activity and answers were provided by Secretary Copeland.

Senator Gunn requested that the Department of Commerce provide an update about the Priority Zones at the April meeting, and Representative Martin noted that it would be considered as a possibility. Secretary Copeland noted that a Director for outdoor recreation in North Carolina has been named with the funds designated from last year's budget.

Representative Martin recognized Christopher Chung, Chief Executive Officer of The Economic Development Partnership of North Carolina (EDPNC) to present the second part of the Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017.

Mr. Chung introduced members of their volunteer board of directors appointed by the legislature - Gene McClorn, Sheila Night, Mark Zimmerman and Dave Craven and then went through the content of his presentation. He noted that he cannot lobby because he is with Commerce, but he offered to answer questions. His answers focused on being in the best position to have all of North Carolina in play for jobs and economic growth.





Presentation: Hometown Strong: Community Engaged Partnerships By Mr. Pryor Gibson, Director, Hometown Strong (Presentation Attached or Posted on Website)

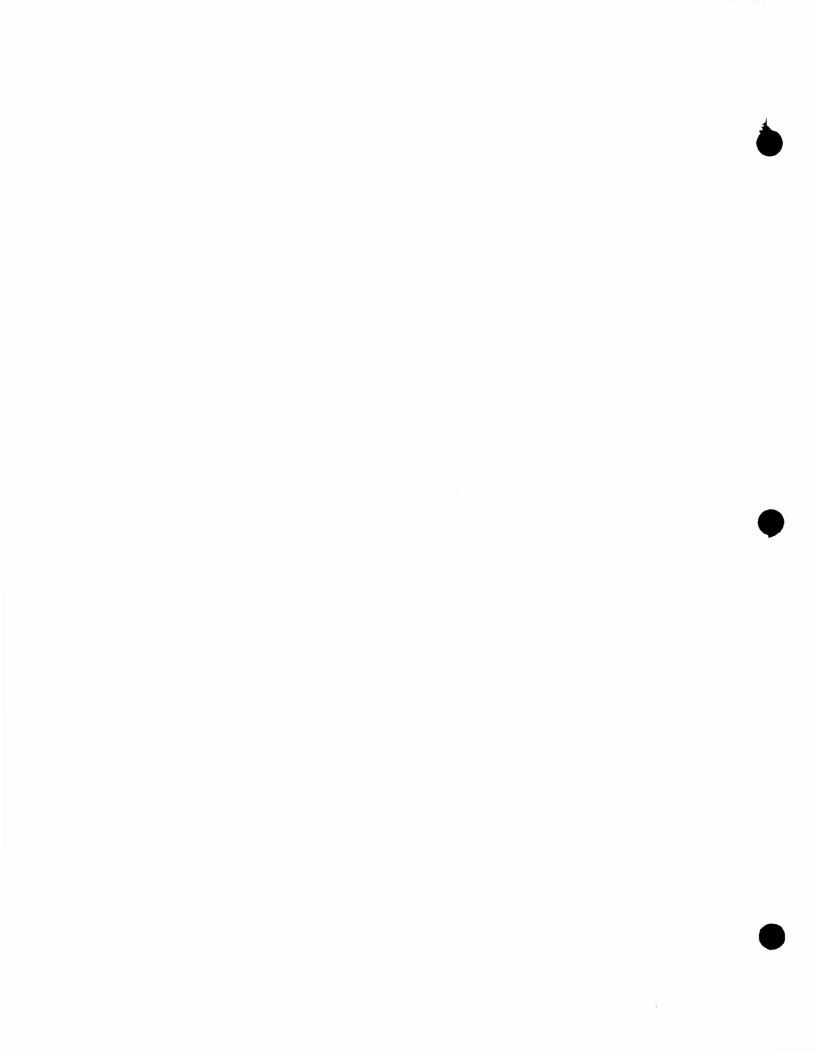
Representative Martin recognized Mr. Pryor Gibson, Director of Hometown Strong to present the Hometown Strong, Community Engaged Partnerships.

Mr. Gibson noted the support at the federal level and ongoing robust meetings being held with cities and counties across the state using Priority Zones. He took questions and reiterated action being taken to offer help around the entire state.

Presentation: Site Selection Consultant Experience By John Boyd, Principal, The Boyd Company

Representative Martin invited Mr. Boyd of The Boyd Company who is often quoted about the state of North Carolina and works with a lot of other states to give the Site Selection Consultant Experience presentation.

Mr. Boyd noted that his firm is one of the oldest, most well-known site selection firms in the country. His firm is very active in North Carolina. He has been quoted as stating "the economic development of 2018 is the second war between the states" because of competiveness. He noted the trend of reshoring up jobs has increased dramatically - Ford, AT&T, Pfizer, Revlon, etc. because the business climate is friendlier under current administration (tax cuts, eliminating expensive environmental regulations, pro-business energy policy, US first trade, trillion dollar market place). He is seeing a flurry of foreign companies invest in US. It is a very exciting time for economic development. He explained the acronym his firm uses in their site selection projects is TALIO. T is for Talent - North Carolina's talent pool is one of the best in America for education (53 colleges and universities), Raleigh's impressive cluster of biotech and IT, banking and corporate headquarters concentration in Charlotte, the triad's manufacturing skillset lead by a technical Community College system that is trend setting and used around the country as a model for vocational training, and a military presence (NC is 4th) for skilled workforce. A is for Access - access to reliable low cost energy, telecommunications infrastructure, natural resources, shovel ready sites with four mega sites, and access to the global market by an airport with direct flights to Paris, London and hopefully China soon, the highway infrastructure is uniquely linked to the rich Northeast, the west and the heart of manufacturing southern markets. Intermodal-rail is a critical site selection driver, and North Carolina has the 4th largest consolidated rail system in the country that links manufacturers throughout the state to import export services at the port in Wilmington, which gives North Carolina high marks. L is for Lifestyle - North Carolina offers advantages with beaches, mountains to the west, world class golf, iconic college sports with cultural amenities associated with premier colleges. Affordability with low competitive home pricing, property taxes and income taxes are a bargain here, which is especially timely with tax changes and talk of a new millionaire tax in New Jersey and Massachusetts. I is for Incentives which are a necessary evil. We like what we see with the legislature and it sends a great message to the auto industry, aerospace industry, medical devices industry, food processing industry that North Carolina





is open for business to partner with a company by investing critical things like workforce training and infrastructure. Operating costs are low with labor costs in banking 20% less in Charlotte than NY and pharmaceuticals costs 20% less in Raleigh versus Boston.

Mr. Boyd took questions and gave answers:

Sen. Brown: Why send anybody anywhere else?

Mr. Boyd: We love North Carolina and these are exciting times.

Rep. Fraley: Are you seeing any results of China pulling back on their international investments? Mr. Boyd: No. Our clients are aware of the posture in DC. It is more expensive to manufacture abroad and when we factor in the American First stance, where will these projects go? Winning states are the right to work status, low union membership, and aggressive workforce training. NC fits that bill today. Rep. Fraley: The fact that the Chinese government has curtailed Chinese companies from investing in the US – that was my point.

Mr. Boyd: It will be interesting to see how this plays out. Our clients are aware of this PR battle. Fairer trade that protects our manufacturing base is needed, and the case needs to be made by our government. Rep. Brody: I would like your opinion on spec buildings. My county is an extreme Tier 3 and Tier 1 – hence reason for spec. buildings. Does that have value in your opinion if we would invest in spec buildings? Would that be attractive to a number of businesses that they're out there?

Mr. Boyd: Yes. Our clients expect to have a variety portfolio available to them. Turn key is terrific. They looked at Louisiana repurposing buildings. Yes, I'm a fan of spec buildings.

Rep. Conrad: I'm familiar with reshoring and hoped that North Carolina was in the best position to get

these manufacturing plants back. I've heard that Hanes is the most difficult – is that correct? Mr. Boyd: The challenge is to fish where the fish are. I'm especially optimistic for the triad region to get high growth, aerospace, food processing areas.

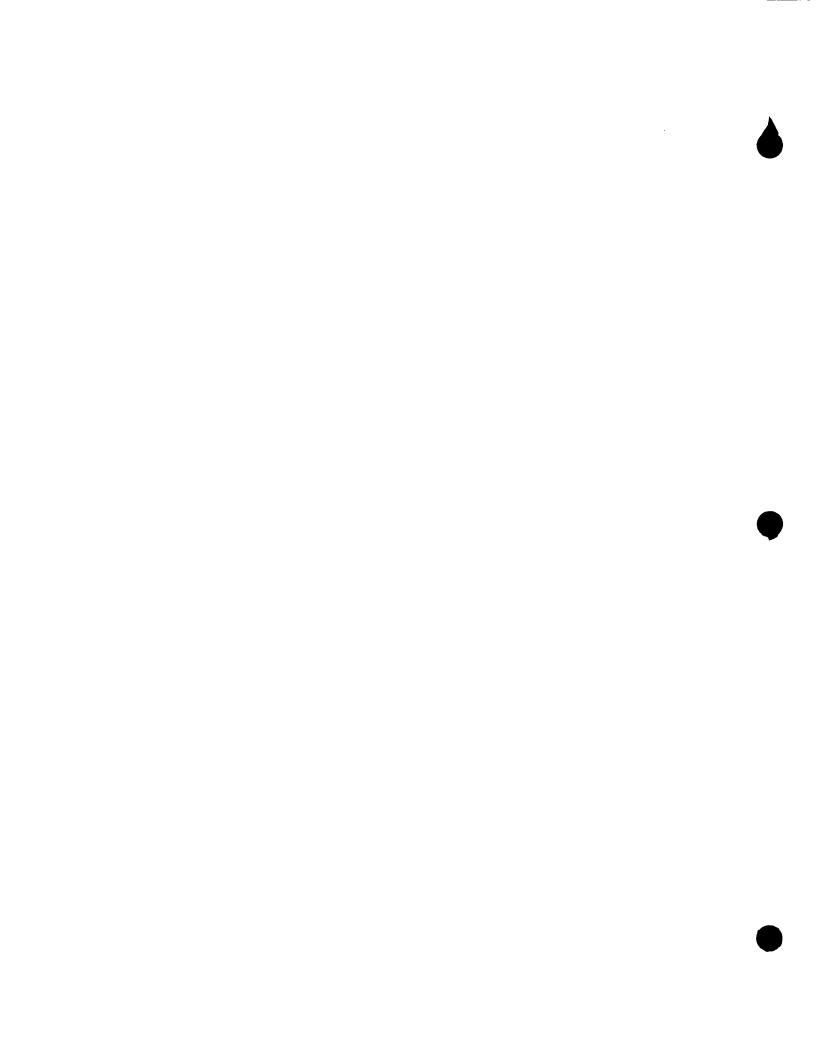
Presentation: H1-B Visas

By Anthony Copeland, Secretary of Commerce, Department of Commerce
(Presentation Attached or Posted on Website)

Representative Martin welcomed back Secretary Copeland to address the H1-B Visas Presentation. Secretary Copeland noted that Jackie Keener has all the statistical information and then he will be glad to cover it. Ms. Keener gave a brief overview. Secretary Copeland took questions concerning H1Visas and responded that there is little to no data available for them. It was noted that the rules for this come from federal policy.

Presentation: Defining Appropriate Program Indictors By Rodney Bizzell, FRD, NCGA (Presentation Attached or Posted on Website)

Rep. Martin introduced Rodney Bizzell to follow up on the January presentation. Mr. Bizzell did a brief review and explained details about the current tier program. He pointed out that the current Tier System





is not a good system to measure government distress. It is better measured by local tax capacity. He took questions and explained the slides. The complication and importance of updating the tier system was acknowledged, and a reminder that North Carolina's economy is growing strong as a result of the work done by the legislature was made.

NOTE: The audio of this entire meeting is posted on the committee website for further review.

#### Adjournment

There being no further business, the meeting adjourned at 4:05pm.

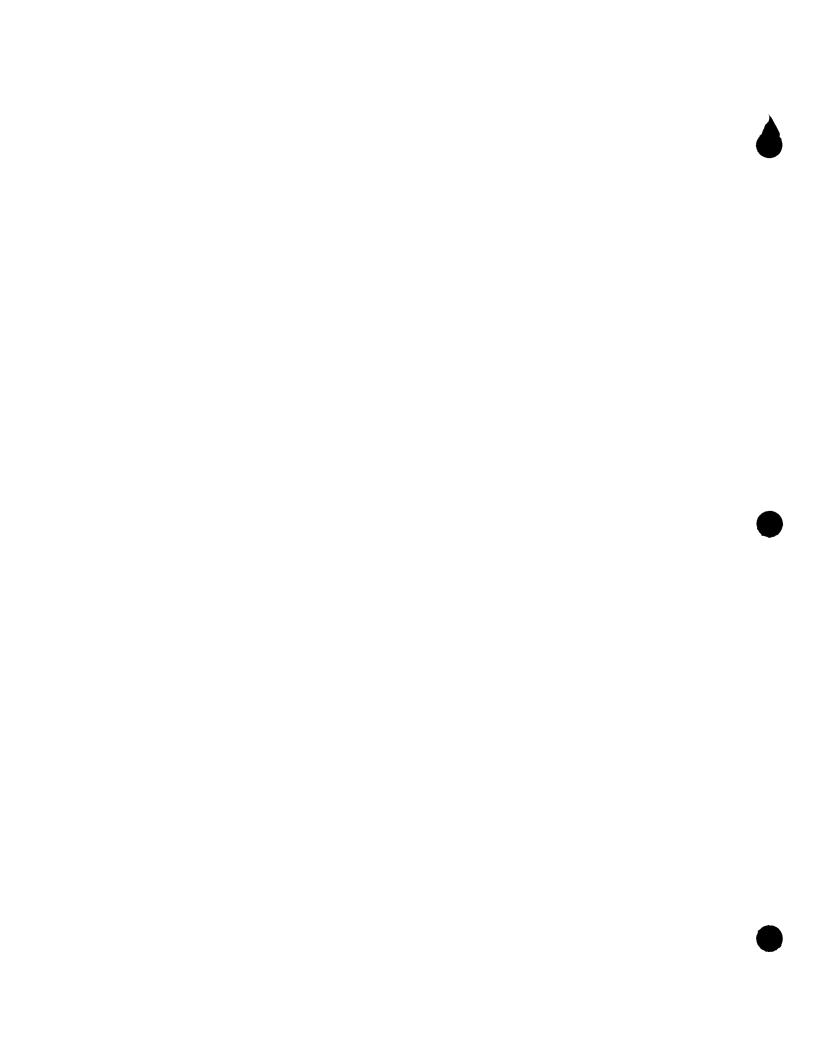
Representative Susan Martin, Co-Chair Presiding

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Susie Farrell, Committee Clerk

Attachments or Postings on Website:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from January 11, 2017 meeting
- 4 Visitor's Registration
- 5 Response To Questions from January 11, 2018 meeting
- 6 Presentation by Katherine Tamer, Fiscal Analyst, Economic Development Incentive Grants by Prosperity Zone 2013-2017
- Presentation by Christopher Chung, CEO of EDPNC, Response to Economic Development Incentive Grants by Prosperity Zones 2013-2017
- 8 Presentation by Pryor Gibson, Director, Hometown Stirong: Community Engaged Partnerships
- 9 Presentation by Anthony Copeland, Secretary of Commerce, Dept. of Commerce, H-1B Visas
- 10 Presentation by Rodney Bizzell, Principal Fiscal Analyst, Fiscal Research Division, NCGA, Defining Appropriate Program Indicators



# JOINT LEGISLATIVE ECONOMIC DEVELOPMENT AND GLOBAL ENGAGEMENT OVERSIGHT COMMITTEE

March 8, 2018

Room 643 of the Legislative Office Building

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Last year Credit Suisse in May had 1200 jobs retained and invested \$70M. He shared that since 2017, we have awarded 24 job development investment grants with 50% in tier 1 & tier 2 counties. We awarded 34 One NC Grants, 94% grants in tier 1 and tier 2 counties. Rural Infrastructure awarded grants – 27 in tier 1, 47 in tier 2 and this is the culmination of 21k jobs total, which is where we were in 2008. Very good thing. He talked about projects that show creativity and hard work: called wrap around strategy with government, local, municipality, state working together. An example is German Company - Englewood Properties in Davidson – why did that happen? Adequate employees, site & infrastructure (takes time w/state & local private dollars). It takes time and we must continue making sites, broadband, etc. ready. He shared that Corning announced 2 projects at once, which did not happen by accident. 317 jobs in Durham 111 jobs in Edgecombe. He took credit for encouraging them to split total jobs and not put all into tier 3. They put some in a tier 1 by using life sciences. Another company is Baxter Healthcare in McDowell that retained 2600 jobs.

A Chinese company - Triangle Tire Co. brought 800 jobs into Edgecombe tier 1. He talked about his trip to China to land this company was very arduous.

He believes that if we continue to work hard, we can put more of these into our struggling counties such as the current ongoing prospects with Armstrong in Onslow, continuing in Burke, etc. – These take hard work and don't happen by accident and require post deal work.

He concluded that we have uphill challenges, and he would like to continue to work with you, asked that you give him the tools to do what he needs to do. Driven by site consultants.

Questions were taken concerning business recruitment activity and answers were provided by Secretary Copeland.

Senator Gunn requested that the Department of Commerce provide an update about the Priority Zones at the April meeting, and Representative Martin noted that it would be considered as a possibility. Secretary Copeland noted that a Director for outdoor recreation in North Carolina has been named with the funds designated from last year's budget.

Representative Martin recognized Christopher Chung, Chief Executive Officer of The Economic Development Partnership of North Carolina (EDPNC) to present the second part of the Response to Economic Development Incentive Grants by Prosperity Zone 2013-2017.

Mr. Chung introduced members of their volunteer board of directors appointed by the legislature - Gene McClorn, Sheila Night, Mark Zimmerman and Dave Craven and then went through the content of his presentation. He noted that he cannot lobby because he is with Commerce, but he offered to answer questions. His answers focused on being in the best position to have all of North Carolina in play for jobs and economic growth.

Presentation: Hometown Strong: Community Engaged Partnerships By Mr. Pryor Gibson, Director, Hometown Strong (Presentation Attached or Posted on Website)

Representative Martin recognized Mr. Pryor Gibson, Director of Hometown Strong to present the Hometown Strong, Community Engaged Partnerships.

		_

Mr. Gibson noted the support at the federal level and ongoing robust meetings being held with cities and counties across the state using Priority Zones. He took questions and reiterated action being taken to offer help around the entire state.

Presentation: Site Selection Consultant Experience By John Boyd, Principal, The Boyd Company

Representative Martin invited Mr. Boyd of The Boyd Company who is often quoted about the state of North Carolina and works with a lot of other states to give the Site Selection Consultant Experience presentation.

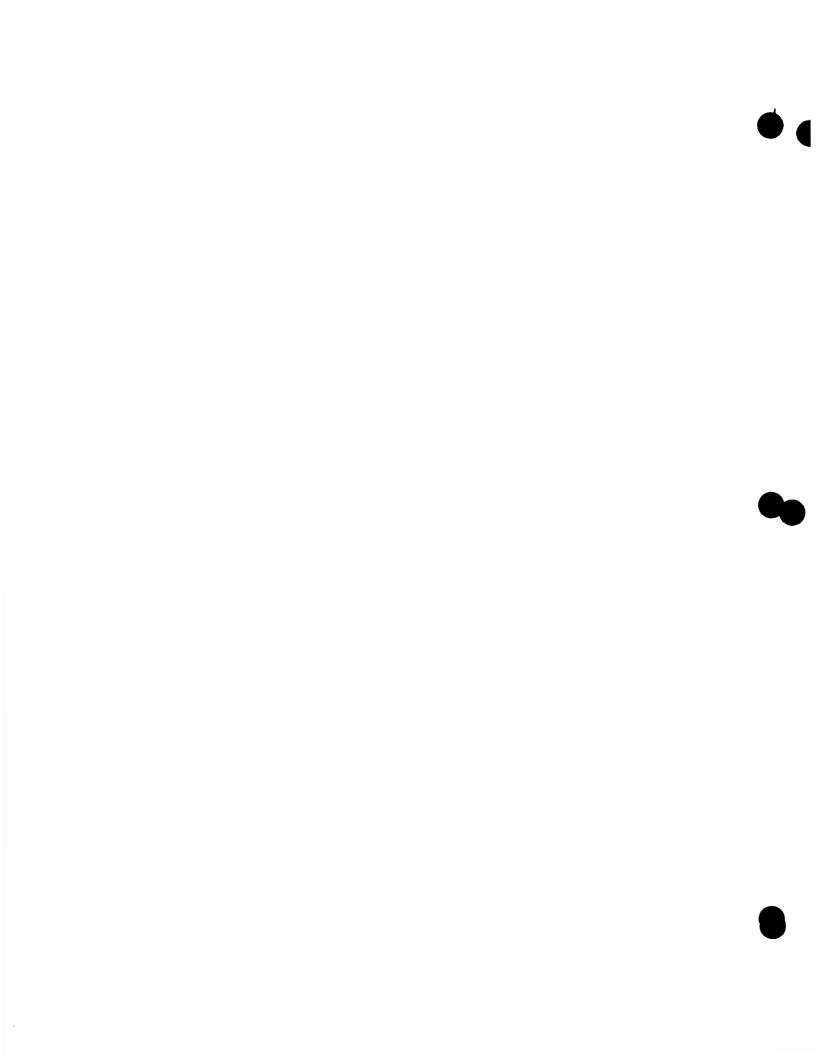
Mr. Boyd noted that his firm is one of the oldest, most well-known site selection firms in the country. His firm is very active in North Carolina. He has been quoted as stating "the economic development of 2018 is the second war between the states" because of competiveness. He noted the trend of reshoring up jobs has increased dramatically - Ford, AT&T, Pfizer, Revlon, etc. because the business climate is friendlier under current administration (tax cuts, eliminating expensive environmental regulations, pro-business energy policy, US first trade, trillion dollar market place). He is seeing a flurry of foreign companies invest in US. It is a very exciting time for economic development. He explained the acronym his firm uses in their site selection projects is TALIO. T is for Talent – North Carolina's talent pool is one of the best in America for education (53 colleges and universities), Raleigh's impressive cluster of biotech and IT, banking and corporate headquarters concentration in Charlotte, the triad's manufacturing skillset lead by a technical Community College system that is trend setting and used around the country as a model for vocational training, and a military presence (NC is 4th) for skilled workforce. A is for Access - access to reliable low cost energy, telecommunications infrastructure, natural resources, shovel ready sites with four mega sites, and access to the global market by an airport with direct flights to Paris, London and hopefully China soon, the highway infrastructure is uniquely linked to the rich Northeast, the west and the heart of manufacturing southern markets. Intermodal-rail is a critical site selection driver, and North Carolina has the 4th largest consolidated rail system in the country that links manufacturers throughout the state to import export services at the port in Wilmington, which gives North Carolina high marks. L is for Lifestyle - North Carolina offers advantages with beaches, mountains to the west, world class golf, iconic college sports with cultural amenities associated with premier colleges. Affordability with low competitive home pricing, property taxes and income taxes are a bargain here, which is especially timely with tax changes and talk of a new millionaire tax in New Jersey and Massachusetts. I is for Incentives which are a necessary evil. We like what we see with the legislature and it sends a great message to the auto industry, aerospace industry, medical devices industry, food processing industry that North Carolina is open for business to partner with a company by investing critical things like workforce training and infrastructure. Operating costs are low with labor costs in banking 20% less in Charlotte than NY and pharmaceuticals costs 20% less in Raleigh versus Boston.

Mr. Boyd took questions and gave answers:

Sen. Brown: Why send anybody anywhere else?

Mr. Boyd: We love North Carolina and these are exciting times.

Rep. Fraley: Are you seeing any results of China pulling back on their international investments? Mr. Boyd: No. Our clients are aware of the posture in DC. It is more expensive to manufacture abroad and when we factor in the American First stance, where will these projects go? Winning states are the right to work status, low union membership, and aggressive workforce training. NC fits that bill today.



Rep. Fraley: The fact that the Chinese government has curtailed Chinese companies from investing in the US – that was my point.

Mr. Boyd: It will be interesting to see how this plays out. Our clients are aware of this PR battle. Fairer trade that protects our manufacturing base is needed, and the case needs to be made by our government. Rep. Brody: I would like your opinion on spec buildings. My county is an extreme Tier 3 and Tier 1 – hence reason for spec. buildings. Does that have value in your opinion if we would invest in spec buildings? Would that be attractive to a number of businesses that they're out there? Mr. Boyd: Yes. Our clients expect to have a variety portfolio available to them. Turn key is terrific. They looked at Louisiana repurposing buildings. Yes, I'm a fan of spec buildings. Rep. Conrad: I'm familiar with reshoring and hoped that North Carolina was in the best position to get these manufacturing plants back. I've heard that Hanes is the most difficult – is that correct? Mr. Boyd: The challenge is to fish where the fish are. I'm especially optimistic for the triad region to get high growth, aerospace, food processing areas.

Presentation: H1-B Visas

By Anthony Copeland, Secretary of Commerce, Department of Commerce
(Presentation Attached or Posted on Website)

Representative Martin welcomed back Secretary Copeland to address the H1-B Visas Presentation. Secretary Copeland noted that Jackie Keener has all the statistical information and then he will be glad to cover it. Ms. Keener gave a brief overview. Secretary Copeland took questions concerning H1Visas and responded that there is little to no data available for them. It was noted that the rules for this come from federal policy.

Presentation: Defining Appropriate Program Indictors By Rodney Bizzell, FRD, NCGA (Presentation Attached or Posted on Website)

Rep. Martin introduced Rodney Bizzell to follow up on the January presentation. Mr. Bizzell did a brief review and explained details about the current tier program. He pointed out that the current Tier System is not a good system to measure government distress. It is better measured by local tax capacity. He took questions and explained the slides. The complication and importance of updating the tier system was acknowledged, and a reminder that North Carolina's economy is growing strong as a result of the work done by the legislature was made.

NOTE: The audio of this entire meeting is posted on the committee website for further review.

#### Adjournment

There being no further business, the meeting adjourned at 4:05pm.



Lusan Martin

Representative Susan Martin, Co-Chair Presiding

Susie Farrell, Committee Clerk

#### Attachments or Postings on Website:

- 1 Committee Notice
- 2 Agenda
- 3 Minutes from January 11, 2017 meeting
- 4 Visitor's Registration
- 5 Response To Questions from January 11, 2018 meeting
- 6 Presentation by Katherine Tamer, Fiscal Analyst, Economic Development Incentive Grants by Prosperity Zone 2013-2017
- Presentation by Christopher Chung, CEO of EDPNC, Response to Economic Development Incentive Grants by Prosperity Zones 2013-2017
- 8 Presentation by Pryor Gibson, Director, Hometown Strong: Community Engaged Partnerships
- 9 Presentation by Anthony Copeland, Secretary of Commerce, Dept. of Commerce, H-IB Visas
- 10 Presentation by Rodney Bizzell, Principal Fiscal Analyst, Fiscal Research Division, NCGA, Defining Appropriate Program Indicators







Christopher Chung Chief Executive Officer EDPNC

Economic Development Partnership of North Carolina

4/5/2018

### **Topics**

- 1 What matters to businesses? (UPDATED 4.5.2018)
- 2 What were the EDPNC's performance results in 2017?
- What do we need to be more successful?
- 4 How are other states incentivizing jobs and investment?

Economic Development Partnership of North Carolina

### What matters to businesses?

**#1:** Highway accessibility

#2: Labor costs

**#3:** Availability of skilled labor

#4: Quality of life

**#5:** Occupancy/construction costs

**#5T: Tax exemptions** 

**#7:** Proximity to major markets

#8: Corporate tax rate

**#9:** State and local incentives

#10: Available land / sites

### Combined Ratings

#### **CORPORATE SURVEY 2017**

Site Selection Factors	2017	2016
Ranking		
?. Highway accessibility	91.3	94,4 (1)**
2. Labor costs	91.7	89.6 (3)
3. Availability of skilled labor	88.8	89.8 (2)
<ol> <li>Quality of life</li> </ol>	87.2	76.4 (10)
5. Tax exemptions	85.9	79,7 (7)
5% Occupancy or construction costs	85.9	86.0 (4)
7. Proximity to major markets	846	78.7 (9)
& Corporate tax rate	83.2	82.3 (6)
4. State and local incentives	81.3	84.0 (5)
10. Available land	76.9	75.3 (12)
Expedited or "fast-track" permitting	76.7	71.7 (13)
12. Froximity to suppliers	76.4	66.0 (20)
(%. Energy availability and costs	76.D	78.5 (8)
14. Available buildings	75.9	75.5 (11)
15. Right-to-work state	747	70.1 (16)
36. Training programs/technical colleges	728	66,7 (18)
17. Inbound/outbound shipping costs	71.8	69.1 (17)
18: Low union profile	71.4	70.8 (141)
19. Environmental regulations	70.2	70.8 (14)
29. Availability of long-term financing	646	66.7 (181)
21. Accessibility to major airport	56.4	52.4 (22)
🔅 flaw materials availability	56.0	.53.7 (21)
23. Water availability	55.3	46.3 (24)
24, Availability of unskilled labor	52.0	51.9 (23)
25. Proximity to innovation/commercialization R&D centers	44.7	39.2 (26)
26. Availability of advanced ICT services	42.7	40.9 (25)
27. Waterway or oceanport accessibility	31.2	18.1 (28)
28. Railroad service	29.9	33.7 (27)

<sup>&</sup>quot;All figures are percentages and are the total of the "Very important" and "Important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

<sup>\*\* 2016</sup> ranking

### What matters to businesses?

#11: Expedited permitting

**#12: Proximity to suppliers** 

#13: Energy availability and costs

**#14: Available buildings** 

**#15: Right-to-work status** 

**#16: Training programs** 

**#17:** Logistics costs

#18: Low union profile

**#19: Environmental regulations** 

**#20: Availability of financing** 

Economic Development Partnership of North Carolina

#### Combined Ratings

#### **CORPORATE SURVEY 2017**

Site Selection Focions	2017	2016
Ranking		
?. Highway accessibility	91.3	944 (1)**
2. labor costs	91.1	89.6 (3)
Availability of skilled labor	88.88	89.8 (2)
4. Quality of life	87.2	76.4 (10)
% Tax exemptions	85.9	79.7 (7)
5% Occupancy or construction costs	85.9	86D (4)
7. Proximity to mojor markets	84.6	78.1 (9)
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<sup>\*\* 2016</sup> ranking

## What matters to businesses?

**#21: Access to major airport** 

**#22:** Raw materials availability

**#23:** Availability of water resources

**#24: Availability of unskilled labor** 

**#25: Proximity to R&D/innovation** 

#26: Availability of ICT/telecom

**#27: Seaport or water port access** 

#28: Railroad service

#### Combined Ratings

#### **CORPORATE SURVEY 2017**

Site Selection Factors	2017	2016
Ranking		
. Highway accessibility	91.3	94.4 (1)**
2. Labor costs	91.1	(3) 3.68
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<sup>\*\* 2016</sup> ranking

Economic Development Partnership of North Carolina

### **Mission of the EDPNC**

The Economic Development Partnership of North Carolina advances the economic interests of North Carolina's 100 counties and more than 10 million residents, through its collaboration with state, regional, local, and private-sector partners in new business recruitment, existing employer support, international trade and export assistance, small business start-up counseling, and tourism promotion.





Existing Industry
Support



International Trade



Small Business Support



Travel & Tourism

Economic Development Partnership of North Carolina

4/5/2018

### **How does the EDPNC define success?**

### **Business Recruitment (BR)**

→ Get companies to locate here

### **Existing Industry Support (EI)**

→ Get companies already here to stay and grow here

### **Export Assistance / International Trade (IT)**

→ Help companies already here to sell products overseas

### **Small Business Start-up Counseling (BLNC)**

→ Help individuals launch new businesses

### **Tourism Promotion (VisitNC)**

→ Get visitors to travel here and spend their money here

Economic Development Partnership of North Carolina

# **How does EDPNC measure BR success?**

- Total number of all recruitment and expansion wins across the entire EDPNC enterprise
- Number of all projects won in Tier 1 and 2 areas
- Number of new jobs announced from all recruitment and expansion wins across EDPNC
- Number of new jobs from BR wins only
- Amount of new capital investment announced from all recruitment and expansion wins across EDPNC
- Amount of new capital investment from BR wins only

# What did BR's results look like in 2017?

Performance Metric	2016 Results	2017 Results
# of BR and El projects won in total	139	150
# of BR and El wins in Tier 1 and Tier 2 counties	94	93
# of new jobs, all recruitment and expansion wins	14,944	19,999
# of new jobs, BR wins only	12,640	16,485
\$ in new cap-ex, all recruitment and expansion wins	\$3.84 billion	\$4.15 billion
\$ in new cap-ex, BR wins only	\$3.24 billion	\$3.28 billion

### **How does EDPNC measure El success?**

- Number of projects won by El team
- Number of projects won by El team in Tier 1 and 2 areas
- Number of new jobs from El wins
- Amount of new capital investment from El wins
- Number of existing businesses supported

# What did El's results look like in 2017?

Performance Metric	2016 Results	2017 Results
# of El projects won	57	75
# of El wins in Tier 1 and Tier 2 counties	47	60
# of new jobs, El wins	2,304	3,514
\$ in new cap-ex, El wins	\$602 million	\$866 million
# of existing businesses supported	1,056	1,141

Economic Development Partnership of North Carolina

# **How does EDPNC measure IT success?**

- Number of companies assisted with exports
- Value of incremental new exports reported by companies assisted

# What did IT's results look like in 2017?

Performance Metric	2016	2017
r ci i o i i i i i i i i i i i i i i i i	Results	Results
# of companies assisted with exports	558	559
Value of incremental new export revenues reported by companies assisted	\$832 million	\$890 million

# **How does EDPNC measure BLNC success?**

- Number of cases assisted involving callers inquiring about business start-up requirements
- Number of cases assisted in Tier 1 and Tier 2 counties
- Customer satisfaction rating among all callers assisted
- Number of proactive events promoting small business start-up assistance resources to targeted entrepreneur audiences

# What did BLNC's results look like in 2017?

Performance Metric	2016 Results	2017 Results
# of cases assisted involving callers inquiring about business start-up requirements	20,152	22,092
# of cases assisted in Tier 1 and Tier 2 counties	6,650	8,924
Customer satisfaction rating of at least 4- out-5 among all callers	100%	97%
# of proactive events promoting small business start-up assistance resources to targeted audiences	n/a	76

Economic Development Partnership of North Carolina

# **How does EDPNC measure VisitNC success?**

- Total spending by visitors while in North Carolina
- Number of consumer inquiries about travel to North Carolina (as captured through website visits on VisitNC.com and tourism hotline calls)
- Number of Tier 1 and Tier 2 cooperative marketing partners

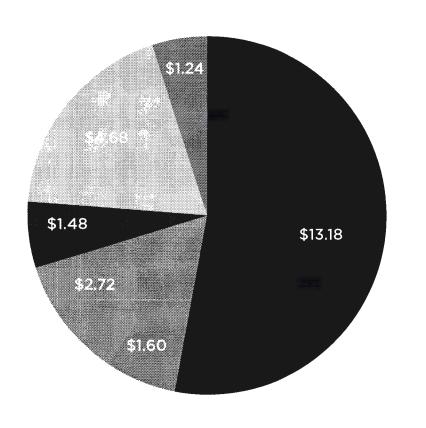
# What did VisitNC's results look like in 2017?

Performance Metric	2016 Results	2017 Results
Total visitor spending (2017 results available in April 2018)	\$22.91 billion	TBA 4/2018
Number of consumer inquiries (thru VisitNC.com and tourism hotline)	· 7.10 million	7.53 million
Number of Tier 1 and Tier 2 cooperative marketing partners	98	101

# What do we need to be more successful?

- 1 Understanding that economic development is not just recruitment
- 2 Resources to expand our capabilities to do more across the state
- 3 An opportunity to help inform policy decisions





- Tourism
- Existing Industry & Small Business Support
- International Trade
- Business Recruitment
- Marketing & Business Development
- Administration

Economic Development Partnership of North Carolina

4/5/2018



- 1 Based on percentage of payroll awarded as combination of retained withholdings and/or refundable tax credits over 5 years
- 2 Minimum of 2 jobs must be created
- **3** Special category for "Rural" projects (i.e. lower job threshold)
- 4 Jobs must pay at least 90 percent of county average wage
- 5 Additional year of benefit for MO companies with "seniority"
- 6 Annual limit on amount of program tax credits: \$116 million

Economic Development Partnership of North Carolina

# How are other states incentivizing jobs?

Feature of program	NC JDIG	OH Job Creation Tax Credit	MO Missouri Works
Job creation minimum requirements	10 ~ 50 (statute vs. policy)	10	2 2
Form of incentive benefit to awardee	Annual grant over up to 12 years	Annual refundable tax credit over 10 years	Combined WH and ref. tax credit over 5~6 years
Annual cap on awards thru program	\$20 million (excl. "high-yield" projects)	No limit	No limit on WH benefits \$116 mm in tax credits
Special treatment of distressed counties	Yes 3-tier system	Yes Priority Investment Areas	Yes Non-urban counties
Special benefit for firms "with seniority"	No	No	Yes

Economic Development Partnership of North Carolina

EDPNC 2017 Annual Report can be found at: https://edpnc.com/wp-content/uploads/2018/03/EDPNC-Annual-Report-Final-Web.pdf

### **Questions?**

# Christopher Chung Mobile - 919.724.7943 Christopher.Chung@EDPNC.com





Facebook /NCEconomicDevelopment

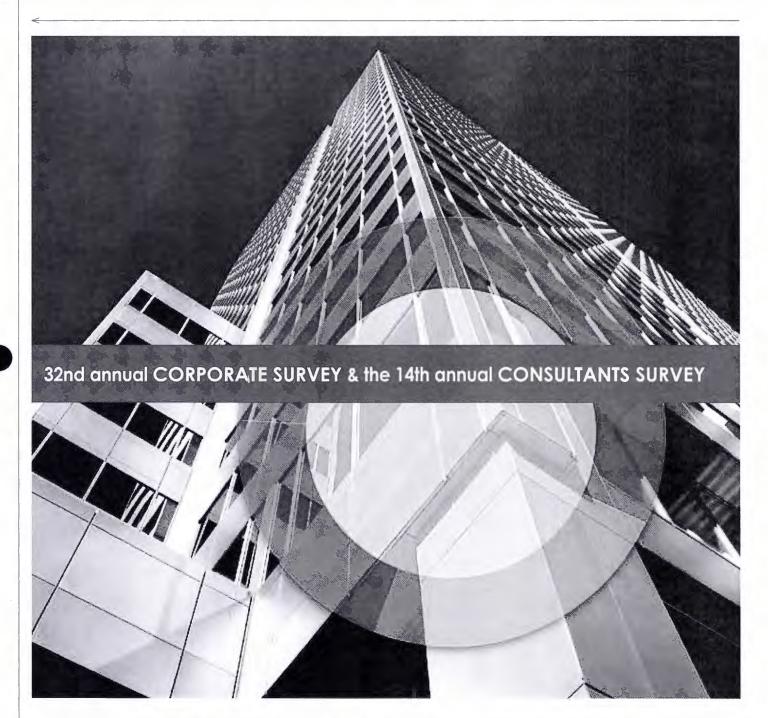




Website edpnc.com

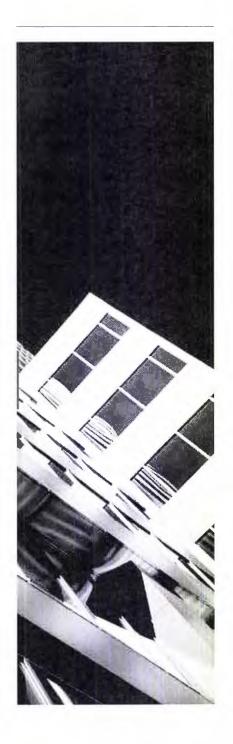
Economic Development Partnership of North Carolina

4/5/2018



For complete Survey results, go to areadevelopment.com/survey

AREA DEVELOPMENT



Although
the U.S.
economy
is strong,
there may
still be some
hesitancy in
investment
decisions
brought about
by an uncertain
legislative
environment.

By Geraldine Gambale, Editor

All indications are the U.S. economy is strong—and should remain so through 2018. The Commerce Department reported the GDP grew at a 2.6 percent annual rate in the fourth quarter of 2017,1 with the industrial sector rising 2.4 percent—its biggest gain since 2010.

Then, in January 2018, U.S. businesses added approximately 200,000 jobs,<sup>2</sup> and wages grew at the fastest pace in more than eight years. All this "good news" caused investors to worry about the potential for a Fed hike in interest rates in anticipation of inflation. Nonetheless, economic analysts were not too concerned about a long overdue market correction.

#### **RESPONDENTS' PROFILE**

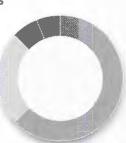
Current operations of respondent	s:
Manufacturing	37%
Distribution/Logistics/Warehousing	13%
Finance/Insurance/Real Estate	14%
Construction & Trades	11%
Data Processing, Software & Other Computer-Related Services	2%
Energy Industry	1%
Hospitality Industry	1%
Healthcare/Life Sciences	1%
Retail	3%
Other	17%

#### Respondents' titles:

respondents intes.		
Chairman, President, Partner, CEO, or Owner	60%	
CFO, COO, Controller, Financial Officer	6%	
V.P., Secretary, or Other Corporate Officer	5%	
Real Estate Mgr./Dir.; Facility Mgr./Dir.; Development Mgr./Dir.; V.P. Real Estate		
Business Unit Manager or Director		
Other	8%	

Primary role in company's location decisions:

Final decision	63%
Preliminary recommendation	
Information gathering	7%
Not involved	6%



What's more important, economists believe, are the positive effects of President Trump's signature Tax Cuts and Jobs Act, which slashed the corporate tax rate down to 21 percent from 35 percent and should help to put U.S. businesses on a level playing field with their global competitors, spurring the U.S. economy to grow even further.

Number of facilities currently operating worldwide:

operaning wo	iluwide.	
Domestic:	49%	-
2	13%	
3		100
5 or more	28%	
Foreign*:		
1	9%	
2	32%	
3		
4	1.9	
5 or more	41%	
* Of the 20% of survey re who say they operate	espondents foreign facilities	

Number of people employed worldwide:

Fewer than 20		
20-49	14%	
50-99		
100-499	20%	
500-999	7%	
1,000 or more	20%	200
		- 400
		-

Change in the number of your company's facilities during

the past 12 months:		
Increased number of facilities by 4 or more	8%	
Increased number of facilities by 3 or fewer	12%	. 1
Number of facilities not changed	74%	
Decreased number of facilities by 3 or fewer	4%	
Decreased number of facilities by 4 or more	2%	

Jay Timmons, president and CEO of the National Association of Manufacturers (NAM), says that as a result of the tax cut, manufacturers will "increase capital spending, expand their businesses, and hire more workers." He further predicts that "nearly half will increase employee wages and benefits."

#### NEW/EXPANDED FACILITIES PLANS

WILL MOVE FORWARD WITH PLANS FOR NEW OR EXPANDED FACILITIES AS A RESULT OF THE RECENTLY PASSED CUT IN THE CORPORATE TAX RATE:

Yes No

34%

WILL MOVE FORWARD WITH PLANS FOR NEW OR EXPANDED FACILITIES AS A RESULT OF RECENTLY PASSED OR PROPOSED REGULATORY REFORMS:

Yes 34% No 66%

OPTING OUT OF TRADE AGREEMENTS LIKE TPP OR RENEGOTIATION OF NAFTA UNDER THE TRUMP ADMINISTRATION WILL HAVE A POSITIVE OR NEGATIVE EFFECT ON NEW FACILITY/EXPANSION PLANS:

Positive 57% Negative 43%

Will open a new facility (not relocate an existing one) within the next five years:

Yes No

57%



Early in his presidency, Trump signed an Executive Order to cut business regulations — another move applauded by industry. A June 2017 report from the Manhattan Institute delved into how regulations stifle business growth because of their inefficiencies and costs.<sup>4</sup>

Those planning to open new domestic facilities — 38% of total

survey respondents

— will do so within:

1 year 32% 2 years 3 years 20% 5 years or more 24%



**Location of new domestic facilities** (as a percentage of total number to be opened):

,		-
New England (CT, MA, ME, NH, RI, VT)	4%	
Middle Atlantic (DE, MD, NJ, NY, PA)	11%	
South Atlantic (NC, SC, VA, WV)	5%	
WE SOUTH AND TO ME TO	11%	
South (AL, FL, GA, LA, MS)	23%	
Midwest (IL IN, MI, OH, WI)	9%	
Plains (IA, KS, MN, NE, ND, SD)	8%	
Mountain (CO, ID, MT, UT, WY)	6%	
Southwest (AZ, NM, OK, TX)	9%	
West (CA, NV, OR, WA)	14%	
Offshore (AK, HI, PR, VI)	1%	

Those planning to open new foreign

facilities — 7% of total survey respondents — will do so within:

1 year 38% 2 years 25% 3 years 38%



Another item on the President's agenda is opting out of (e.g., TPP) — or renegotiating (e.g., NAFTA) — trade agreements that put the United States at a competitive disadvantage. In January 2018, President Trump told the World Economic Forum in Davos, "We support free trade, but it needs to be fair and reciprocal." 5

### ANALYSIS

2018:
A Decisive
Year for
Corporate
Investment
in the U.S.

The past year has seen a wave of headlines that may impact facility and expansion planning. From the economic policies of the Trump administration — such as reduced corporate tax rates, regulatory reforms, threatened tariffs, and withdrawal from trade agreements — to technology advancements and rising supply chain costs,

the U.S. is confronting economic opportunity (and uncertainty!) at levels not seen since the last major tax overhaul in 1986. Businesses across the globe and in all industry segments are currently assessing their geographic portfolios and growth strategies in order to determine whether — and where — to locate workforce and investment in the U.S.

Area Development's Corporate Survey, which solicits corporate executives' input about a myriad of location factors, offers great insight into their strategies to maximize return on investment while optimizing their geographic "footprint." The bottom line — a close analysis of the data indicates that the U.S. will likely see billions of dollars of cumulative investment and tens of thousands of new jobs in 2018, in a multitude of new, expanded, relocated, and consolidated facilities.

These facilities will be geographically diverse, and state and local jurisdictions offering impactful incentives — deemed "somewhat" to "very" important [to a project moving forward in a particular location] by more than two thirds of survey respondents — can favorably differentiate themselves in a competitive location analysis. The use of incentives to address project needs may be decisive in business location decisions, enabling communities to secure projects with long-term economic and fiscal impact providing far greater value than the cost of the incentives, and providing "win/win" results — a viable return on investment for businesses and tax revenue, quality jobs, and a stronger economic base for the locality, region, and state.

Another incentive-related "takeaway" from the survey is the diversity of incentives that executives consider important. From our perspective, this highlights the importance of offering flexible, creative incentive packages that can be tailored to meet specific project needs — offsetting upfront costs; providing sites, buildings, and critical infrastructure; facilitating workforce development; and/or mitigating ongoing tax, research, or operating expenses — enabling the attraction (or retention) of the industry sectors, projects, jobs, and investment deemed important by a particular state or locality.

With a limited supply of quality sites, tight labor pools, and a rapidly shifting tax and economic policy environment, businesses must move quickly and strategically to optimize and maximize the opportunities presented by the last year's headlines. Based on *Area Development*'s survey, we expect that those strategies are being formulated right now, and companies will be moving quickly to begin executing them — making 2018 an exciting and highly consequential year for corporate location decisions.

By Dan Breen, Executive Vice President; and
Jubal Smith, Managing Director; JLL Location Economics

#### Location of new foreign facilities

(as a percentage of total number to be opened):

(an a barren a 2 a a	
Canada	11%
Mexico	11%
South America	16%
Western Europe	11%
Eastern Europe	5%
Middle East	11%
Africa	11%
Australia	5%
Asia	21%

Let's look at the results of Area Development's most recent surveys of our corporate executive readers, as well as the consultants to industry who serve them, in order to determine the effects of tax cuts, regulatory reform, and trade agreements on business executives' upcoming site and facility plans and priorities. The answers from both groups of participants are somewhat surprising.

### Survey Respondents React to Administration's Policies

Half of the respondents to our Corporate Survey are with manufacturing (37 percent) or distribution/ logistics/warehousing (13 percent) firms. Sixty percent are the owners or top executive of these firms and are responsible for their companies' final location decision. About half are with firms employing fewer than 100 workers, and only 20 percent operate foreign facilities. Keeping that in mind, it's interesting to note their responses when asked about recent tax and legislative reforms under the Trump administration.

# Will expand an existing facility within the next five years:

Yes 45% No 55%



Those planning to expand existing domestic facilities — 33% of total survey respondents — expect to do so within:

32%

1 year

2 years

3 years

4 years 3%

5 years or more



Those planning to expand existing foreign facilities — 6% of

total survey respondents – expect to do so within:





#### **RELOCATION PLANS**

Will relocate an existing facility within the next five years:

Yes 22% No 78%



Those planning to relocate existing domestic facilities within

the U.S. — 19% of total survey respondents — expect to do so within:

order or it	 *********
1 year	27%
2 years	36%
3 years	32%
5 years or more	



PLAN TO RELOCATE A DOMESTIC FACILITY
TO OFFSHORE OR NEAR-SHORE:

3%

PLAN TO RELOCATE A FOREIGN FACILITY BACK TO THE U.S. (RESHORE):

2%

Financial inducements or penalties under the Trump administration will have an effect on plans to:

Offshore
Reshore 7%
No Effect



### ANALYSIS

Investment
Decisions:
A Complex
Evaluation in
an Uncertain
Environment

The 2017 Corporate Survey provides a first look at how executives involved in the investment decision process dealt with last year's political and economic uncertainty in the U.S., and around the world.

It appears that the recently passed corporate tax rate cut or regulatory reforms

have had a limited impact, for now, on the decision to open or expand a facility, with only 34 percent of respondents citing it as a reason for investment. There was clearly more optimism in 2016, when that survey demonstrated at the time that 68 percent of respondents believed that economic conditions under President Trump would be favorable for moving ahead with new facilities or expansion plans. But this really comes as no surprise since international supply chains and global market development are driving forces for many companies. And this uncertainty is also reflected in the number of facilities that remained the same or decreased for 80 percent of respondents (79 percent in 2016). If corporate investors were delaying investment project decision-making in 2016 due to the election year, it appears that the existing state of affairs underlines the same caution from investors.

The Corporate Survey results illustrate a level of uncertainty by investors — a clear indication of how challenging the investment project decision-making process has become. When comparing the combined ratings, the difference between the number-one factor and number-five factor is only 5.4 percent, compared to 10.4 percent the previous year. What this implies is that these top five factors are ultimately playing an even bigger role in the decision-making process today.

Investment decision-making and site selection in general are experiencing greater complexity today as relevant data is so readily available. Evaluating all options has become an even more demanding task for decision-makers, in part because of technology that has given access to so much information that an investor can't possibly evaluate all of the options.

As we reflect back on 2017 from a site selection perspective, it was definitely a year of uncertainty and caution, and the survey results reflect this — many projects put on hold while decision-makers wait to see how political uncertainties will unfold. In the meantime, there's enough data out there to keep them busy evaluating their options.

By Marc Beauchamp, President & CEO, CAI Global Group

Although nearly half of the respondents to our Corporate Survey say they have plans to open a new facility within the next five years (43 percent) or expand an existing facility within the next five years (45 percent), only a third of the respondents claim a cut in the corporate tax rate will cause them to move forward with plans for new or expanded facilities. Similarly, only a third say they will move forward with new facility or expansion plans as a result of recently passed or proposed regulatory reforms. The respondents are, however, more enthusiastic about opting out of trade agreements like TPP or renegotiating trade agreements like NAFTA: 57 percent say these moves will have a positive effect on their plans for new or expanded facilities. Perhaps these respondents agree that current trade agreements have put U.S. businesses at a disadvantage to their foreign competitors — especially for smallersized, primarily domestic firms like those represented by these corporate respondents.

The respondents to our Consultants Survey provide a counterpoint to the Corporate Survey responses. About 80 percent of the responding

#### SITE SELECTION FACTORS/TRENDS

Availability of skilled labor having an effect on new facility/expansion plans or current operations:

Yes 53% No 47%



If yes, workers are primarily lacking:

Basic skills (e.g., reading comprehension, mathematical competency, etc.) 58%

Advanced skills (e.g., advanced welding, machine tool programming, bioprocessing, etc.) 58%

STEM skills (science, technology, engineering, mathematics) 42%

consultants work with durable goods manufacturers, with 60 percent saying they work with large-sized firms (500 to 1,000-plus employees). Two thirds of the responding consultants believe their clients will move forward with plans for new or expanded facilities as a result of cuts in the corporate tax rate, and 50 percent say recently passed or proposed regulatory reforms will also spur their clients' planned new facility or expansion moves. And, importantly, 67 percent believe opting out of or renegotiating trade agreements will have a negative effect on their clients' plans.

The difference between the corporate executives' and consultants' outlooks on tax and legislative changes may be due to the sizes of the consultants' client companies. Larger companies tend to have global operations and would be put at a disadvantage if their foreign-sourced goods or parts were subject to high tariffs. (Consider large automakers' multinational supply chains.)

In fact, nearly a quarter of the respondents to our Consultants Survey say their clients have plans to

# Combined Ratings\* CORPORATE SURVEY 2017

Site Selection Factors	2017	2016
Ranking		
1. Highway accessibility	91.3	94.4 (1)**
2. Labor costs	91.1	89.6 (3)
3. Availability of skilled labor	88.8	89.8 (2)
4. Quality of life	87.2	76.4 (10)
5. Tax exemptions	85.9	79.7 (7)
51. Occupancy or construction costs	85.9	86.0 (4)
7. Proximity to major markets	84.6	78.1 (9)
8. Corporate tax rate	83.2	82.3 (6)
9. State and local incentives	81.3	84.0 (5)
10. Available land	76.9	75.3 (12)
11. Expedited or "fast-track" permitting	76.7	71.7 (13)
12. Proximity to suppliers	76.4	66.0 (20)
13. Energy availability and costs	76.0	78.5 (8)
14. Available buildings	75.9	75.5 (11)
15. Right-to-work state	74.7	70.1 (16)
16. Tra <mark>inin</mark> g programs/technical colleges	72.8	66.7 (18)
17. Inbound/outbound shipping costs	71.8	69.1 (17)
18. Low union profile	71.4	70.8 (14)
19. Environmental regulations	70.2	70.8 (14)
20. Availability of long-term financing	64.6	66.7 (18)
21. Accessibility to major airport	56.4	52.4 (22)
22. Raw materials availability	56.0	53.7 (21)
23. Water availability	55.3	46.3 (24)
24. Availability of unskilled labor	52.0	51.9 (23)
25. Proximity to innovation/commercialization R&D centers	44.7	39.2 (26)
26. Availability of advanced ICT services	42.7	40.9 (25)
27. Waterway or oceanport accessibility	31.2	18.1 (28)
28. Railroad service	29.9	33.7 (27)

<sup>\*</sup>All figures are percentages and are the total of the "very important" and "important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

<sup>\*\* 2016</sup> ranking

As in the past, we look forward to reviewing the annual survey responses, and are always curious to see if the view of the corporate world is different from that which we have been experiencing on actual projects. Specifically,

- Do this year's results differ from past years' results?
- Do the responses reflect what we, as location advisors, currently are experiencing with our clients on actual recent engagements?
- Do the survey results capture trends being observed by location advisors?

In general, the responses are very consistent with surveys compiled in past years. Recognizing that the respondents are heavily weighted with manufacturing functions (based on the number of respondents from that sector), the top location factors make a great deal of sense. However, if the weighting were to shift toward distribution or office sectors, we believe we would see a slightly different ranking of top location factors.

In recent engagements, we have seen an increased emphasis on "proximity to customers" for both distribution and office projects. Additionally, although not yet included within the formal project specification and requirements for distribution projects, proximity to rail — due to increased reliance on truck delivery and a perceived imbalance of driver supply and demand — is becoming an increasingly important factor. Alternative deepwater ports have entered the conversation due to congestion at West Coast ports and the Panama Canal expansion, which may provide for faster ship unloading and delivery.

Location engagements involving office functions are experiencing increased client request for reliable air access. Although this has always been a strong client requirement for office location work, it has become even stronger on recent projects.

Aside from the factor rankings, the data collected include responses to several questions addressing potential business response to the recent U.S. tax regulation changes. We are surprised to see a fairly neutral response in terms of the impact of this change as it pertains to future investment decisions. Most respondents indicate that the changes (including a lowering of corporate net income tax rates) would not serve as a catalyst for facility or operations expansion. This is not what we have been experiencing with our clients — and have seen renewed client interest in domestic investment as a result of the potential for repatriated funds. In our opinion, as a result of the lower tax rate, companies repatriating funds (currently held in foreign accounts) will look to increasing investment in U.S.-based capital projects. This process clearly has already begun.

By Les J. Cranmer, Senior Managing Director; and Art Wegfahrt, Corporate Managing Director; Savills Studley, Inc.

Corporate tax reductions will affect plans to hire and train more workers:

41%

Yes No 0

Role of apprenticeship programs in your facility:

Already have them in place Would like to establish an apprenticeship program Don't think they would work for my firm



### ANALYSIS

Managing
the EDO
Investment
Portfolio to
Maximize Job
Growth

Investment bankers follow a well-established set of general guidelines. They determine client risk tolerance, diversify investments, and take long- and short-term actions to create wealth. The data provided in this year's survey allows EDO professionals to learn from these guidelines to create wealth for their communities. When I look more closely at the numbers, here are the analogies that I see.

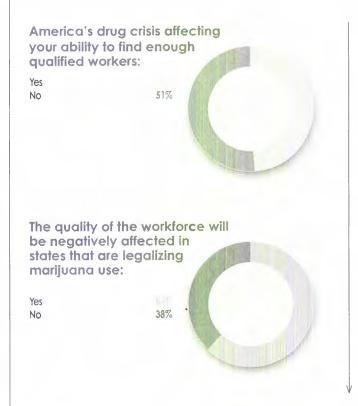
Seventy-three percent of the companies making an investment decision employ fewer than 500 people; 85 percent of the investments will be less than \$50 million. Therefore, the EDO

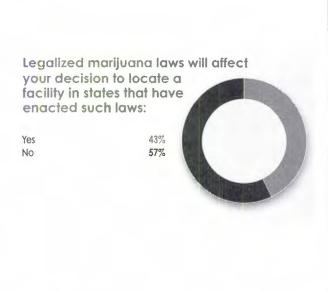
that spends more than 70 percent of its time on the small to medium-size companies is going to be more successful than the EDO that spends an inordinate amount of time focusing on or looking for larger projects.

Regarding long-term vs. short-term actions, nearly half of the respondents who are planning to open new domestic facilities say that their ultimate decision will be within two to three years, and 74 percent of the survey respondents say the information-gathering process takes a year or longer. Time is on the side of the EDO to plan, then act.

Looking at the top 20 combined ratings, 16 of the 20 are in the four portfolio categories of financial, workforce, transportation, or available sites and buildings. We know the overall economy is strong, but the survey results show this is driven by factors other than recent economic fiscal policy. The question then becomes, "Which of these four broad categories does the EDO professional have the most ability to influence?" Of the four broad categories, this year, increasing the inventory of available right-sized sites and buildings is where EDOs can make a real impact. The other categories are important, but the investment conversation has to start somewhere, and when companies are seeking new locations, the conversation begins with site inventory.

By Von Hatley, Managing Director, Jones Walker Consulting, LLC





#### Changes in minimum wage laws will affect:

Current operations	60%
Plans to add employees	55%
Location of new or expanded facilities	44%

#### Sustainability efforts are very or somewhat important to your company's:

Operational efficiency	85%	Ĭ
Civic responsibility	77%	
Employees	89%	
Customer image	87%	
Bottom line	85%	

offshore a domestic facility within the next five years, and nearly a third say their clients have reshored a facility in the recent past or plan to reshore in the near future. Furthermore, more than a third of the responding consultants say financial inducements to reshore operations or penalties to offshore operations under the Trump administration would affect their clients' plans. Meanwhile, only five percent in total of the Corporate Survey respondents have offshoring or reshoring plans, and nearly all (92 percent) say the administration's inducements or penalties would have no effect on their plans. Fifty percent of the Corporate Survey respondents cite tax concerns, government regulations, labor availability and costs, infrastructure concerns, and energy costs as the reasons behind offshoring. And the corporate respondents cite energy and transportation/supply chain costs, as well as tech transfer/intellectual property protection, as the reasons behind reshoring operations.

Importantly, when examining the results of both the Corporate and Consultants surveys, one should also keep in mind that only 32 percent of

### ANALYSIS

Loosening the Reins on Pent-Up Capital After a decade of the "new normal" where capital investment dollars waited on the sidelines, 2017 leapt out of the starting gate and has continued at a torrid pace thru the first quarter of 2018. In a world awash in global instability, the U.S.

remains both a safe haven for foreign dollars and a growth accelerator, as repatriated dollars, corporate tax cuts, and — perhaps to some degree — a fear of presidential tweets have clearly loosened the reins on a decade's worth of pent-up capital.

As always, *Area Development*'s Corporate Survey serves as an interesting annual quantification of the tangible experiences my colleagues and I encounter in the field. Some of the more interesting observations that the survey captured are as follows:

- It is no surprise to us that the southeastern states are the overwhelming choice for manufacturing and capital investment. Aggressive and proactive economic develop teams, available land, new infrastructure, strong incentives, growing labor demographics, customized training regimes, and sophisticated business-oriented state governments are just a few of the reasons mega-deals land in this region.
- C-suites still and always will call the shots. Effectively connecting
  with those C-suite players has a greater impact than anything else on
  the success or failure of winning a project for both EDOs or consultancies. Even if real estate or tax departments provide easier access,
  they are the implementers and often behind the timing curve in
  the corporate location decision process. It's best to spend time and
  resources courting the top.
- Challenging state and local tax conditions and the new federal tax legislation are going to eventually turn personal decisions i.e., "Do I leave a high tax state because I can't deduct my home or want to deal with the costs anymore?" into personnel issues that will likely affect company relocation plans i.e., "I can't find enough good employees on Long Island or northern California even though I pay a great wage because the location is just too expensive. So we have to relocate." Within the next year or so, when folks start paying the 2018 tax bill, we'll likely see these state and local tax issues rise further to the top of the list.
- 67 percent of respondents say that incentives are very or somewhat important to a project moving forward in a particular location. That's more than ever for the survey, but in reality, that percentage should be 100 percent. Companies may not openly admit it, but all are aggressively shopping locations, and incentives are a factor. Locations are increasingly seen as commodities. They need to continuously show their value proposition in terms of generating a value-added workforce at a reasonable cost. If they can't, they will be out of the hunt.

By Tom Stringer, Managing Director & Practice Leader, Site Selection & Business Incentives, BDO Consulting

#### CORPORATE SURVEY

If regulations regarding sustainability are loosened under the Trump administration, company would still engage in sustainability efforts:

Yes No

83%



Importance of incentives to a project moving forward in a particular location:

33%

Very important Somewhat important Minor consideration Of no importance



Type(s) of incentives considered most important when making a location decision:

Cash grants	34%
Tax incentives (tax credits, exemptions, etc.)	68%
Other financial incentives (bonds, loans, etc.)	26%
Worker heliging magnifluns	38%
Other incentives (land, utility-rate subsidies, infrastructure support, etc.)	58%

ANALYSIS

Labor Is Paramount The fact that about 90 percent of the Corporate Survey respondents indicate labor costs and skilled labor availability as "very important" or "important" to a location decision must not be understated and offers lessons to both companies wanting to select the optimal site and to communities seeking to grow their economic base and win projects. While incentives, tax structure,

high quality of life, and access to customers/markets are always key project drivers, a community that does not have the adequate labor profile is devastating to a project's success in that location, and also limits the economic developer's ability to successfully compete for a project. Additionally, since labor is often the highest operating expense associated with a project, much more than the cost of real estate or taxes, misreading the labor market can further reduce profitability of a location due to high turnover, inability to fill positions, and/or the need to recruit from outside a labor shed area to find and relocate workers.

For the corporate entity seeking to reduce risk, a detailed and comprehensive study of an area's established labor pool and talent pipeline is critical. This would include a demographic analysis of workers in the marketplace by occupation and skill, a deep dive on overall labor market migration (and population migration) trends both historically and looking forward, a thorough analysis of training providers and educational institutions (and the types of graduates/skills they produce), and an in-depth discussion with employers regarding availability of workers and competition for local skilled labor among firms.

For economic developers seeking to win more deals, an equally thorough understanding of their communities' labor force is critical. Where are your skill gaps and what can be done to encourage local universities, community colleges, and trade schools to meet labor market demand? What is your long-term demographic plan to create/attract talent and stay ahead of trends in workplace and industry to position your community to win? How can you effectuate a conversion of the unemployed or underemployed to meet industry demand via on-the-job training and workforce training grants/incentives? How and where can you guarantee that next significant corporate investor/project its future workforce?

As technology continues to grow and markets innovate, the question of available labor and cost will remain at the forefront of the site selection decision. As a company — or community — investing in your economic future, are you thoroughly prepared for success?

By Doug Rasmussen, Director, Site Selection & Incentives Advisory, Duff & Phelps, LLC

#### **CONSULTANTS SURVEY**

#### CLIENTS' OPERATIONS

#### Respondents working on projects in the following industries:

Manufacturing — Durable Goods	81%
Manufacturing — Non-Durable Goods	47%
Manufacturing — Other	32%
Distribution/Logistics/ Warehousing	74%
Financial Services/Insurance/ Real Estate	39%
Data Center/Processing/Software/ Other Computer-Related Services	37%
Energy Industry	16%
Hospitality Industry	10%
Healthcare/Life Sciences	39%
Retail	8%
Construction & Trades	5%
Other	8%

#### In terms of their employment numbers, client companies utilizing consultants' services are generally:

Small (20-99 employees)	2%
Mid-size (100-499 employees)	38%
Large (500-999 employees)	23%
Very large (1,000 or more employees)	38%

#### Most of the clients asking the consultants to perform a location search have:

Not actively initiated the site selection process	42%
Already gathered preliminary data	65%
Already narrowed down the geographic area in which they wish to locate	63%
Already chosen several "finalist" communities	22%
Expect the consultant to narrow or make the location decision for them	30%

the respondents to the Corporate Survey say they use the services of consultants for their site and facility planning needs. Nonetheless, the corporate and consultant respondents are pretty much in agreement when it comes to sustainability efforts. Even if regula-

#### CLIENTS' NEW/EXPANDED FACILITIES PLANS

Clients will move forward with plans for new or expanded facilities as a result of the recently passed cut in the corporate tax rate:

Yes	67%
No	33%

Clients will move forward with plans for new or expanded facilities as a result of recently passed or proposed regulatory reforms:

Yes	50%
No	50%

Opting out of trade agreements like TPP or renegotiation of NAFTA under the Trump administration will have a positive or negative effect on clients' new facility/expansion plans:

Positive	33%
Negative	67%

Clients plan to open a new (not relocate an existing) domestic facility within five years:

Yes	94%
No	6%

#### Clients that expect to open new domestic facilities plan to do so within:

1 year	21%
2 years	47%
3 years	29%
4 years	2%
5 years or more	2%

tions regarding sustainability are loosened under the Trump administration, 83 percent of the Corporate Survey respondents say their companies would still engage in sustainability efforts, and 97 percent of the Consultants Survey respondents say their client

companies would do the same. Both groups consider sustainability efforts important to a company's operational efficiency, employees, civic responsibility, and customer image — and ultimately its bottom line.

#### Survey Respondents' Workforce Concerns

With the unemployment rate reaching 4.1 percent in January, we would think availability of labor, especially skilled labor, would be our Corporate Survey respondents' primary concern. However, just slightly more than half of the respondents (53 percent) say availability of skilled labor is having an effect on their new facility or expansion plans — or even their current operations. Of those, nearly 60 percent say workers are missing basic (reading, math, etc.) as well as advanced skills (advanced welding, machine tool programming, etc.)

When ranking the site selection factors, the Corporate Survey respondents placed availability of skilled labor in the #3 spot, considered "very important" or "important" by 88.8 percent. In comparison to this, 100 percent of the respondents to our Consultants Survey rated availability of skilled labor as "very important" or "important," ranking this criterion #1 among the site selection factors. Additionally, nearly all (98 percent) of the responding consultants say availability of skilled labor is affecting their clients' facilities plans or current operations, and a lack of advanced skills was cited by 92 percent of the consultants.

The consultants are also

more concerned about availability of unskilled labor, giving this factor a combined rating of 71.6 percent, whereas only 52 percent of the Corporate Survey respondents say availability of unskilled labor is "very important" or "important." But it's also interesting to note that more than a third of the Corporate Survey respondents say they already have apprenticeship programs in place, and a third would like to establish apprenticeship programs for their operations. Further, the consultants placed training programs/technical schools among the top 10 site selection factors, with a combined importance rating of more than 90 percent.

The corporate respondents are, however, concerned about raises to the minimum wage: 60 percent say these increases will affect their current operations, and 55 percent say the hikes will also affect plans to add employees. And both the Corporate and Consultants Survey respondents rank labor costs as the #2 site selection factor.

America's opioid drug crisis is another top concern, yet the two groups of survey respondents differ when it comes to the effect of this crisis on the workforce. Only about half of the Corporate Survey respondents say it is having an effect on their ability to find enough qualified workers, whereas nearly two thirds of the Consultants Survey respondents claim the crisis is affecting their clients' ability to do the same.

However, the consultants are much less concerned

#### Location of clients' new domestic facilities (as a percentage of total number to be opened):

New England (CT, MA, ME, NH, RI, VT)	2%
Middle Atlantic (DE, MD, NJ, NY, PA)	9%
South Atlantic (NC, SC, VA, WV)	16%
Mid-South (AR, KY, MO, TN)	12%
South (AL, FL, GA, LA, MS)	17%
Midwest (IL, IN, MI, OH, WI)	13%
Plains (IA, KS, MN, NE, ND, SD)	4%
Mountain (CO, ID, MT, UT, WY)	6%
Southwest (AZ, NM, OK, TX)	14%
West (CA, NV, OR, WA)	7%

#### Clients plan to open a new (not relocate an existing) foreign facility within five years:

Yes	47%
No	53%

#### Clients that expect to open new foreign facilities plan to do so within:

l year	28%
2 years	38%
3 years	28%
4 years	3%
5 years or more	3%

#### Location of cilents' new foreign facilities (as a percentage of total number to be opened):

Canada	20%
Mexico	20%
Caribbean	3%
Central America	1%
South America	6%
Western Europe	11%
Eastern Europe	16%
Middle East	3%
Africa	1%
Australia	4%
Asia	15%

#### **CONSULTANTS SURVEY**

#### Clients plan to expand an existing domestic facility within five years:

Yes **90%** No **10%** 

### Those clients planning to expand existing domestic facilities expect to do so within:

35%
48%
15%
2%

#### Clients plan to expand an existing foreign facility within five years:

Yes **40%** No **60%** 

### Those clients planning to expand existing foreign facilities expect to do so within:

 1 year
 35%

 2 years
 39%

 3 years
 26%

#### CLIENTS' RELOCATION PLANS

### Clients plan to relocate an existing domestic facility(s) within the U.S. within five years:

Yes **72%** No **28%** 

### Clients planning to relocate existing domestic facilities within the U.S. expect to do so within:

1 year	16%
2 years	66%
3 years	18%

### Clients plan to relocate an existing domestic facility(s) to a foreign location within five years:

Yes **23%** No **77%** 

### Clients who expect to relocate domestic facilities to a foreign location plan to do so within:

1 year	23%
2 years	62%
3 years	15%

#### Primary reasons for moving these facilities offshore:

Tax concerns	23%
Government regulations	15%
Labor costs	85%
Labor availability	46%
Infrastructure	8%
Energy costs	8%
New markets/Market proximity	38%
Proximity to research centers/	15%

### Clients relocated a facility back to the U.S. from a foreign location (reshored) in the recent past or are planning to do so in the near future:

Yes 31% No 69%

about the effects of legalized marijuana on the workforce. Two thirds of the consultants say it will not negatively affect the quality of the work force, and 71 percent say legalized marijuana laws will not affect their clients' decisions to locate a facility in states that have enacted such laws. More than 60 percent of the Corporate Survey respondents say legalized marijuana will affect the quality of the workforce, and 43 percent say it would affect their decision to locate in a state that has enacted legalization of marijuana.

#### **CONSULTANTS SURVEY**

#### If so, reasons for reshoring a foreign facility to the U.S.:

Labor costs	11%
Energy costs	11%
Product quality issues	58%
Transportation/Supply chain costs	42%
Geopolitical/Government policy concerns	58%
Tech transfer/Intellectual property protection	37%
Other	11%

### Financial inducements or penalties under the Trump administration will have an effect on clients' plans to:

Offshore	10%
Reshore	27%
No Effect	66%

### SITE SELECTION FACTORS/TRENDS

#### Availability of skilled labor having an effect on clients' facility plans or current operations:

Yes	98%
No	2%

#### If yes, workers are lacking:

Basic skills (e.g., reading comprehension, mathematical competency, etc.)	51%
Advanced skills (e.g., advanced welding, machine fool programming, bioprocessing, etc.)	92%
STEM skills (science, technology, engineering, mathematics)	63%

### Corporate tax reductions will affect clients' plans to hire and train more workers:

Yes	50%
No	50%

#### Combined Ratings<sup>\*</sup>

### **CONSULTANTS SURVEY 2017**

	Site Selection Factors	2017	2016
1	Ranking		
	1. Availability of skilled labor	100.0	100.0 (1)**
	2. Labor costs	98.3	95.8 (3)
	21. Proximity to major markets	98.3	95.8 (3T)
	4. State and local incentives	96.6	95.8 (3T)
	5. Highway accessibility	95.0	98.7 (2)
	51. Available land	95.0	95.8 (3T)
	51. Available buildings	95.0	88.9 (11)
	51. Accessibility to major airport	95.0	88.8 (12)
	9. Tax exemptions	93.3	95.8 (3T)
	10. Training programs/technical schools	91.7	91.7 (10)
	11. Energy availability and costs	90.0	93.0 (8)
	11T. Proximity to suppliers	90.0	93.0 (8T)
	13. Expedited or "fast-track" permitting	88.3	87.3 (13)
	14. Inbound/outbound shipping costs	88.2	84.6 (15)
	15. Occupancy or construction costs	85.0	86.0 (14)
	16. Low union profile	80.0	82.0 (16)
	17. Right-to-work state	78.3	76.4 (19)
	18. Environmental regulations	75.0	80.3 (17)
	19. Availability of unskilled labor	71.6	69.0 (22)
	20. Quality-of-life	71.2	63.3 (24)
	21. Corporate tax rate	70.0	78.9 (18)
	22. Availability of advanced ICT services	67.8	69.5 (21)
	23. Raw materials availability	66.6	64.8 (23)
	24. Water availability	55.0	72.2 (20)
	25. Railroad service	53.3	45.1 (26)
	26. Proximity to innovation/ commercialization/R&D centers	51.8	62.0 (25)
	27. Availability of long-term financing	41.7	40.8 (27)
	28. Waterway or oceanport accessibility	41.6	29.6 (28)

<sup>\*</sup>All figures are percentages and are the total of the "very important" and "important" ratings of the Area Development Consultants Survey and are rounded to the nearest tenth of a percent.

In fact, the Corporate Survey respondents are very concerned with quality of life. They ranked this factor #4, with an 87.2 combined importance rating. On the other hand, the respondents to our Consultants Survey, only placed quality of life in the #20 spot among the site selection factors, with a 71.2 combined importance rating.

<sup>\*\* 2016</sup> ranking

#### America's drug crisis affecting clients' ability to find enough qualified workers:

Yes	64%
No	36%

#### The quality of the workforce will be negatively affected in states that are legalizing marijuana use:

Yes	33%
No	67%

#### Legalized marijuana laws will affect clients' decisions to locate a facility in states that have enacted such laws:

Yes	29%
No	71%

#### Sustainability efforts are very or somewhat important to your clients':

Operational efficiency	76%
Civic responsibility	83%
Employees	86%
Customer image	90%
Bottom line	69%

#### **Other Important Factors**

Twelve of the site selection factors actually received a combined "very important" or "important" rating of 90 percent or more from the respondents to the Consultants Survey. Among these are the related factors of highway accessibility and proximity to markets and suppliers, as well as available land and buildings and access to an airport to fly top executives — and their consultants — in and out. For the Corporate Survey respondents, highway accessibility is the #1 factor, considered "very important" or "important" by 91.3 percent. And, interestingly, only 56.4 percent think access to a major airport is critical.

As expected, the responding consultants believe state and local incentives (#4 among the factors with a 96.6 percent importance rating) and tax exemptions (#9 among the factors with a 93.3 percent importance rating) are critical site selection criteria. Although the Corporate Survey respondents don't rate or rank these factors as highly, they are still prominent — tax exemptions placed #5 (85.9 percent) and state and

#### If regulations regarding sustainability are loosened under the Trump administration, clients would still engage in sustainability efforts:

Yes	97%
No	3%

#### Relative importance of incentives to clients when making location decisions:

Have always been of great importance	57%
Are more important now than in the past	29%
Are less important now than in the past	14%

### Type(s) of incentives clients consider most important when making a location decision:

Cash grants	86%
Tax incentives (tax credits, exemptions, etc.)	88%
Other financial incentives (bonds, loans, etc.)	20%
Worker training incentives	75%
Other incentives (land, utility-rate subsidies, infrastructure support, etc.)	81%

local incentives took the #9 spot with an 81.3 percent combined importance rating. And two thirds of the Corporate Survey respondents say incentives are very or somewhat important to a project moving forward.

When it comes to types of incentives, more than 85 percent of the consultants say their clients believe cash grants as well as tax incentives to be most important. Two thirds of the Corporate Survey respondents consider tax incentives most important, but only a third give cash grants prominence.

#### Final Take-Aways

Manufacturers' optimism, as reflected in NAM's Q4/2017 Manufacturers' Outlook Survey, is at a 20-year high. NAM CEO Jay Timmons notes this "is a direct result of manufacturers witnessing a sea change in policymaking in Washington, D.C., empowering them to hire more, invest more, and build more — all in America." The respondents to Area Development's Consultants Survey would agree with the scope of these projections and the ratio-

#### SPONSORS

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nale behind them; however, the results of our Corporate Survey of our readers do not reflect a direct correlation between investment and hiring plans and the recent tax and legislative changes.

As previously stated, this divergence of opinion may be a function of the size and/or types of companies responding to the two surveys. However, in Q4/2017, the Institute for Supply Management's (ISM) semi-annual poll also gave less importance to the impact of tax and regulatory changes on businesses' capital spending plans. Factory purchasing managers expect spending to rise 2.7 percent in 2018 (less than the 8.7 percent reported for 2017). When asked what was behind their 2018 investment plans, about two thirds cited the general business outlook, while less than 6 percent attributed their plans to business tax

I began this analysis with a look at the general business outlook, which is positive. Nonetheless, an analysis of our Corporate Survey by Marc Beau-

champ, president & CEO of CAI Global Group, claims "the results illustrate a level of uncertainty by investors — a clear indication of how challenging the investment project decision-making process has become."

As we move further into 2018, it's hoped that any hesitancy in 2018 investment decisions resulting from this challenge can be overcome. However, as Willy Shih, a manufacturing expert and professor at Harvard Business School recently told IndustryWeek, decisions to build new plants in the U.S. or reshore operations won't materialize overnight.8

https://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm

https://www.cnbc.com/2018/02/02/nonfarm-payrolls-jan-2018.html
 http://www.nam.org/Newsroom/Press-Releases/2017/12/NAM-on-Tax-Cuts-and-Jobs-Act-

<sup>-</sup>Historic-Progress-for-Manufacturers/
https://www.manhattan-institute.org/html/prometheus-bound-how-regulations-stifle-us-manufacturing-renaissance-10342.html

https://www.weforum.org/agenda/2018/01/president-donald-trumps-davos-address-in-full-8e14ebc1-79bb-4134-8203-95efca182e94/

http://www.nam.org/Newsroom/Press-Releases/2017/12/NAM-Survey--Manufacturers--Optimism-Reaches-Record-High-Amid-Progress-on-Tax-Reform/
https://www.bloomberg.com/news/articles/2017-12-11/companies-in-u-s-plan-to-slow-theirinvestment-hiring-in-2018

http://www.industryweek.com/economy/has-us-manufacturing-been-unleashed



# The Charlotte Chamber and Economic Development

April 5, 2018
Bob Morgan

President/CEO

Charlotte Chamber



## Who is the Charlotte Chamber? **CHAMBER**



- Lead business recruitment agency for Mecklenburg County
  - 3 full-time economic developers market and recruit nationally and internationally
  - 2 full-time researchers provide market intelligence on target and emerging industries; demographic, economic trends
  - Landed 614 projects and more than 56,000 jobs since 2008
- Public Policy advocacy
  - 2 registered lobbyists on staff
  - Lead agency for local, regional and state pro-business policy agenda
- 100% Privately Funded







- Economic Development Strategic Plan developed with Charlotte Regional Partnership in 2016
- Intensive research identified five target clusters:











#### Additional areas of focus:

- International Businesses
- Corporate Headquarters

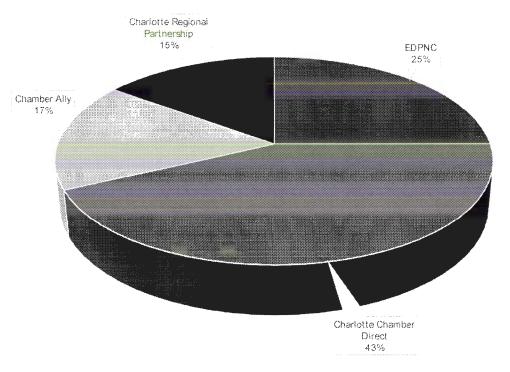


### Partner with State

charlotte CHAMBER()

- Work closely with NCDOC and EDPNC
- NCDOC work on incentives essential
- 25% of Chamber's landed projects were leads from EDPNC











- Why Charlotte?
  - Cost of Living 96% of the national average
  - Growing workforce and population
  - 7<sup>th</sup> busiest airport in the world by takeoffs and landings
  - High-quality higher education institutions UNCC, CPCC
  - World-class cultural amenities
- Mecklenburg County generally does not compete with other instate markets. Our primary competitors include: Atlanta, Nashville, Austin, Tampa, New York/ New Jersey (financial projects), Upstate South Carolina.
- · Incentives do not make the deal, they make a good deal better



### Regional Jobs Hub

- 700,000+ jobs in Mecklenburg County
- More than 1 in 4 workers live somewhere else
- \$17.5 billion (31%) of wages earned in Mecklenburg County earned by residents of other counties









### Thank you,

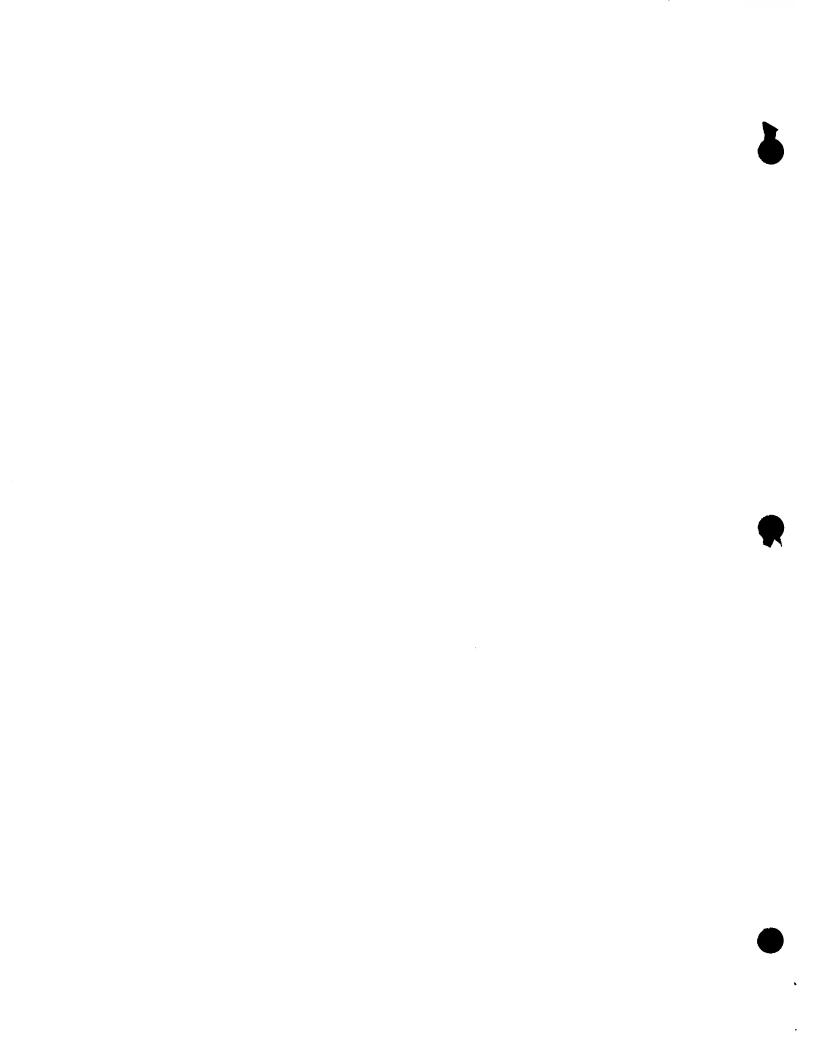
**Bob Morgan** 



@CLTChamberBob

704.378.1300 charlottechamber.com





# Wilson Economic Development Council EDGE Presentation

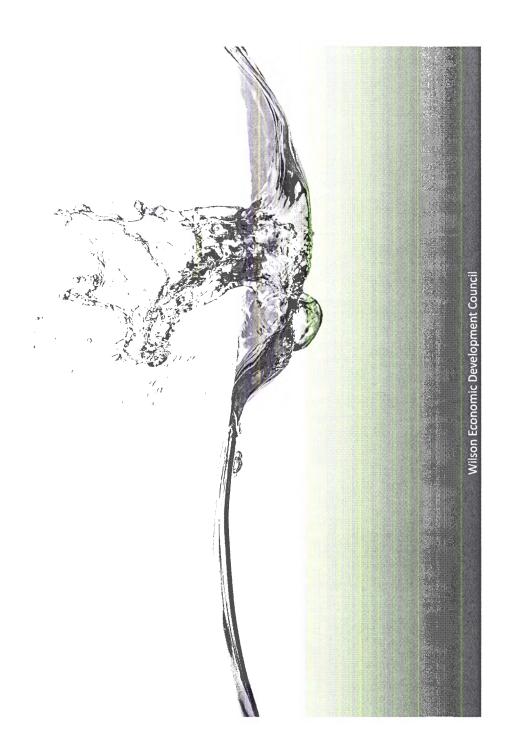


### Our Mission

To raise the standard of living for every Wilson County resident and provide our local governments with the means to provide necessary public services.

### The Haves and The Have Nots:

- 10<sup>th</sup> highest average weekly wage in North Carolina
- 10th Highest unemployment rate in North Carolina
- .9 Jobs for every 2 residents
- Poverty Rate 22.3%
- In migration of workers daily, 5,000+
- Tier 2



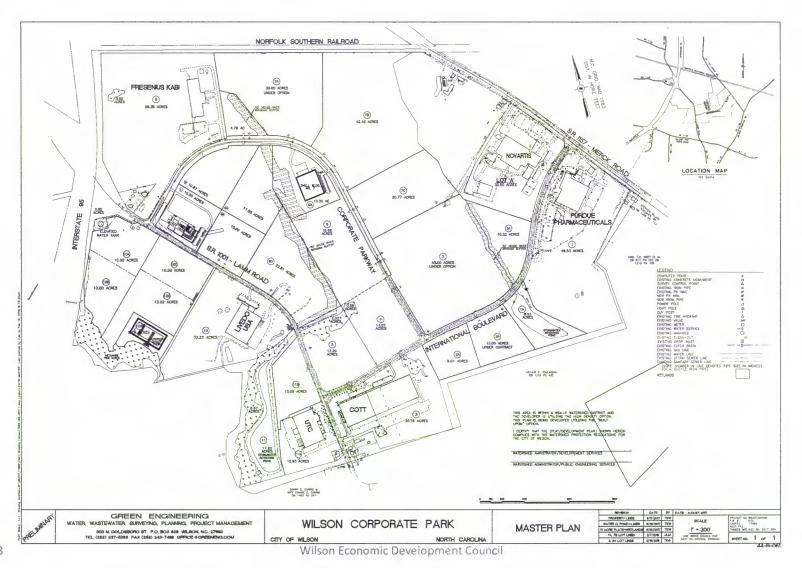
### Wilson Investment in Wilson

#### Infrastructure

- Buckhorn Reservoir
- Waste Treatment Capacity
- Western Electric Transmission
- Greenlight Gigabyte Fiber
- Wilson Academy of Applied Technology

#### **Product**

- Wilson Corporate Park
- Shell Building Fund
- The Campus at 587
- Downtown Revitalization
- US 301 Revitalization



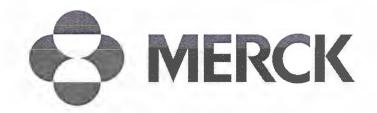
4/4/18







- Life Science
- Aerospace
- Automotive
- Food
- Packaging







### Our Competition

#### **Innovative Manufacturing**

- Suburbs of Major Metropolitan Cities from Chicago/Austin east
- International
- Wake County
- Durham County

#### **Traditional Manufacturing**

- Southeast
- Southeast Asia
- Similar Counties across NC

### Recent Wins

#### Fesenius Kabi

- 445 jobs
- \$150,000,000 investment
- \$50,000/year plus benefits average salary
- Competition New York, Chicago

#### Bridgestone

- Retained 2200 jobs
- \$360,000,000 investment
- \$60,000/year plus benefits average salary
- Competition SE Asia,

## Community Expectations

\$1.50 to \$1.80 for every \$1.00 invested

Keep Existing Industry
Add New Industry

Stay Focused



### Primary Partners in our Activities

#### **Company Location/Expansion**

- EDPNC
- NCDOC
- Consultants/Brokers
- Golden LEAF
- City/County
- Regions(RTRP or East Alliance)
- Community College
- NC Biotech Center

#### **Product (Buildings/Sites)**

- NCDOC
- Golden LEAF
- NCDOT
- City of Wilson
- Wilson County

### EDPNC/ NCDOC

#### **EDPNC**

- Client Questionnaires
- Client Visits
- Marketing Program
- Existing Industry Calls
- Existing Industry Clients

#### **NCDOC**

- Incentives
- Infrastructure Grants
- Building Reuse Grants

### North Carolina Needs

#### Everywhere

#### Basic Infrastructure for Growth

- Water, Sewer, Natural Gas, Electric and Fiber
- Well connected transportation
- Adequate Supply of Sites and Buildings
- An educated workforce

#### **By County**

- Needs differ by size, natural features, leadership's willingness to invest
- Stability in State Programs
- Extra help for the smallest and poorest
- Planned investment versus quick fix





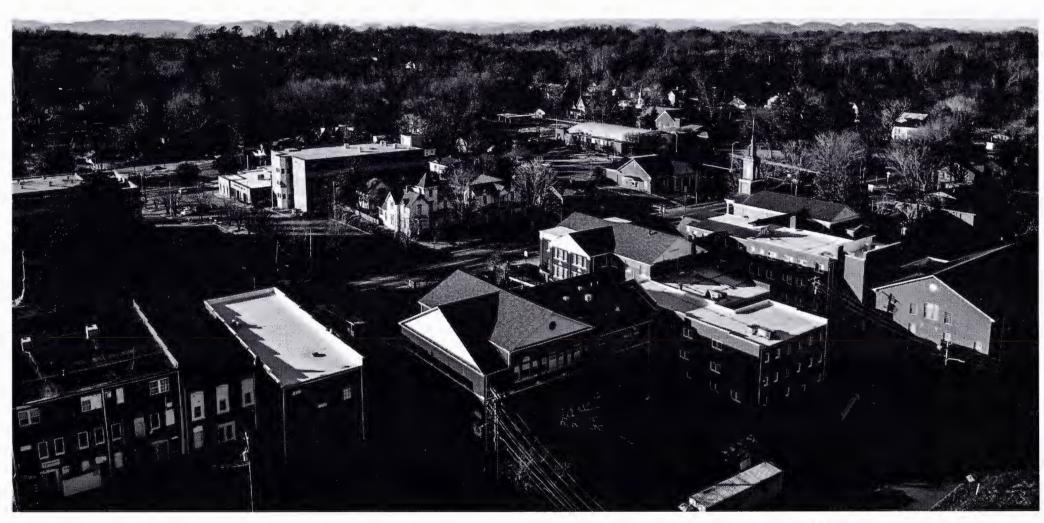




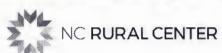


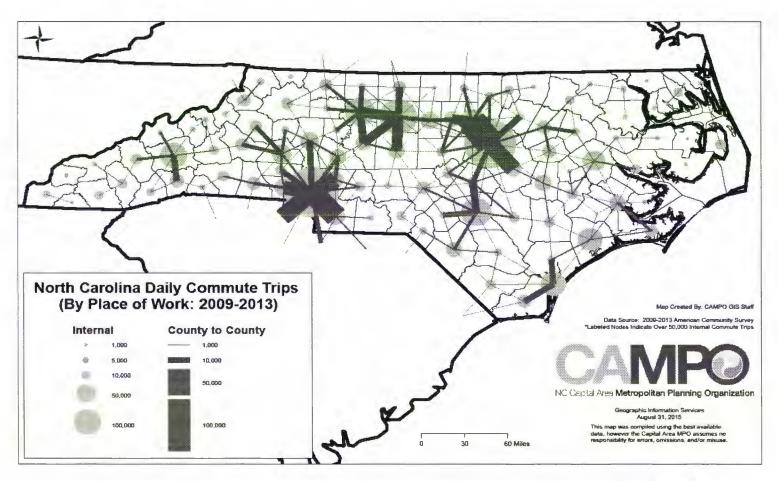
30 YEARS WORKING IN RURAL NC





BRIDGING THE RURAL-URBAN DIVIDE







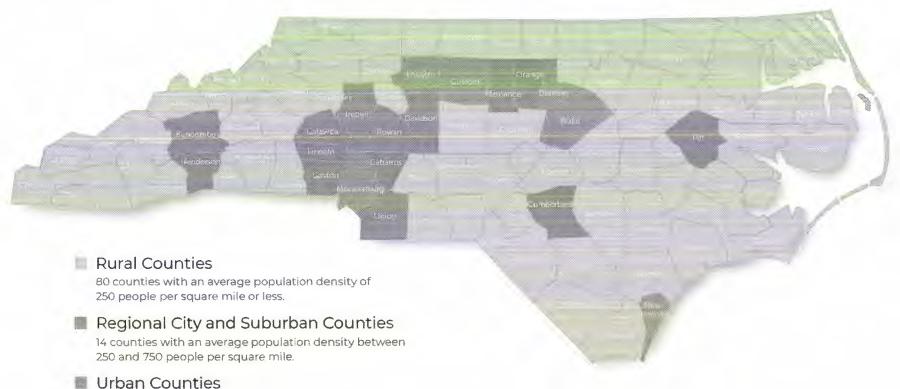
# **52% of urban** North Carolina was born out of state

# 35% of rural North Carolina was born out of state

American Community Survey B05002, Born in State of Residence



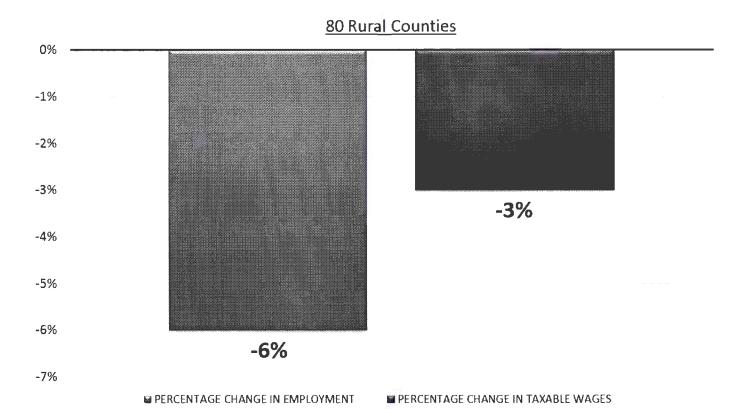
### NORTH CAROLINA COUNTIES



6 counties with an average population density that exceeds 750 people per square mile.

Densities calculated by the Rural Center based on 2014 U.S. Census population estimates.

#### Percentage Change in Average Employment & Taxable Wages: 2007 - 2016



Data Source: U.S Department of Labor Quarterly Census of Employment and Wages, accessed from N.C Department of Commerce, D4 Data Site

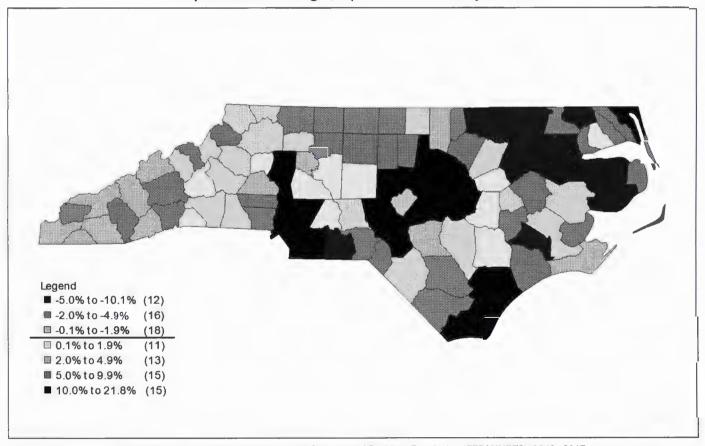
#### 2016 Percentage Population in Poverty

RURAL NORTH CAROLINA	Total Population for whom Poverty is Determined	Population with Income below Poverty level	Percentage Population in Poverty	
White Non-Hispanic	2,688,333	372,121	14%	
African American Non-Hispanic	761,143	229,489	30%	
Hispanic	303,246	108,269	36%	
Native American	91,594	27,089	30%	

Data Source: US Census Bureau, 2012 - 2016 ACS 5 -Yr Estimates



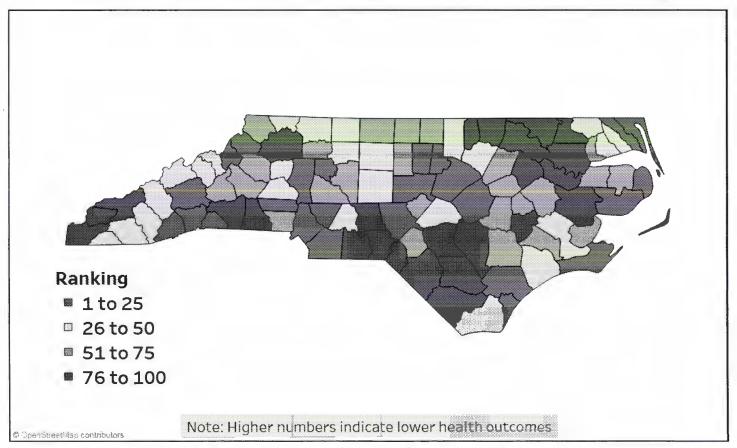
#### Population Change, April 2010 to July 2017



Data Source: U.S Census Bureau's Annual Estimates of Resident Population (PEPANNRES), 2010 - 2017



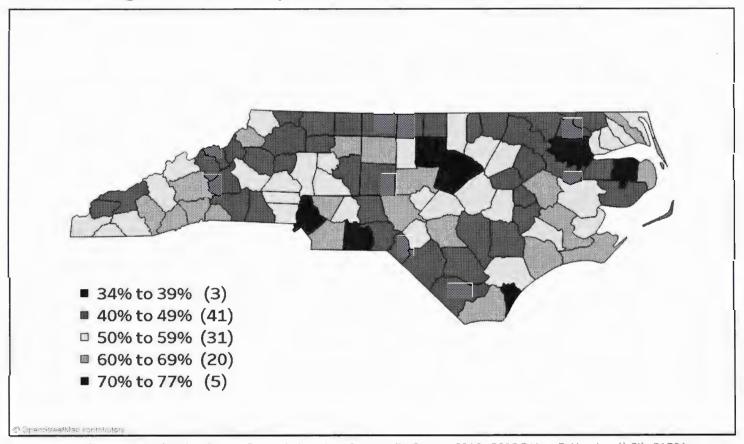
#### 2017 Robert Wood Johnson Foundation Health Ranking



Data Source: Robert Wood Johnson Foundation | www.countyhealthrankings.org



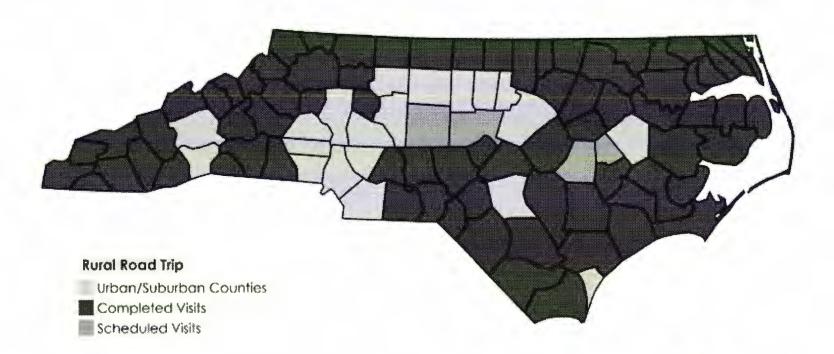
#### Percentage of Adult Population with Post-Secondary Education



Data Source: United States Census Bureau's American Community Survey, 2012 - 2016 5-Year Estimates || File S1501



### RURAL ROAD TRIP





## What have we heard?









SIGNIFICANT OPPORTUNITIES





# SIGNIFICANT CHALLENGES



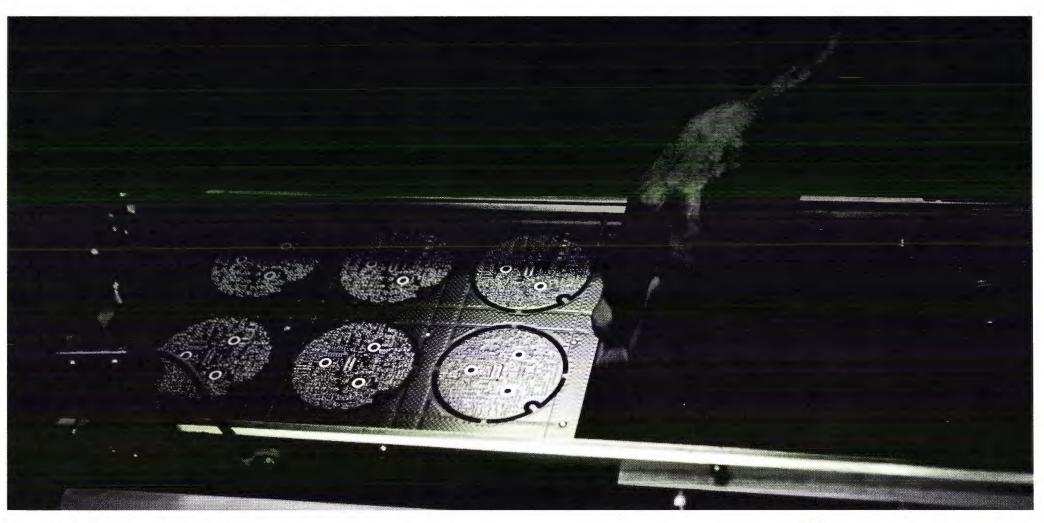
RURAL DEVELOPMENT PRIORITIES





**RURAL DEVELOPMENT PERSPECTIVES** 



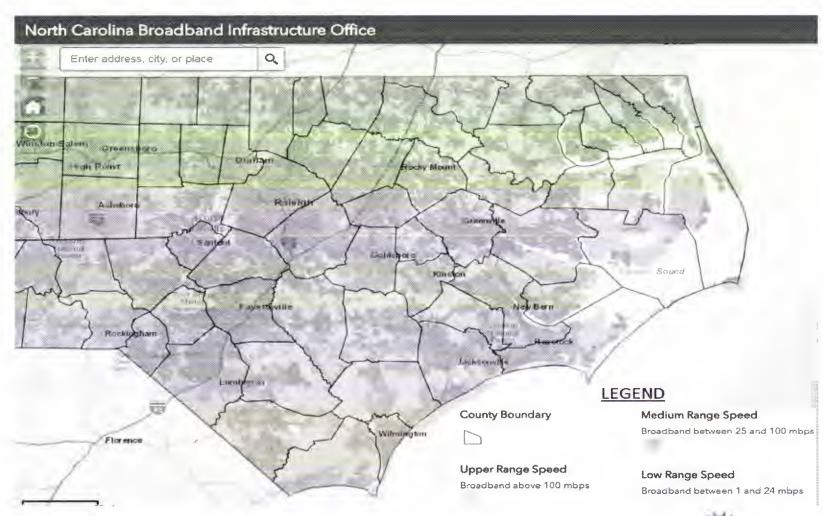


**EXISTING RESOURCES** 



# The top-three issues:

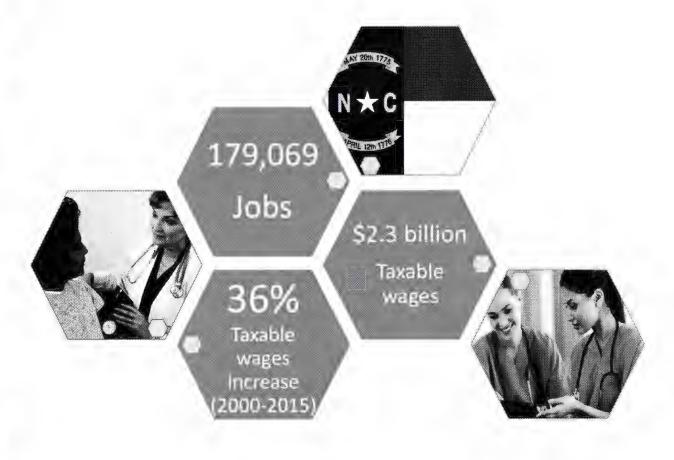
- Broadband
- Health
- Small-business retention & entrepreneurship development











**HEALTH** 





**EXISTING BUSINESS & ENTREPRENEURSHIP** 





May 29, 2018

NC Museum of History Raleigh, NC







# Demographic Trends in North Carolina

Presented to EDGE Committee,

North Carolina General Assembly April 5, 2018

Mike Cline, PhD
State Demographer
Office of State Budget & Management,
Demographic & Economic Analysis Section



#### North Carolina Population vs. Other States

#### 9th Largest State at 10.3 Million

5<sup>th</sup> Largest Population Gain (737,698 people), April 2010 to July 2017

Geographic Area	Population Estimate		Change, 2010 to 2017	
	April 1, 2010	July 1, 2017	Number	Percent
United States	308,758,105	325,719,178	16,961,073	5.5
California	37,254,518	39,536,653	2,282,135	6.1
Texas	25,146,100	28,304,596	3,158,496	12.6
Florida	18,804,594	20,984,400	2,179,806	11.6
New York	19,378,110	19,849,399	471,289	2.4
Pennsylvania	12,702,857	12,805,537	102,680	0.8
Illinois	12,831,565	12,802,023	-29,542	-0.2
Ohio	11,536,730	11,658,609	121,879	1.1
Georgia	9,688,690	10,429,379	740,689	7.6
North Carolina	9,535,721	10,273,419	737,698	7.7
Michigan	9,884,129	9,962,311	78,182	0.8

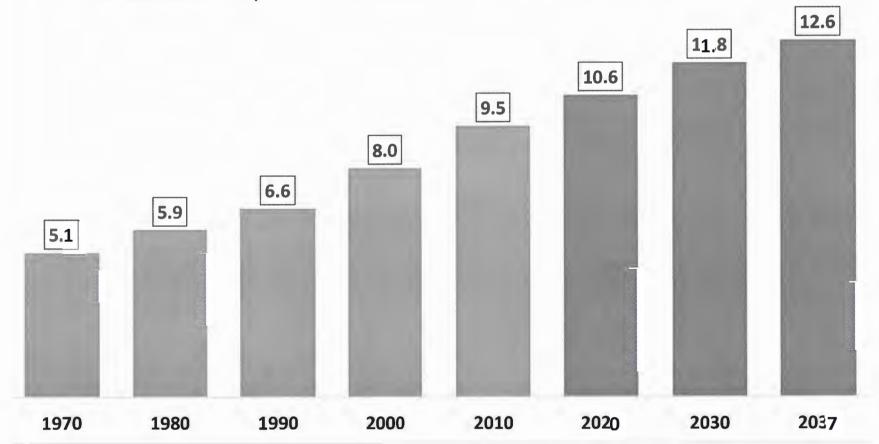
Source: U.S. Census Bureau, Population Estimates, 2017 Vintage.



#### North Carolina Population Change - Historic and Projected

# North Carolina Population, 1970 – 2010 and Projected Through 2037

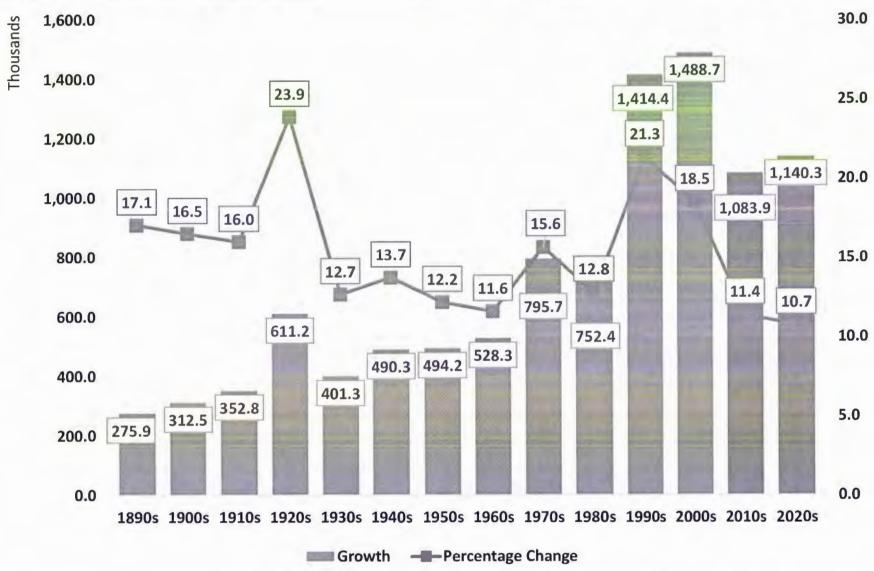
Millions of People



Source: US Census Bureau, Decennial Censuses; OSBM Population Projections, 2017 Vintage.



#### North Carolina Population Change - Historic and Projected

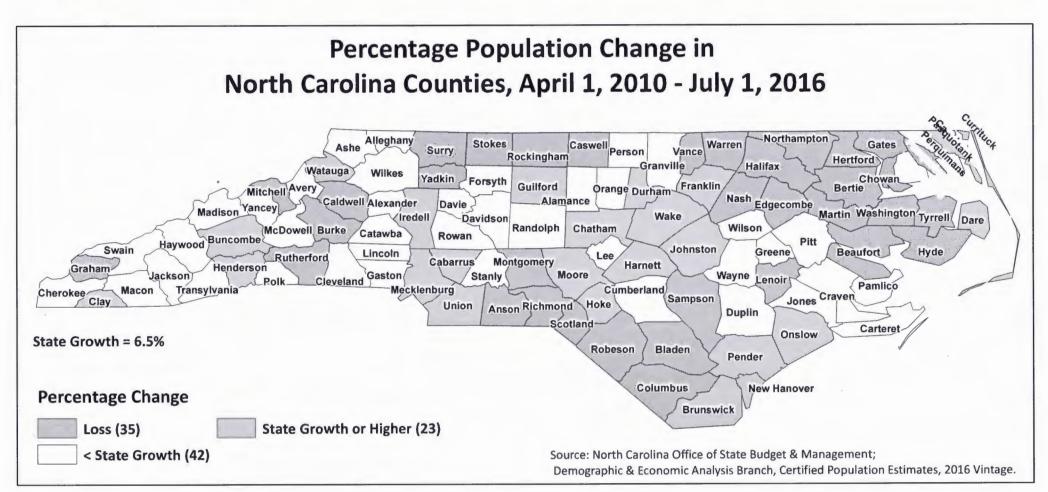


Source: U.S. Census Bureau, Decennial Censuses and OSBM Population Projections, 2017 Vintage.

April 5, 2018

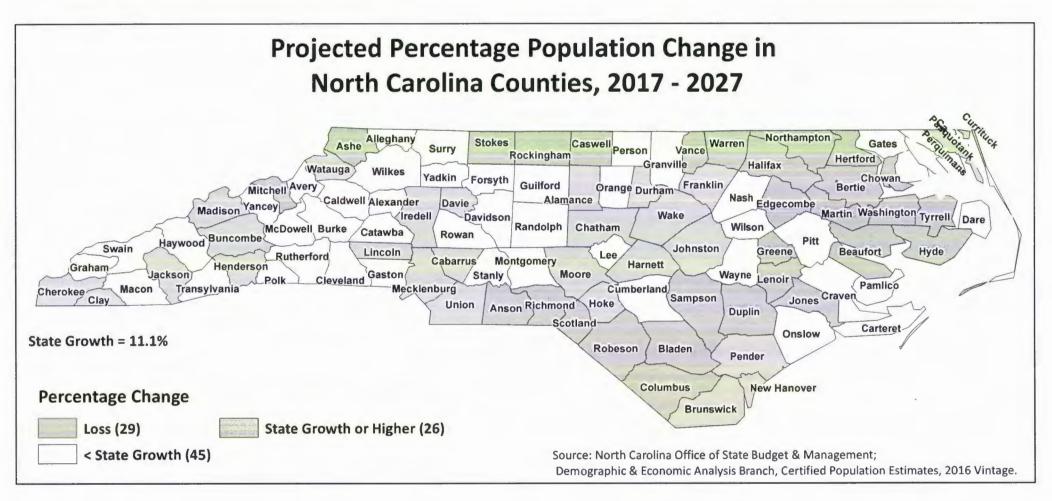


#### North Carolina Population Change - Historic



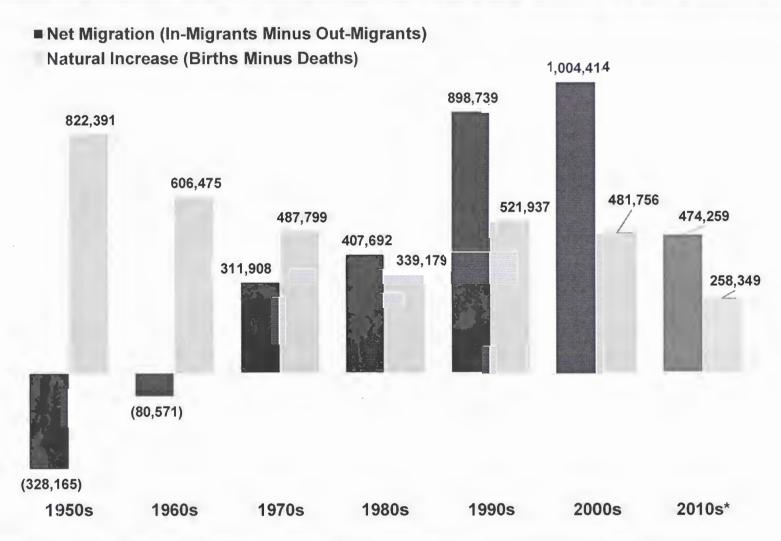


#### North Carolina Population Change – Projected





#### Components of Population Change by Period, 1950 - 2017

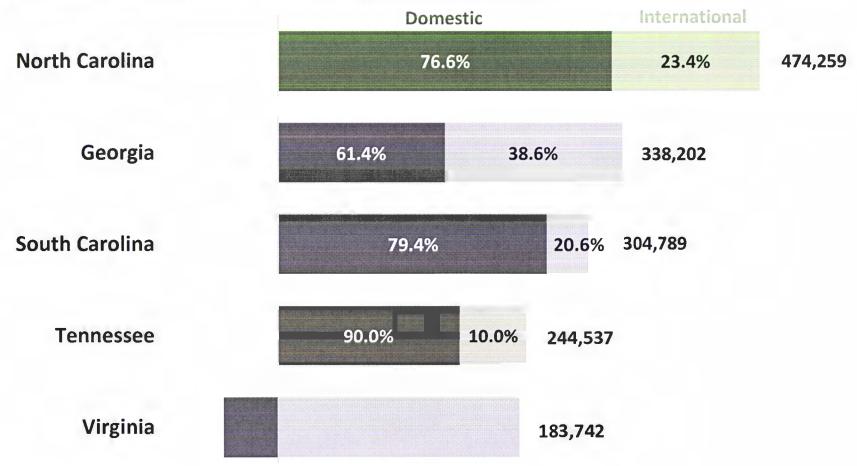


Source: US Census Bureau, State Population Estimates, Vintage 2017; Age-Specific Net Migration Estimates for US Counties, 1950-2010. Applied Population Laboratory, UW-Madison.



#### More Migration to North Carolina vs Neighbors in Recent Years

Net Domestic and International Migration, April 2010 to July 2017

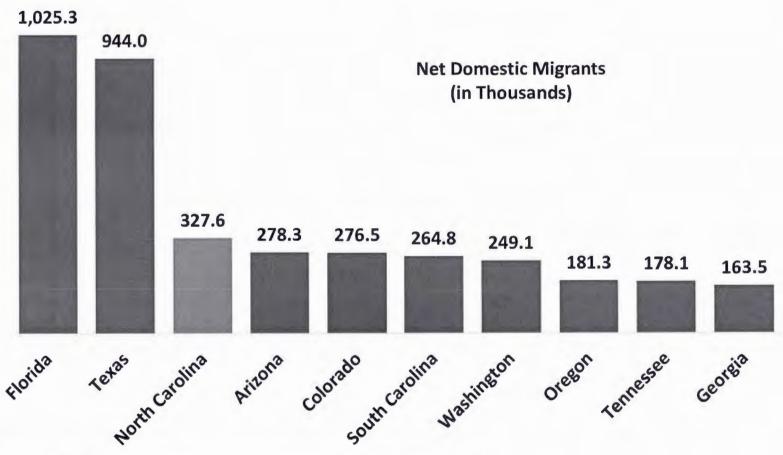


Source: U.S. Census Bureau, Population Estimates for States, Vintage 2017.



#### **Net Domestic Migration Larger Than All But Florida and Texas**

Net Domestic Migration for the 10 States with the Largest Number of Net Domestic Migrants, April 2010 to July 2017



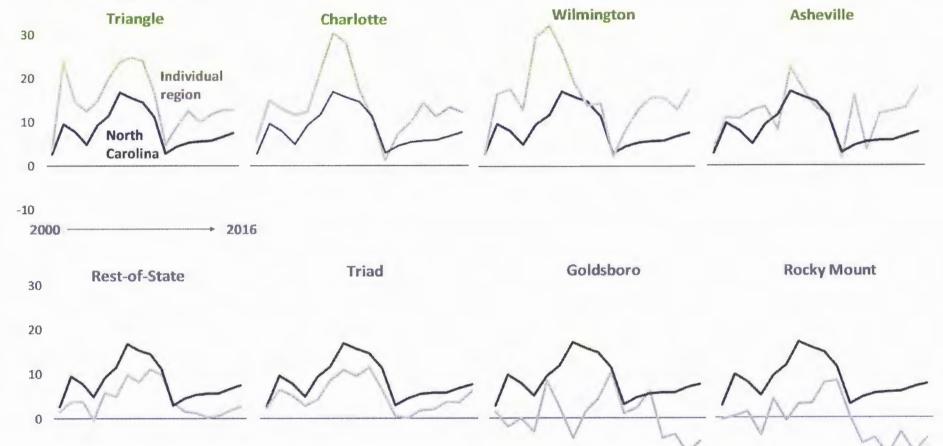
Source: U.S. Census Bureau, Population Estimates for States, Vintage 2017.



#### Migration (cont'd)

# Net Migration Rising From Post-Recession Lows But Still Uneven and Below Pre-Recession Peak

Net migrants per 1,000 persons



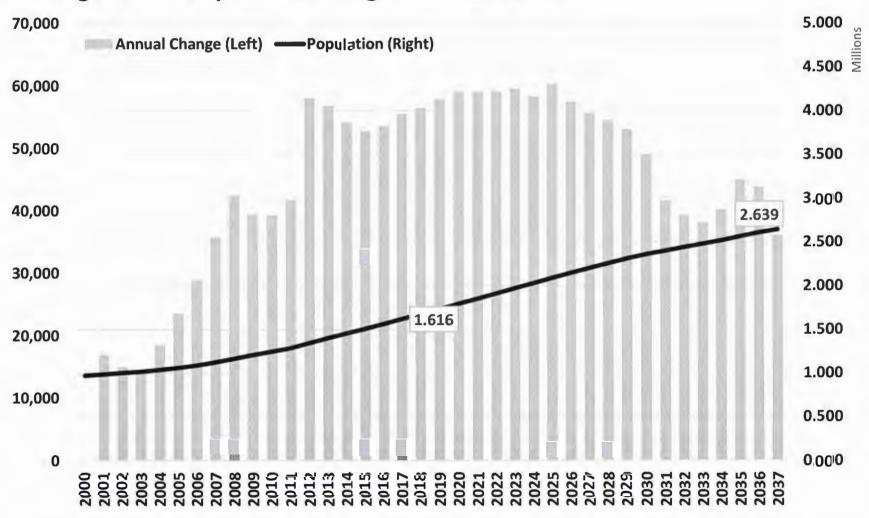
Data Source: OSBM Smoothed Historical Population Estimates, 2000 - 2010 and Certified and Revised Population Estimates, 2016 Vintage: Rest-of-state includes Hickory, Jacksonville, Burlington, and Fayetteville as well as non-metro areas

-10



#### Aging of the Population

#### Change in the Population in Ages 65+, 2000-2037

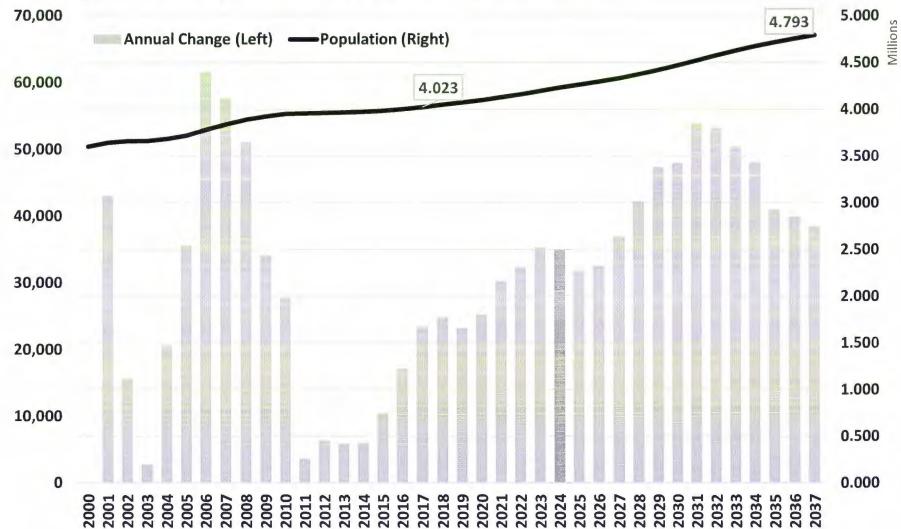


Source: NC OSBM, 2000-2016 Population Estimates and 2017-2037 Population Projections. Population as of July 1.



#### **Aging of the Population**

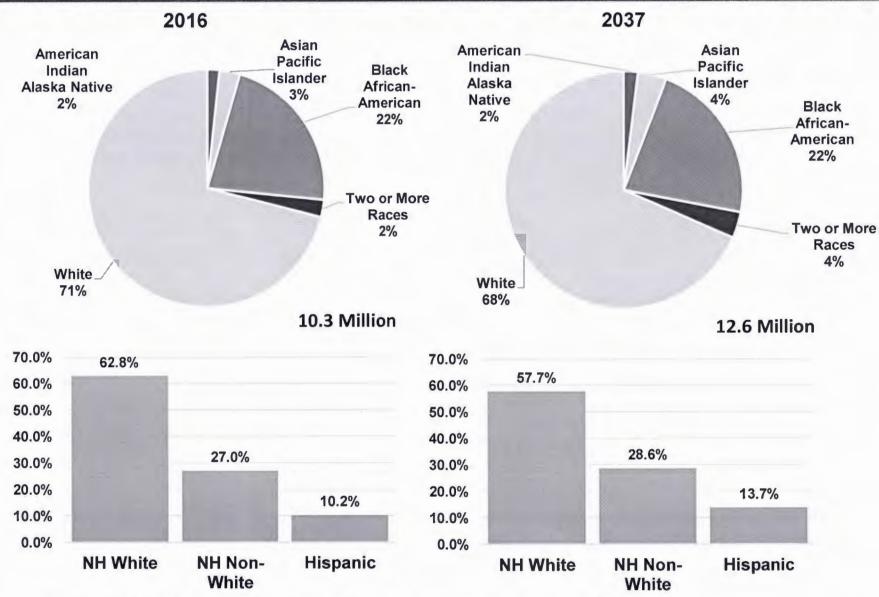
Change in the Population in Ages 25 - 54, 2000-2037



Source: NC OSBM, 2000-2016 Population Estimates and 2017-2037 Population Projections. Population as of July 1.



#### Population by Race and Hispanic Origin, 2016 and 2037



April 5, 2018 Source: NC OSBM Population Estimates, Vintage 2016 and Population Projections, Vintage 2017.



#### Fiscal Impacts of the Census (Annual)

#### \$16.3 Billion in Federal Dollars Distributed to North Carolina

Estimated amount of funds distributed to North Carolina based directly or indirectly on decennial Census statistics (16 largest federal programs).

• \$1,623 per capita

Source: George Washington University, Counting for Dollars 2020

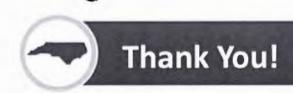
#### \$1.5 Billion in State Funds Distributed to Municipalities & Counties

Estimated amount of funds distributed annually to North Carolina based upon OSBM certified population estimates (2 largest state revenue allocations).

\$200 Per Capita

Source: North Carolina Dept. of Transportation, <u>2017 North Carolina State Street-Aid Allocations to Municipalities</u>; North Carolina Dept. of Revenue, <u>Collections for Month Ending Reports for 2017</u>.

ANNUAL ESTIMATES REQUIRE ACCURATE CENSUS COUNT!



#### Michael (Mike) E. Cline, PhD

State Demographer
Economic & Demographic Analysis Section
North Carolina Office of State Budget and Management
Michael.Cline@osbm.nc.gov

919-807-4756

For Municipal and County Estimates See: https://www.osbm.nc.gov/facts-figures/demographics



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