



Below are updates provided to the EDC for the period between the August and September meetings.

1. As I try to always do, I wanted to make you aware of Person County's mention in the attached TBJ article yesterday. I shared the article with our EDA rep to show that the Person County Mega Park was considered for a project of this scale. She replied immediately and said she would forward to the review committee. I do not have an update on when the committee is expected to complete their review of our application.

Below is a link to an announcement from IALR about a grant they received from the DoD to develop training programs to support the defense industry. I wrote a letter of support for their application. They also supported our EDA grant app with a letter of support, as did Senator Warner's office.

[The U.S. Army Contracting Command-Rock Island \(ACC-RI\) has awarded a \\$1.78 million contract to the Institute for Advanced Learning and Research \(IALR\) and Danville Community College \(DCC\) for a pilot project to develop the prototype training program, Accelerated Training in Defense Manufacturing \(ATDM\). The base year of the contract includes instructional staff and curriculum development to address workforce gaps for Defense Industrial Base \(DIB\) companies.](#)

2. At the August meeting, I mentioned that I would have more information about some of the grant awards received by the Kerr Tar COG through the EDA CARES Act funding. Today, the COG announced the Open for Business Interest-Free Loan Program.

This program is for businesses impacted by COVID-19 who have employees in the range of 1-99. Amounts are \$10,000 - \$100,000, and the term is 5-10 years.

Please see the attached media release for more information, and also feel free to share.

3. The attached statement was released to the media on September 21, 2020 regarding the Corps permit.
4. Unfortunately, our Cares Act grant was denied, due to lack of available funds.

FOR THE EXCLUSIVE USE OF SWILBORN@PERSONCOUNTY.NET

From the Triangle Business Journal:

<https://www.bizjournals.com/triangle/news/2020/09/01/nc-pitched-these-sites-to-tesla.html>

North Carolina tried to win Tesla's new factory. Here are the sites the state pitched.

Sep 1, 2020, 1:13pm EDT

North Carolina was vying hard for Tesla's next big factory, and economic development officials had multiple sites in mind for the huge project that ultimately went to Texas.

Internal documents referred to it as "Project Panther:" Plans for Tesla, the electric-car brainchild of [Elon Musk](#), to build a massive, \$1.1 billion gigafactory. And public records released to *Triangle Business Journal* confirm North Carolina was pushing three sites as contenders before negotiations fizzled out.

The state submitted proposals for sites in Chatham, Person and Cabarrus counties earlier this year, but Tesla on July 22 announced that the project, and its potential to create 5,000 jobs, would be going to Austin, Texas.

North Carolina's push for the win was brief – described in a series of February emails obtained through a public records request.

"Internal deliberations" were still underway as late as February of 2020, according to an email from Austin Rouse, business recruitment manager and certified sites program coordinator for the Economic Development Partnership of North Carolina.

But the email chain ends there, as Musk and his California company would soon narrow their search to Austin and Tulsa, Oklahoma, officially putting the Tar Heel



CHATHAM COUNTY ECONOMIC DEVELOPMENT

Moncure Megasite: 2,500 acres and just 45 minutes from Raleigh.

state out of the running.

During its short recruitment effort, the state pulled out all the stops – reaching out to partners such as Duke Energy, which responded to a request for information for all three sites. And the three communities involved also stepped up, fulfilling multiple information requests from state officials working to reel in the project.

Secrecy was paramount. Multiple emails refer to the nondisclosure agreements both recruiters and local officials were asked to sign.

The sites pitched to Tesla included the 2,500-acre Moncure Megasite in Chatham County, the Grounds at Concord in Cabarrus County and the 1,400-acre Person County Mega Park in Person County.

Duke, via separate proposals, claimed all three met – or could meet – the “technical requirements” for Tesla's project.

In Chatham County, the county would partner with the city of Sanford to supply the site with water, according to an email sent to state officials from Alyssa Byrd, former economic development director for the county. As part of an already-planned water plant expansion, the county planned to have a series of transmission lines and pump stations extended from Sanford’s water treatment plant across the river to the proposed site.

“These upgrades would be completed in time to meet the capacity needs,” Byrd wrote in an email Feb. 7.

Duke Energy also proposed an industrial switching station that could be in place in time to meet the project timeline.

“Duke Energy Progress has access to a large fleet of both mobile substations and spare transformers to meet the near-term point of delivery need while building out the permanent infrastructure,” a project proposal reads.

The 700-acre Grounds at Concord site was another ideal spot, state officials claimed, as it was located between two large transmission network substations.

And Person County, too, was praised for its power potential, with Duke stepping up to provide many facility upgrades.

The project, however, ultimately went to Austin, promising average annual salaries of \$47,147. The plan is to build Tesla's new Cybertruck at the plant, as well as its Model Y vehicles. The site ultimately chosen is five minutes from Austin's airport and about 2,000 acres in size.

"We're going to make it a factory that is going to be stunning – it's right on the Colorado River," Musk said in July.

In Austin, local officials approved tax abatements that could save the company \$46.4 million over ten years.

It's unclear whether the state of North Carolina offered incentives, as public records do not include that kind of information in North Carolina for failed project proposals. But an official said earlier this year that conversations over reeling in Tesla had been happening for months.

It's just the latest blockbuster win for Texas over North Carolina. Two years ago, it was Apple being pursued by both states for its megaproject.

After aggressive back-and-forth negotiations – and even a Research Triangle Park site visit by Apple CEO Tim Cook – the technology giant also picked Texas.

Ari Rastegar, Founder and CEO of Rastegar Property Company in Texas, said urbanization is likely what had Tesla overlooking sites in North Carolina again – particularly the more rural locales in Chatham and Person counties.

"The landsite they bought was actually just outside of Austin ... you're 13 minutes without traffic to downtown," he said. "That's a major value, and if your employees are working there, they get the benefits of one of the best cities in the United States."

Rastegar said that, when it comes to large projects, density helps. He points to other Austin investments by major tech giants such as Apple and Oracle as sweeteners to Texas' recruitment efforts. Population, too, is a major factor. "Austin proper is just past a million people," he said. "We're a little bit ahead. ... Texas is a country in and of itself."

But he thinks North Carolina's unicorn project is coming.

“It’s a matter of time,” he said. “There has to be a certain amount of critical mass for companies like that to feel comfortable. ... Once that density grows organically, and it is, I think there’s going to be a systemic shift.”

Michael Walden, professor and economist at North Carolina State University, also thinks it is just a matter of time.

“North Carolina has done all the right things, especially in assembling large land tracks for manufacturers,” he said, noting the state’s “vibrant” auto parts manufacturing sector and competitiveness when it comes to wages. “At some point the state will be successful. Of course, there is always the controversial topic of incentives. In today’s – and tomorrow’s – tight budget situation, any large incentives package to a business will have to be carefully and clearly explained.”

Lauren Ohnesorge

Senior Staff Writer

Triangle Business Journal



Diane Cox
Executive Director

**Member
Governments**

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Vance
Warren

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Bunn
Butner
Creedmoor
Franklinton
Henderson
Kittrell
Louisburg
Macon
Middleburg
Norlina
Oxford
Roxboro
Stem
Stovall
Warrenton
Youngsville

**OPEN FOR BUSINESS LOAN OPPORTUNITY FOR SMALL
BUSINESSES AFFECTED BY COVID-19**

Many small and local businesses in the Kerr-Tar Region have been negatively affected by COVID-19. In an effort to provide support to those businesses, the Kerr-Tar Regional Council of Governments is rolling out the Open for Business Loan Program. This loan program is designed to help small to medium size businesses recover from the economic effects of this pandemic.

The Open for Business Loan is a non-forgivable interest free loan, ranging from \$10,000-\$100,000. Eligible borrowers are small to medium size (1-99 employees) businesses who have been in business for at least 12 months and must be located in Franklin, Granville, Person, Vance or Warren counties. Documentation providing evidence of a loss of revenue since the start of the COVID-19 pandemic is required. All loans will require a personal guarantee and additional collateral. Funds can only be used for working capital and/or equipment and require an application fee of \$200. Standard loan terms of 5 to 10 years. To apply, visit www.kerrtarco.org and click on the "Open for Business Loan" tab.

The Open for Business Loan Program is locally administered, funded by the US Department of Commerce, Economic Development Administration with funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Applications are available on the Kerr-Tar COG website at www.kerrtarco.org by calling Kerr-Tar Regional Council of Governments at 252-436-2040. Applications should be completed as soon as possible as funding is limited.



Media Release

09.21.2020

PERSON COUNTY ADVANCES MEGASITE

Person County, NC, continues to do the work of risk elimination and site readiness to meet the advanced timelines of economic development projects in a post-COVID economy.

On September 15, 2020, the US Army Corps of Engineers officially issued a permit for grading and site preparation at the Person County Mega Park, a 1,350-acre, NC Certified megasite located in the Research Triangle Region of North Carolina.

“Our Economic Development team began the work of pursuing this regulatory authorization more than two years ago,” said Person County Economic Development Director Sherry Wilborn. “Our leadership understood that we could have all the right components in place on the site, but without this approval, we would not be able to meet the construction schedules for large-scale development which industry calls for in a globally competitive market.”

Site analysts have called the Person County Mega Park globally unique in terms of its power capacity as a result of multiple 230kV electric transmission lines able to serve the site, providing redundant, high-capacity power. Through support from Duke Energy, multiple site evaluation consultants have reviewed the site, first through the Duke Site Readiness Program, followed by a later evaluation by CH2M.

Earlier in 2020, waterline construction, providing a capacity of more than 2MGD, was completed to the site with support from a [Rural ReadySites grant](#) through NC Commerce. Other work done on the site includes 288-strands of dark fiber constructed to the site by the Person County, as well as design and permitting for all other infrastructure improvements. The NC Certified designation means that the site has met the 31 prerequisites of that program, including environmental and geotechnical studies.

“Person County leaders have worked diligently on plans for a certified megasite that will attract future businesses and bring new jobs to North Carolina,” said Kenny Flowers, assistant secretary for rural economic development at the N.C. Department of Commerce. “The \$1.6 million investment from the state’s Rural Ready Site Development Program is leveraging local and federal funding to equip the Person County Mega Park with the modern infrastructure growth-minded companies seek.”

Person County EDC Chairman, Phillip Allen, added, “The receipt of the permit from the US Army Corps of Engineers is a significant milestone in the life of this project. Person County will continue to be persistent as we move forward with the next steps on this project. We have had many outstanding partners along the way, and we will continue to work hard to meet the needs for further economic development in our community.”

To learn more about Person County and the Person County Mega Park, visit www.personcountyedc.com.

Person County is a part of the Research Triangle Region of North Carolina with proximity to the Piedmont Triad Region and is a border county to Virginia. Person County Economic Development serves as the primary contact for business and industry seeking to locate or expand in Person County. Contact us today for available buildings, sites, or other information.