

Agenda

- ✓ Overview
- ✓ Why is Economic Development Important to the County
- ✓ Background Review
- ✓ Study Findings
- ✓ Study Recommendations
- ✓ Wrap-up discussion



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Why do you need Economic Development?

- ✓ Creates “Living Wage” Jobs & Opportunity for ALL your citizens (blue collar and white collar jobs)
- ✓ Local tax revenue from Real Estate and Machinery & Tools
- ✓ State tax revenue from Employee Wages & State Income Tax
- ✓ Helps build resources for your locality and state
- ✓ Creates wealth within your community
- ✓ Social Justice - allows you to build schools, pay for healthcare and other social programs as well as help set up training programs for your citizens

It's about YOUR COUNTY's FUTURE!



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Where Orange County stands today....

- ✓ Lacking “Ready to Go” Sites and Buildings
- ✓ Not as much developable property as we thought once you place constraints on the properties & remove inhabited properties
- ✓ Ever increasing competitive market with shorter and shorter timelines for decisions to be made (i.e. Need diverse “Ready to Go” Product)
- ✓ Properties are overpriced compared to adjacent localities (Alamance)
- ✓ Lacking water & sewer capacity (gallons per day) in districts
- ✓ Missing out on opportunities for Prospects due to lack of Sites and Buildings as well as inadequate water & sewer capacities



Desired Outcomes of Study

- ✓ More “balanced” Residential vs. Non-Residential Split of Tax Revenues
 - Try to accomplish 70/30 Split Countywide
- ✓ Create Living Wage Jobs for existing residents
- ✓ Preserve Uniqueness & Culture of Orange County
- ✓ Economic Development outcomes should be a major consideration for infrastructure investments
- ✓ Better coordination with other County Departments and Utility Systems (i.e. Planning, Utilities, etc.)



The Big Picture



- ✓ Economic Development Partnership of NC and North Carolina is moving up the business rankings
- ✓ Need to align your sites & infrastructure with the market
- ✓ It takes time and resource (financial and political) to commit to a long-term Economic Development Strategy
- ✓ Orange County appears to be at the intersection of Commerce and Trade with I-40 and I-85 merger
- ✓ We’re bullish on the future of Orange County
- ✓ Now is the time to align your resources and commit to “make your own future”
- ✓ Economic Development is getting increasingly competitive



Site Selection Magazine Site Selectors' Top Location Criteria

Rank	Location Factor	Orange County
1	Existing Workforce Skills	Strong
2	State and local tax scheme	Marginal to Competitor Localities
3	Transportation Infrastructure	Strong
4	Utility Infrastructure	Lacking / Needs Improvement
5	Land / Building prices & supply	Marginal / High
6	Ease of permitting & regulatory procedures	Marginal
7	Flexibility of Incentive Programs	Neutral
8	Right-to-work State	Strong
9	Availability of incentives	Neutral
10	Access to higher education resources	Strong

Source: Site Selection Survey of Corporate RE Executives 2015



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How fast are prospects moving?



\$4.93 billion investment & over 14,000 jobs
2014 – Boeing announced \$1.1 billion & 2,000 add'l jobs



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Orange County – Unique Assets & Opportunities

- ✓ Two Interstates: I-85 and I-40 Merge
- ✓ UNC Chapel Hill & Durham Technical Community College
- ✓ Adjacent to Research Triangle Park
- ✓ RDU and GSO International Airports
- ✓ On the cusp of RTP and Piedmont Triad
- ✓ Diverse Culture & Millennial “Coolness” Factor
- ✓ Rural Character with Urban Access / Amenities

**Acts as a “Gateway” for Northeast US (via I-85)
and Eastern NC (via I-40) to Western NC and
Southeastern US**



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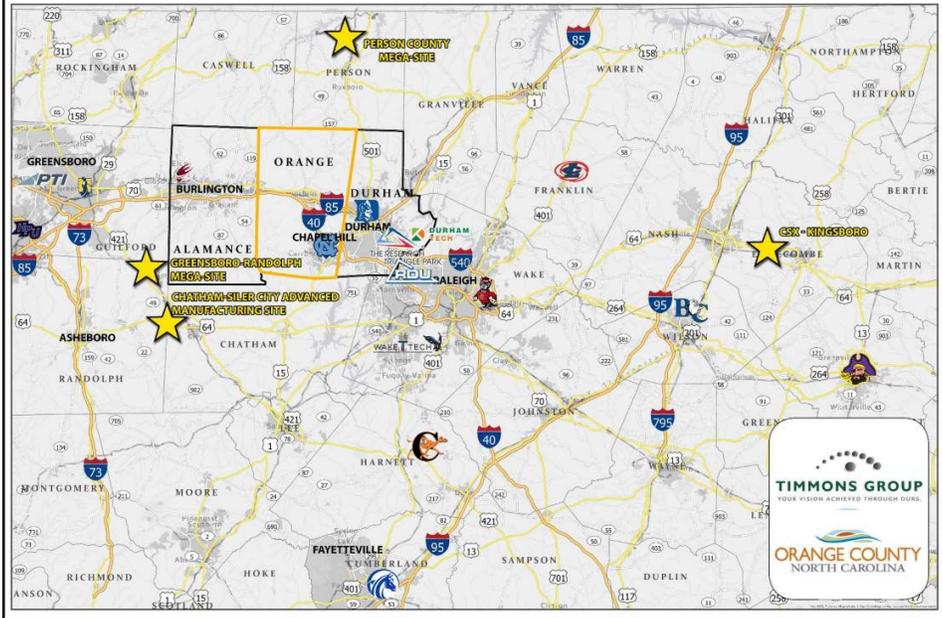
Orange County – Southeastern US Access to markets via I-40, I-85 & I-95



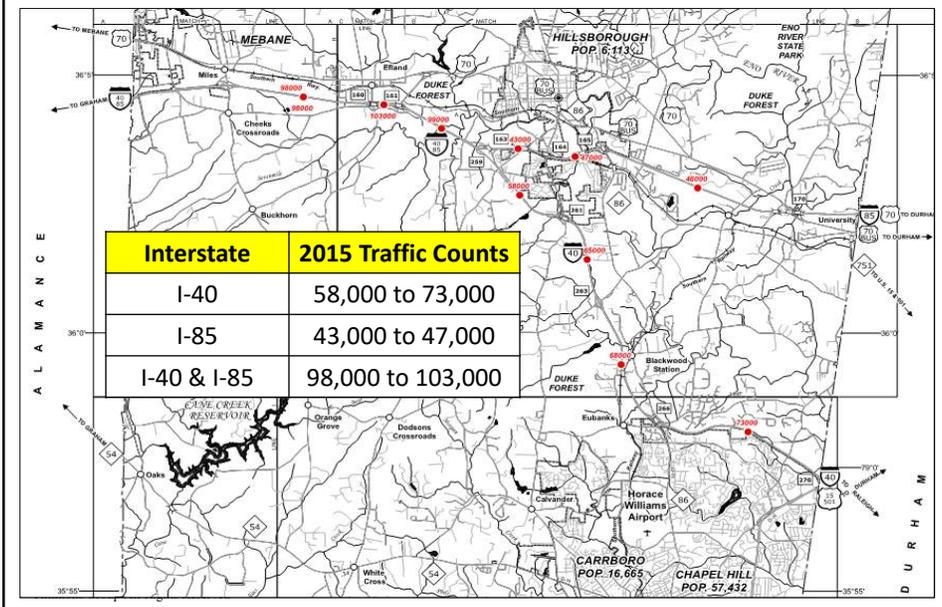
AEROSPACE TRIANGLE
Southeast United States



Orange County – Regional Perspective



Orange County – 2015 NCDOT Interstate Traffic Counts



Orange County vs. Rest of NC Comparative Traffic Counts



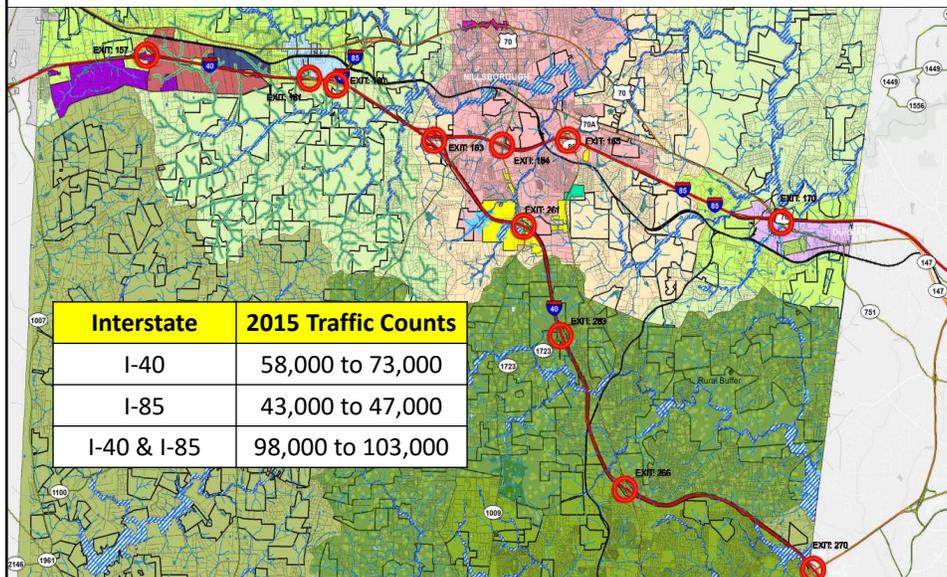
County (City)	Interstate	2015 NCDOT Traffic Counts
Durham (Durham)	I-85	46,000 to 96,000
	I-40	90,000 to 181,000
Wake (Raleigh)	I-40	104,000 to 167,000
Alamance (Burlington)	I-40 & I-85	111,000 to 123,000
Guilford (Greensboro)	I-40 & I-85	69,000 to 135,000
Mecklenburg (Charlotte)	I-85	108,000 to 178,000
	I-77	74,000 to 182,000
Forsyth (Winston-Salem)	I-40	52,000 to 103,000
	I-40 Bus	50,000 to 77,000
Orange	I-40	58,000 to 73,000
	I-85	43,000 to 47,000
	I-40 & I-85	98,000 to 103,000



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Natural Opportunities - 8 Interstate Interchanges within the CITAN's and EDD's



Opportunity Costs – Does Water & Sewer Matter? What Mfgr Opportunities has Orange missed out on...

Initiation Date	Industry	Industry Type	Investment	Jobs	Site Size (acres)	Building Size (SF)	Water (GPD)	Sewer (GPD)
Apr 2015	Italian Specialty Meat Mfgr	Food Processing	\$50 Mil	300		150,000 Exp 300,000	30,000 - 60,000	30,000 - 60,000
June 2015	Manufacturing Lab	Biopharmaceutical	\$450-600 Mil	275 - 300	30		100,000 - 160,000	80,000 - 130,000
Aug 2015	Manufacturing	Pharmaceutical	\$325 Mil	500	15 - 20		636,000	636,000
Sep 2015	Manufacturing	Air Separation	\$35 Mil	15 - 25	5 - 10		72,000 - 122,000	11,500 - 21,600
Nov 2015	Manufacturing	Food Processing	\$20-\$25 Mil	100	30	150,000 Exp 200,000	100,000	100,000
Jan 2016	Manufacturing, Processing	Food	\$35 Mil	150	20 - 40		52,800 - 264,000	52,800 - 264,000
Sep 2016	Manufacturing	Chemicals	\$65 - \$75 Mil	60 - 70	40 - 100	100,000	300,000 - 400,000	300,000 - 400,000
Oct 2016	Manufacturing	Textile	\$30 - \$70 Mil	175 - 260	25 - 35		500,000	470,000
Feb 2017	Manufacturing	Biopharmaceutical	\$150 - \$200 Mil	150	10		133,000	107,000
Mar 2017	Manufacturing	Medical	\$180 Mil	600	50 - 75		200,000	200,000
June 2017	Manufacturing	Food Processing		75 - 100	30	550,000	250,000	200,000

Totals	\$1.3 to \$1.6 Billion	2,400 to 2,555 Jobs	150,000 to 550,000	2.4 to 2.8 MGD	2.2 to 2.6 MGD
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Opportunity Costs? What has Orange County lost out on to Alamance...

Announce Date	Orange County?	Company	Site Location	Investment	Jobs	Average Wage	Site Size	Building Size (SF)
Sep 2012	3 Visits	Sheetz Bakery	Burlington (1737 White Kennel Rd.)	\$52,000,000	254		44 acres	250,000
Dec 2013	Sites not submitted	Wal-Mart Dist Center	Mebane - NC Commerce Park	\$100,000,000	550	\$35,374	186 acres	450,000
Jul 2015	3 Visits	Lidl Dist Center	Mebane - NC Commerce Park	\$125,000,000	80 full time 120 hourly	\$80,000 & \$20.00/ hr	90 acres	850,000
Aug 2016	Sites Submitted	Prescient	Mebane - NC Commerce Park	\$18,800,000	205	\$46,322	20 acres	135,000
Nov 2016	Sites Submitted	Lotus Bakeries	Mebane - NC Industrial Center	\$50,000,000	60	\$35,931	20 acres	160,000
Nov 2017	4 Visits	Airgas	Mebane - NC Industrial Center	\$47,000,000	35	\$78,750	10 acres	

Totals	\$392,800,000	1,304	\$35,374 to \$80,000	10 to 186 ac	160,000 to 850,000
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Project Sky – Large Grocery Distribution Center

- ✓ \$328 Million Investment
- ✓ 1,100 jobs
- ✓ \$41,000 / yr (“Living Wage” Jobs)
- ✓ Orange County Submitted
- ✓ 4 site visits to Buckhorn Road Sites
- ✓ Met in closed session to pre-authorize local incentives
- ✓ TBD where they will locate....



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What has Orange County had a legitimate shot to win?

Opportunities from 2012 – 2017	Potential Investment	Potential Jobs
Manufacturing	\$1.3 to \$1.6 Billion	2,400 to 2,555
Distribution / Alamance	\$393 Million	1,304
Project Sky	\$328 million	1,100
Totals	\$2.0 to \$2.3 Billion	4,804 to 4,959



Water & Sewer Capacities for EDD's / CITAN's

EDD or CITAN	Water Provider	Water Capacity (MGD) 1	2016 Avg. Daily Water Demand (MGD) 1	Available to the Site	Sewer Provider	Existing Sewer Capacity 1
Buckhorn EDD	Mebane	6	1.58	200,000 GPD	Mebane	250,000 GPD
Eno EDD	Durham	37.9	27.7	1 MGD	Durham	100,000 GPD (Avail Oct 2019)
Hillsborough EDD	Hillsborough	3.09	1.47	200,000 GPD	Hillsborough	108,000 GPD (Avail Aug 2019)
Buckhorn CITAN	Mebane	6	1.58	200,000 GPD	Mebane	250,000 GPD
West Efland CITAN	Orange-Alamance Water	2.05	0.60	0 GPD	Mebane	250,000 GPD (Avail 2020)
East Efland CITAN	Orange-Alamance Water	2.05	0.60	0 GPD	Mebane	250,000 GPD (Avail Dec 2019)
Hillsborough CITAN	Hillsborough	3.09	1.47	200,000 GPD	Hillsborough	<200,000 GPD
Hillsborough CITAN	Hillsborough	3.09	1.47	200,000 GPD	Hillsborough	<200,000 GPD
US 70 / Cornelius	Hillsborough	3.09	1.47	200,000 GPD	Hillsborough	<200,000 GPD

1 Permitted water and sewer capacity and 2016 average daily water demand per NC Local Water Supply Plan, actual availability to specific sites is still being determined

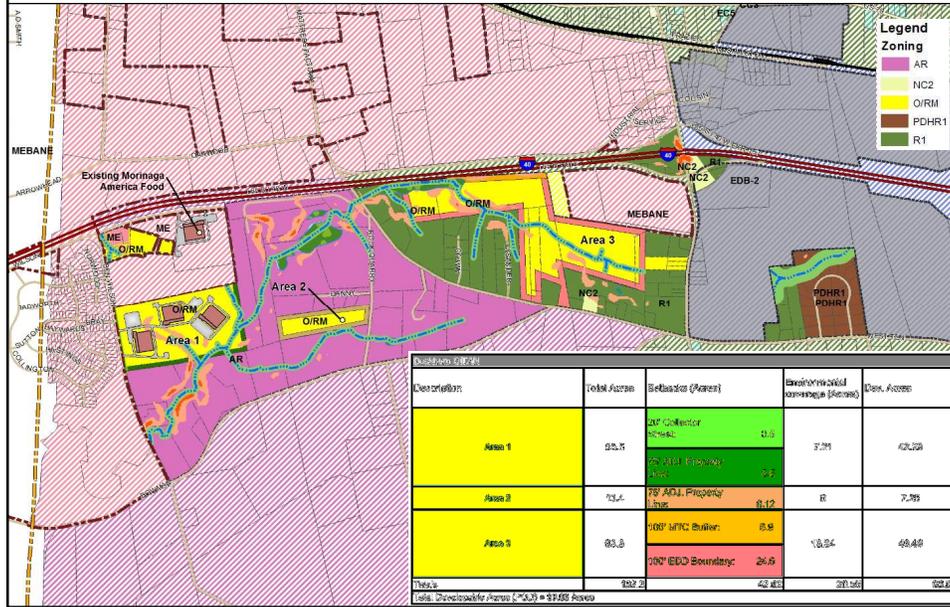


Methodology for Site Analysis

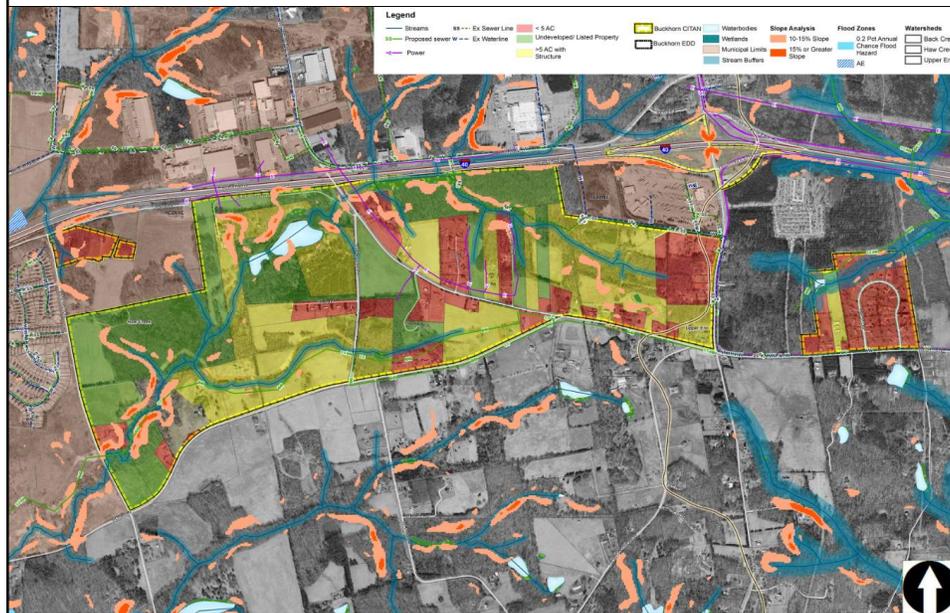
- ✓ **Sites Analysis**
 - For Sale / Vacant
 - Less than 5 Acres / Residential (excluded from developable area)
 - Greater than 5 Acres with structures on land (excluded need to approach land owners)
- ✓ **Environmental / Physical Constraints**
 - Streams, Buffers
 - Easements
 - Topography
 - Wetlands, Floodplains
- ✓ **Jurisdictional**
 - Impervious limitations
 - Landscape Buffers
 - Building setbacks
 - Zoning
 - Highway overlay buffer
- ✓ **Additional Considerations**
 - Adjacent land use
 - Aesthetics
 - Engineering Judgement



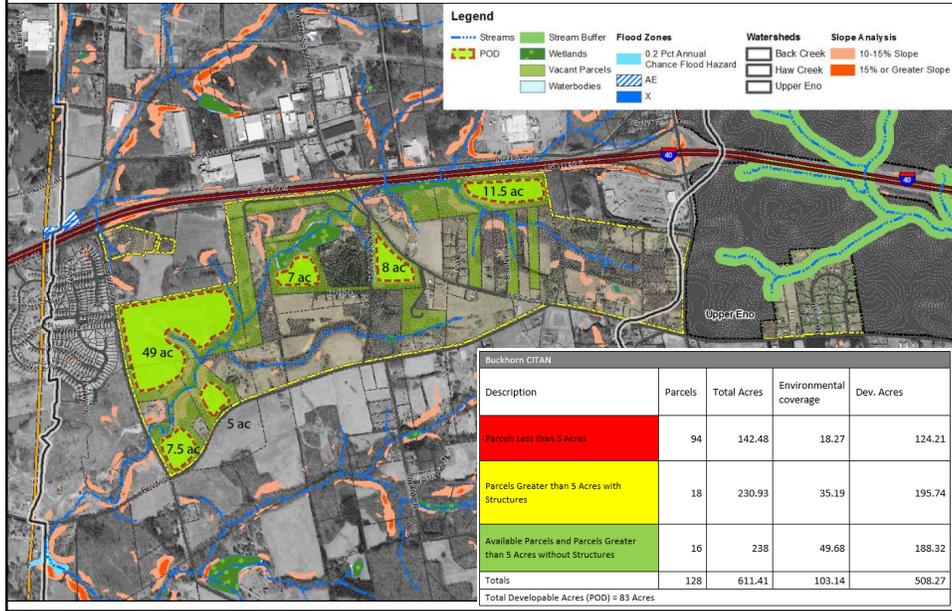
Buckhorn CITAN – Case Study



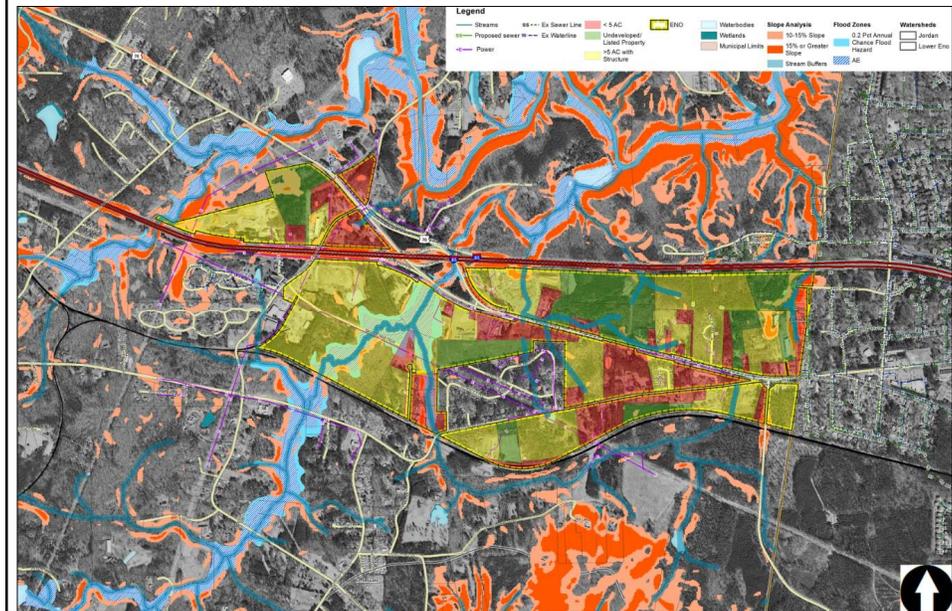
Buckhorn CITAN – Case Study



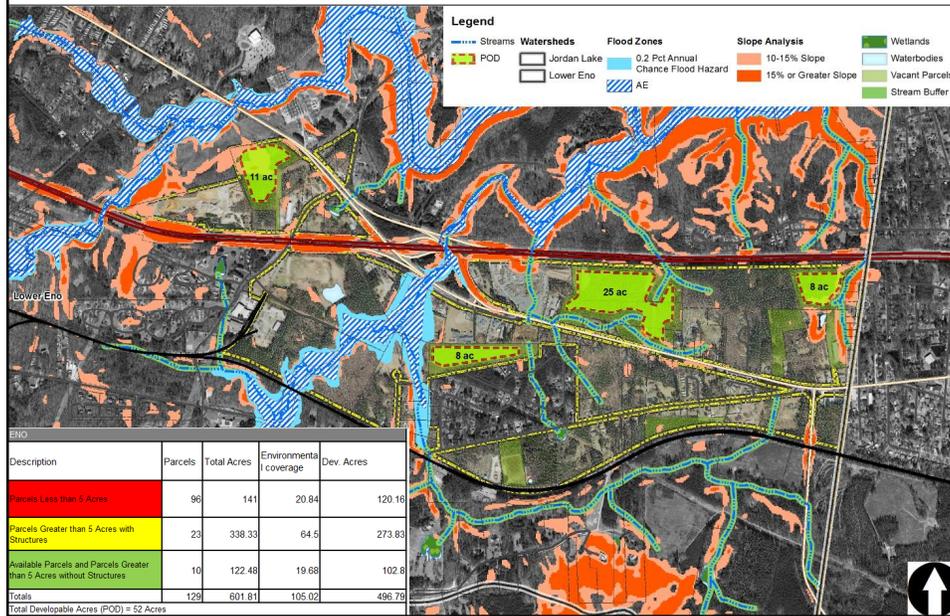
Buckhorn CITAN – Case Study



Eno EDD – Case Study



Eno EDD – Case Study



Overall Summary – Developable Acres

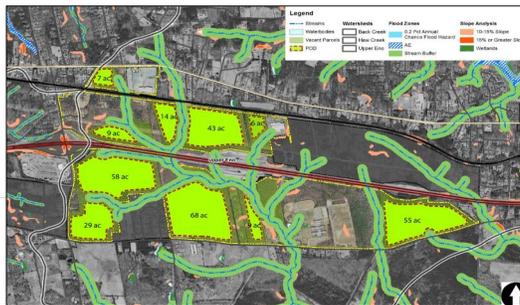
EDD and CITAN totals				
Description	Parcels	Total Acres	Environmental coverage / constraints	RAW Developable Acres*
Parcels Less than 5 Acres	425	589	87	502
Parcels Greater than 5 Acres with Structures	65	1,094	238	856
Available Parcels and Parcels Greater than 5 Acres without Structures	59	1,326	290	1,037
Totals	549	3,010	615	2,396
ACTUAL Developable Acreage of PODs = 668 Acres or 22%				

* Assumes no property constraints, structures, setbacks or parcel boundaries

Overall Summary – Potential Sites

EDD/CITAN	Potential Sites	Development Pod Size Range (AC)	Comments / Issues
Buckhorn CITAN	6	5 to 49	Inconsistent zoning, limited access
Buckhorn EDD	9	6 to 98	Limited access north of interstate, asking prices too high, adjacent to schools, fields & residential
West Efland CITAN	1	52	Limited access, Zoned AR
East Efland CITAN	1	79	Limited water / limited access to east
Hillsborough EDD	2	39 to 44	Sagefield Business Park
Eno EDD	4	8 to 11	No sewer, limited access & environmental constraints

NOTE: There are only 6 sites in the EDD/CITAN's that could accommodate a Morinaga today!



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Overall Summary – Developable Acres

Total County Acreage – 272,546 Acres

EDD's

- Acreage within EDD's – 2,379 Acres
- GIS Acreage (Excluding R/W) – 1,856 Acres
- Available & Vacant Lands – 832 Acres
- Developable Pods - 454 Acres - 0.17% of Total land in County

CITAN's

- Acreage within CITAN's – 1,494 Acres
- GIS Acreage (Excluding R/W) – 1,154 Acres
- Available & Vacant Lands – 495 Acres
- Developable Pods - 214 Acres - 0.08% of Total land in County

*Numbers above Excludes Hillsborough CITAN and Cornelius
 **Developable Pods consider vacant and or available lands, environmental features, jurisdictional setback/buffers, and engineering judgement

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Industrial Investment & Trends

- ✓ Morinaga: \$48 Million for 120,000 SF (\$400 per SF)
- ✓ Water & Sewer Requirements: 40,000 GPD
- ✓ Site Size: 21 acres
- ✓ Adjacent Parcel: 55 acres
- ✓ Potential Build-out: 360,000 SF (3 Morinaga's)



Industry	\$/SF Investment	Potential Investment	Potential Annual Tax Revenue	Existing W&S Capacity?
Retail / Office / Commercial	\$150	\$54,000,000	\$452,358	Yes
Logistics/Distribution	\$200	\$72,000,000	\$603,144	Yes
Food & Beverage	\$400	\$144,000,000	\$1,206,288	Marginal
Manufacturing/Bio	\$600	\$216,000,000	\$1,809,432	Marginal
IT/Data Centers	\$1,200	\$432,000,000	\$3,618,864	No



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What can Economic Development afford the County? A realistic scenario...

Real Estate Tax Rate: \$0.8377 per \$100

Real Estate Investment	Annual Tax Revenue	Capital Investment Capacity (20 yrs @ 4%)
\$100,000,000	\$837,700	\$11,520,000
\$200,000,000	\$1,675,400	\$23,040,000
\$300,000,000	\$2,513,100	\$34,560,000
\$400,000,000	\$3,350,800	\$46,080,000
\$500,000,000	\$4,188,500	\$57,600,000
\$600,000,000	\$5,026,200	\$69,120,000
\$700,000,000	\$5,863,900	\$80,640,000
\$800,000,000	\$6,701,600	\$92,160,000
\$900,000,000	\$7,539,300	\$103,680,000
\$1,000,000,000	\$8,377,000	\$115,200,000



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Other factors to consider...

- ✓ Curb Appeal & Compatible uses are factors
- ✓ Ease of access to Interstates & Turning Movements
- ✓ Residential Development & Potential Traffic Patterns



Buckhorn EDD



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Land Prices Revisited Alamance County – Comparable Land Sales



Site Location / Name	Sale Date	Acreage	Sales Price	Price Per Acre
Lake Lantham Road & Hull Street	May 30, 2014	27.47	\$665,000	\$24,208
S. North Carolina 62 Highway	Feb 25, 2015	37.42	\$887,500	\$23,717
Park Center Drive	June 16, 2015	151.8	\$6,000,000	\$39,516
3815 Melville Commerce Parkway	Aug 3, 2015	87.53	\$2,845,000	\$32,503
Gibson Road	Oct 14, 2015	22.56	\$682,500	\$30,253
1136 Cedarcrest Drive	Jan 21, 2016	53.72	\$1,860,000	\$34,624
Totals - 2014 through 2017 YTD		380.5	\$12,940,000	\$34,008
Average - 2014 through 2017 YTD		63.42	\$2,156,667	



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Land Prices Revisited Durham County – Comparable Land Sales



Site Location / Name	Sale Date	Acreage	Sales Price	Price Per Acre
Patriot Park / 4050 Patriot Drive	7/28/2017	101.56	\$4,300,500	\$42,344
TW Alexander Dr. & NC Hwy 55	9/1/2017	26.08	\$1,195,000	\$45,821
4001 Stirrup Creek Dr.	12/20/2016	23.78	\$1,406,000	\$59,125
Former Sumitomo Land / 76 TW Alexander Dr.	7/20/2016	14.62	\$1,402,000	\$95,896
Self Storage Site / 3415 US Hwy 70	11/25/2015	7.17	\$761,500	\$106,206
Stirrup Creek Dr., Lot 3 (A&B spec)	7/25/2016	13.07	\$1,029,560	\$78,773
Stirrup Creek Dr., Lot 4	3/31/2016	22.15	\$1,423,037	\$64,245
Slater Road Office Land / 702-720 Slater Rd.	10/30/2015	14.49	\$2,000,000	\$138,026
4018 Stirrup Creek Dr.	7/29/2015	17.15	\$806,935	\$47,052
Tyron Distribution Warehouse Site / 2450 S. Miami Blvd.	8/5/2015	12.6	\$1,017,457	\$80,751
Totals - 2014 through 2017 YTD		252.67	\$15,341,989	\$60,719
Average - 2014 through 2017 YTD		25.27	\$1,534,199	



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Current Listings on Real Estate Market Alamance County (as of Dec 31, 2017)



Size Acres	Price	Price per Acre	Days on Market
53.77	\$2,009,100	\$37,365	1,515
202.72	\$3,238,720	\$15,976	194
29.82	\$596,400	\$20,000	1,332
79	\$1,333,800	\$16,884	211
38.03	\$2,700,000	\$70,997	415
33.7	\$1,200,000	\$35,608	325
25.1	\$964,600	\$38,430	157
603	\$28,642,500	\$47,500	3,021
43.48	\$1,200,000	\$27,599	472
61.79	\$750,000	\$12,138	3,994
55.3	\$1,750,000	\$31,646	187
30.87	\$1,591,745	\$51,563	850
104.7	\$3,831,405	\$33,809	1,056

Average Price Per Acre = \$33,809



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Current Listings on Real Estate Market Durham County (As of Dec 31, 2017)



Size Acres	Price	Price per Acre	Days on Market
25.60	\$991,664	\$38,737	1,614
85.32	\$3,594,600	\$42,131	933
65.33	\$4,100,000	\$62,758	198
38.72	\$1,500,000	\$38,740	102
181	\$5,430,000	\$30,000	593
50	\$2,500,000	\$50,000	346
129.47	\$2,985,000	\$23,056	170
82.21	\$3,014,466	\$40,774	565

Average Price Per Acre = \$40,744



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Current Listings on Real Estate Market Orange County (As of Dec 31, 2017)



Size Acres	Price	Price per Acre	Days on Market
53.25	\$1,465,000	\$27,512	295
40.38	\$1,211,400	\$30,000	2,014
56.9	\$2,276,000	\$40,000	345
79.23	\$5,942,250	\$75,000	473
50	\$3,000,000	\$60,000	933
80	\$3,800,000	\$47,500	148
149	\$12,665,000	\$85,000	240
58.85	\$2,059,749	\$35,000	155
62.51	\$3,300,000	\$52,792	1,451
34.37	\$1,800,000	\$52,371	109
47.5	\$2,375,000	\$50,000	295
47.41	\$3,081,650	\$65,000	1,360
63.28	\$3,581,337	\$51,681	652

Average Price Per Acre = \$51,681



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Relative Comparison of Real Estate Pricing

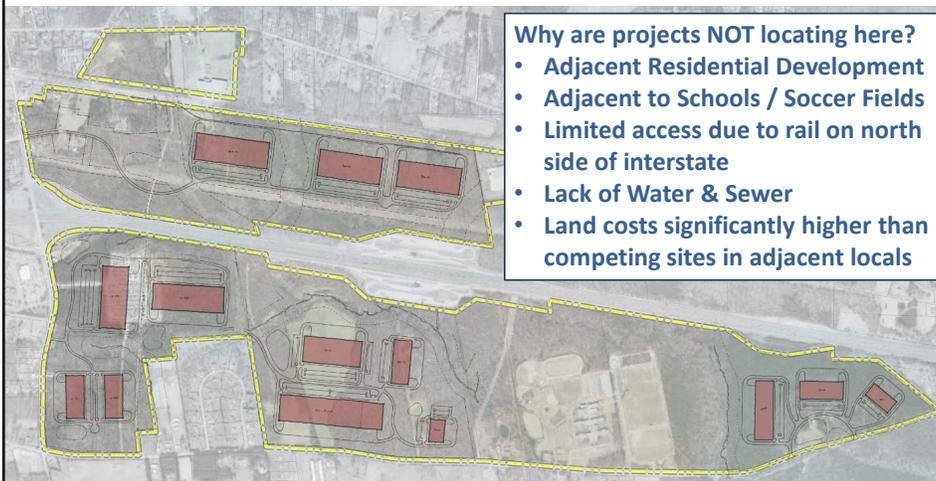
County	High (\$ per Acre)	Low (\$ per Acre)	Average (\$ per Acre)	Average Relative to Orange
Orange	\$85,000	\$27,512	\$51,681	
Alamance	\$51,563	\$12,138	\$33,809	Orange is 53% higher
Durham	\$62,758	\$23,056	\$40,774	Orange is 27% higher



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Buckhorn EDD – Optimistic Build Out 3.1M SF



Why are projects NOT locating here?

- Adjacent Residential Development
- Adjacent to Schools / Soccer Fields
- Limited access due to rail on north side of interstate
- Lack of Water & Sewer
- Land costs significantly higher than competing sites in adjacent locals



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Conclusion & Key Take Aways

- ✓ Data Indicates Orange County has Legitimate Prospect Activities and Opportunities to close deals
- ✓ There is less developable acreage than originally anticipated in the EDD's and CITAN's
- ✓ Water & Sewer capacity is an issue for recruiting high \$\$ per SF industries (Food & Beverage, Manufacturing/Bio, IT/Data Centers)
- ✓ Orange County has some legitimate properties that can be developed, however, the County needs to be thinking beyond the existing CITAN's and EDD's
- ✓ Economic Development opportunities can generate significant tax revenues to help pay for Infrastructure, Schools and other key County Services in addition to creating "living wage" jobs
- ✓ Land Pricing is an issue that needs to be addressed

Immediate Recommendations

- ✓ Enter discussions with Mebane to increase capacity within water & sewer agreement
- ✓ Have Planning Department interact with the Economic Development Department on a regular (monthly) basis and during infrastructure planning stages.
- ✓ Work with the Towns & revisit intergovernmental agreements to make sure they are conducive to the needs of Economic Development
- ✓ Approach property owners about willingness to sell their properties within the Buckhorn, Efland and Hillsborough EDD's / CITAN's

Immediate Recommendations

- ✓ Prioritize development of the top sites in EDD's / CITAN's
 - Buckhorn CITAN: Property on Ben Wilson Road
 - Buckhorn EDD: Rohl / Collins Property, Flea Market Property, Clark Property
 - East Efland CITAN: 304 Mt Willing Road – Rezone to align with development goals
 - Hillsborough EDD: approach property owner on NW quadrant of intersection of I-40 and Old 86 to gage willingness to sell. Continue activity at southwest quadrant.



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Immediate Recommendations

- Complete necessary due diligence to achieve Tier 4 status on top sites.
- Geotechnical, Wetland Delineations, Topographic & ALTA Boundary Surveys, etc.

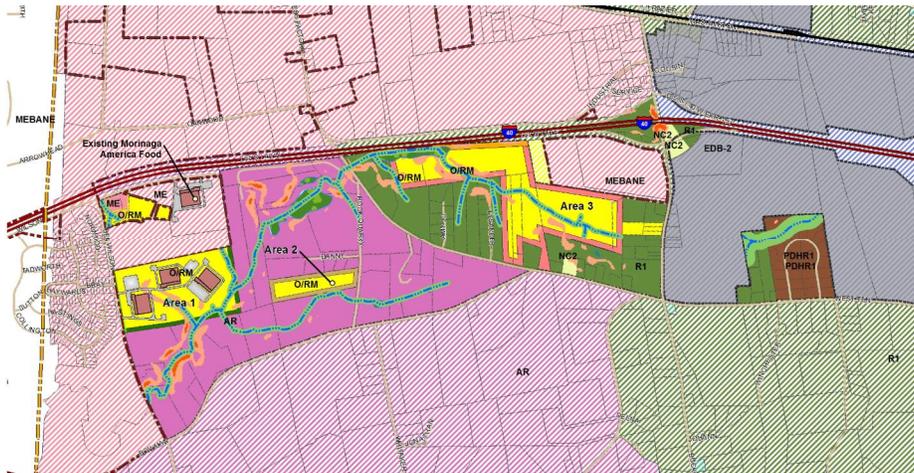
Tier 4 is considered "Certifiable" status and has eliminated any UNKNOWNs or RISKS regarding site or infrastructure development that could negatively impact timeline for development. Generally 9-12 months of development timeline.

BUDGET: *Site dependent but generally \$1,000 to \$1,500 per Acre with infrastructure already in place (significantly increases value of property on a per acre basis)*



Immediate Recommendations

- ✓ Align zoning within CITAN's and EDD's to be consistent with preferred development goals



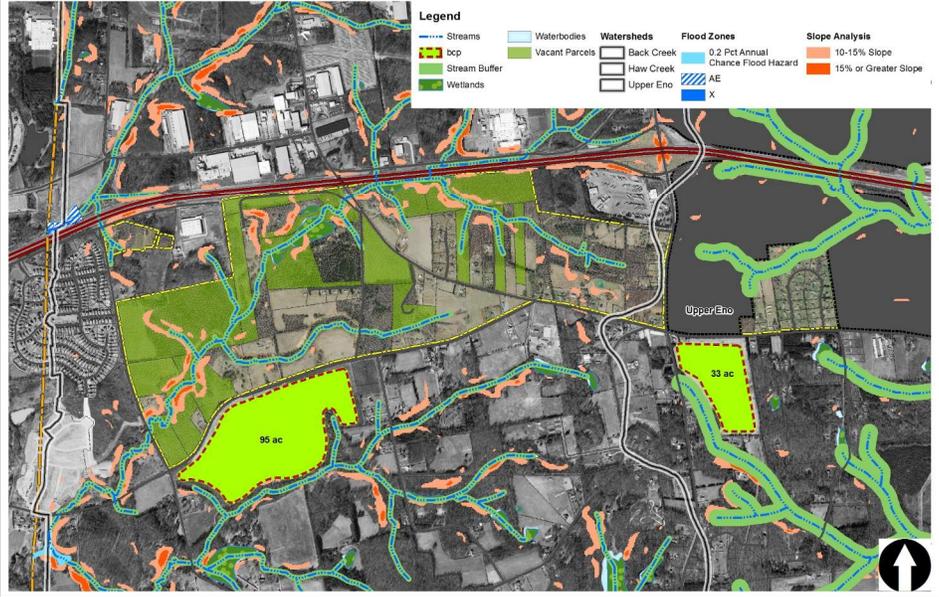
Immediate Recommendations

Consider adjusting boundaries of EDD's/CITAN's AND Water & Sewer Districts to include large tracts adjacent to these districts with low cost of development (utility extensions, etc.).

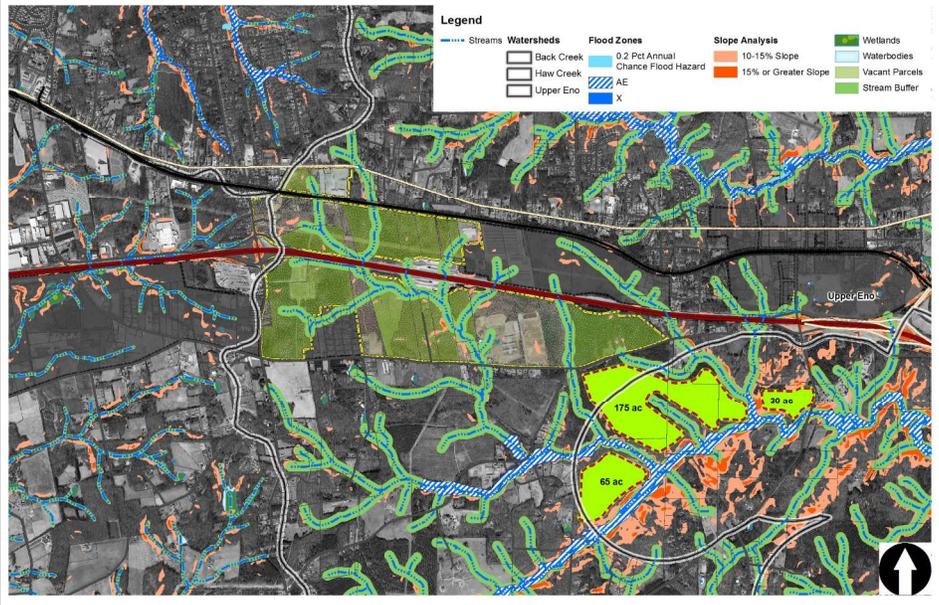
Significant property within the EDD's and CITAN's have been lost to Non or Minimal Tax Paying entities such as schools, soccer fields, solar farms, etc. In order to potentially gain that area back there may be opportunities to expand or redraw the boundaries of the EDD's and or CITAN's. There are a few larger tracts with minimal environmental impacts located near or adjacent to the existing EDD's/CITAN's that could be explored; however this may mean adjusting the water sewer agreements.

BUDGET: \$10,000 to \$15,000 in Consultant time to evaluate parcels as well as Staff Time

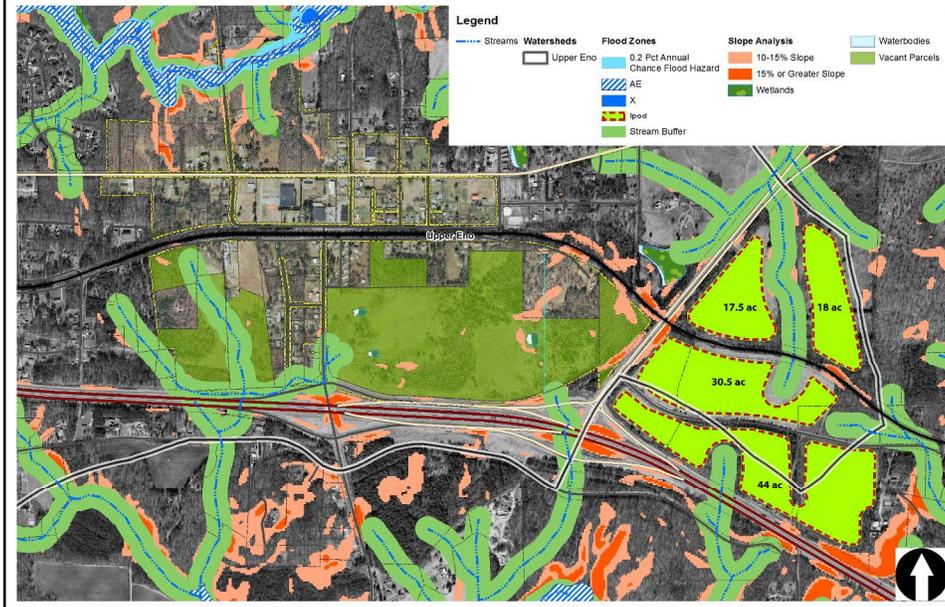
Thinking outside the EDD's and CITAN's Buckhorn CITAN – Potential Expansion Properties



Buckhorn CITAN – Potential Expansion Properties at Exit 161



East Efland – Potential Expansion Properties



Study Recommendations

Complete a countywide water and sewer study to identify options to increase water and sewer capacities.

A countywide water and sewer study would identify opportunities to increase and expand water and sewer capacities within each service area. A full study would help the County to better understand the limiting factors and what the cost and timelines are needed to increase the availability. The ED staff is losing opportunities regularly based on not being able to meet the demands for water and/or sewer.

This needs to be completed on behalf of the County, and not the jurisdictions or authorities who own and manage the water & sewer systems.

BUDGET: \$75,000 to \$100,000



Study Recommendations

Complete a GIS Site Selection Study to identify sites with greatest development potential near or adjacent to development corridors.

*A GIS site selection study is a non-bias computer based site selection study that can look over all parcels within a county or selected area to determine developability based on selection criteria defined. **For example**, if the parameters were to identify all parcels with XX acres of developable acres adjacent to rail within XX miles of the interstate, queries would be run to find the best parcels available. Once the data is assembled running queries can be run quickly.*

BUDGET: \$15,000 to \$25,000



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Study Recommendations

Consider gaining “control” of properties (i.e. option agreements) with high development potential. These sites would be identified with the GIS Site Selection Study.

Approximately 60-70% of inquiries come in for Shovel / Pad Ready Sites and/or Existing Buildings. Shovel ready and speculative building has some risk based on the financial investment needed to develop sites; however, it is best way to reduce development timelines and has proven to be a successful model in other locations throughout the state.

BUDGET: \$100 to \$200 per acre for options



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Study Recommendations

Consider advantages of developing “Ready to Go” product. Could form a Public-Private Partnership to accomplish this task.

- Shovel / Pad Ready Sites
- Spec Buildings

Approximately 60-70% of inquiries come in for Shovel / Pad Ready Sites and/or Existing Buildings. Shovel ready and speculative building has some risk based on the financial investment needed to develop sites; however, it is best way to reduce development timelines and has proven to be a successful model in other locations throughout the state.

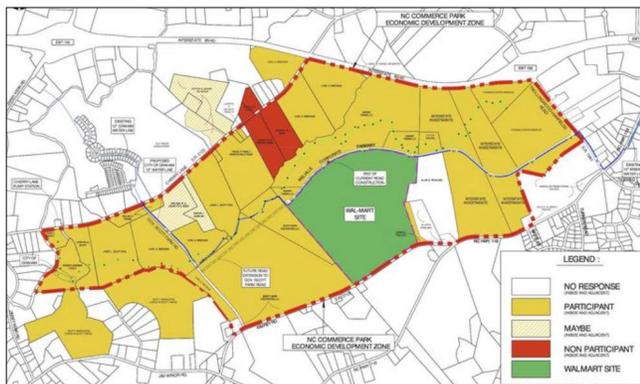
**BUDGET: \$50 to \$100 per SF for Spec Buildings (including site work)
\$50,000 to \$100,000 per acre for Shovel / Pad Ready Sites**



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North Carolina Commerce Park – An example of what regional cooperation can accomplish...



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North Carolina Commerce Park – Regional Partnership between Alamance, Mebane & Graham

- ✓ 1,200 acre Business Park (originally 30-40 landowners)
- ✓ Less than 3 yrs to:
 - Land Assembled, Zoned & Utilities Installed
 - Landed “Project Swordfish” – Walmart DC with \$100M & 450 jobs
- ✓ To Date: \$240 Million in Investment & 950 new jobs created
- ✓ Mebane invested over \$150,000 for easements / environmental work prior to full partnership coming together
- ✓ Equitably share in costs (\$12+ Million in infrastructure & utilities) and benefits
- ✓ Leverage state resources such as road construction and economic incentive funds
- ✓ Community leaders have a collaborative mindset



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Study Recommendations

Reinitiate Discussions & explore developing a research park with UNC-Chapel Hill and taking advantage of the research and entrepreneurial culture of the Research Triangle Park (RTP).

Developing a relationship with UNC and developing a common goal to create a research park could be an easy step to help the County and University attract talent and industry to the region similar to other Universities throughout the Country.

BUDGET: Staff Time



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Comparable University Parks



University Facilities	Acreage
Centennial Campus (North Carolina State)	1,075
Coldstream Research Campus (University of Kentucky)	735
Purdue Research Park	725
Stanford Research Park	700
UVA Research Park	562
Innovista (University of South Carolina)	500
Discovery Park (University of North Texas)	290
University Research Campus (University of Oklahoma)	277
STAR Campus (University of Delaware)	272
University Research Park (University of Wisconsin, Madison)	255
Clemson University International Center for Automotive Research	250
Innovation Quarter (Wake Forest)	200



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University of Virginia Research Park



- 562 acres
- 3 million SF of Master Planned Space
- 500,000 SF Exist
- 23 Tenants
- 1,200 Employees



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UK Coldstream Research Campus

- 735 acres
- Over 50 organizations in biotech, pharmaceutical, equine health, and various other industries
- HQ or regional facilities for companies including: Tempur Sealy, Piramal Pharma, Open Text, Komatsu, A&W Restaurants, and Henry Schein Animal Health
- 2,100+ employees
- 1.3 million square feet under roof
- Office and lab space available for lease
- Development ready land with utilities, roads, redundant electrical power, and high-speed data connections



Other Considerations

- ✓ Re-evaluate and potentially reallocate funds for existing water and sewer projects that appear to have minimal ROI.
- ✓ Evaluate and enhance the “express” review process to make sure it is consistent with “fast-track” permitting in the site selection market.
- ✓ Pursue grant opportunities for top sites (this will most likely require property “control”).
 - Gold Leaf
 - Duke Energy Site Readiness Program
- ✓ Evaluate underdeveloped interchanges in the county (Exit 263 & 266 in particular).



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Recommendation Per Area

Buckhorn EDD

- ✓ Work with Flea Market property owner on land price vs comps
- ✓ Complete due diligence items for available properties
- ✓ Work with the City of Mebane to increase water and sewer availability

Hillsborough EDD

- ✓ Meet with land owner for property on northwest quadrant to gage willingness to sell
- ✓ Extend sewer south of interstate 40
- ✓ Complete Due Diligence items such as environmental investigation.



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Recommendation Per Area

Eno EDD

- ✓ Investigate willingness to sell large tracts on western side of district, (potential rail sites, although these do not have sewer, long term goals show providing sewer to this area).
- ✓ Look at reducing size of district to minimize residential
- ✓ Work to develop option to make the 70/85 interchange more user friendly

Buckhorn CITAN

- ✓ Work to rezone parcels to protect them from development that is not in the best interest of Orange County and Economic Development staff.
- ✓ Secure the land south of Morinaga to prevent from residential development.
- ✓ Look to expand water and sewer boundary agreement and extend boundary south of Bowman Road
- ✓ Look for opportunities to extend water service within the district.



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Recommendation Per Area

West Efland CITAN

- ✓ Study options to provide access to site
- ✓ Review site to determine if rail service is possible
- ✓ Complete an environmental investigation to determine if streams and buffers are correct.
- ✓ If the above can be accommodated look to extend sewer service to the properties.

East Efland

- ✓ Work to provide access from exit 160 at Ben Johnson Road to extend to the large pod to the west.
- ✓ Work with Orange-Alamance water to expand serviceability for new users in the area
- ✓ Complete environmental assessments for the largest developable property
- ✓ Look into options to support one large user (may require relocation new sewer)



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Recommendation Per Area

Hillsborough CITAN

- ✓ Look for site options to expand the existing facilities should the existing user want to remain on site
- ✓ On the smaller site to the north, work with residents to see willingness to sell although this is a small parcel with heavy environmental constraints make this site challenging for development.

Cornelius

- ✓ Look to market vacant properties for redevelopment
- ✓ Improve aesthetics within the district.
- ✓ Add sidewalks and bus shelters at bus stops
- ✓ Improve main intersections
- ✓ Focus on creating pedestrian connections from neighborhoods to Cornelius Street
- ✓ Look for grant opportunities for redevelopment



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A Site Selector's Perspective Additional Consultant Recommendations

- ✓ Regional Cooperation and Collaboration is a Major Key to Economic Development Success.
- ✓ Abandon the EDD & CITAN names – confusing to the Site Selection professionals relative to other localities. Label them “Economic Development Corridors” or “Development Corridors”
- ✓ Look at developing supplier / logistics parks for OEM's and other manufacturing companies. Orange County has a tremendous opportunity given the logistics network in place with I-40 & I-85 and proximity to RTP & Research Universities
- ✓ More swiftly implement Article 46 Funds for infrastructure related projects.



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Questions?

Thanks for your time!



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