



The energy behind public power

PRODUCT DEVELOPMENT SEMINAR

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PRODUCT DEVELOPMENT WHY AND HOW FOR LOCAL GOVERNMENTS

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NEXT CHALLENGE. NEXT LEVEL.

NEXSEN | PRUET

PRODUCT DEVELOPMENT

WHY?

- ▶ Expectations of site selection consultants and prospects
 - ▶ Certainty
 - ▶ Time factor
- ▶ Expectations of state recruiters and other referral sources
 - ▶ Criteria from consultants and prospects
 - ▶ You don't buy a steak at a hardware store



PRODUCT DEVELOPMENT

PRIVATE SECTOR OR PUBLIC SECTOR

- ▶ Best: Private sector meets all product development needs
- ▶ But if not: Public sector (including economic development organizations) must fill the gap



PRODUCT DEVELOPMENT

STATUTORY AUTHORITY

- ▶ N.C.G.S. § 158-7.1
 - ▶ Subsection (b) lists measure local governments can undertake.
- ▶ This is supported by other statutory provisions
 - ▶ See white paper



PRODUCT DEVELOPMENT

FUNDING SOURCES

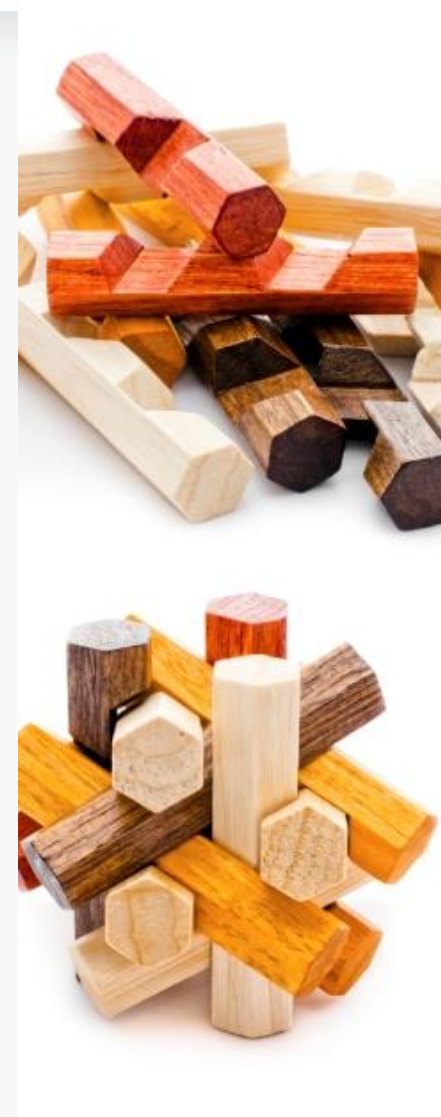
- ▶ Deobligated CDBG funds
- ▶ REDD Building Reuse Grant Program
- ▶ Various infrastructure grant programs
- ▶ Golden LEAF Foundation
- ▶ EDA program
- ▶ Appalachian Regional Commission
- ▶ House Bill 108



PRODUCT DEVELOPMENT

PUBLIC-PRIVATE PARTNERSHIP

- ▶ Land acquisition
 - ▶ Equity participation purchase
 - ▶ Installment purchase
 - ▶ Long term option
 - ▶ Ground lease with long term option
 - ▶ Combination of above
- ▶ Public private development of sites
- ▶ Public private construction of shell buildings



PRODUCT DEVELOPMENT

MULTI-JURISDICTIONAL INDUSTRIAL PARKS

- ▶ Originally targeted to ability to share incentive tier rankings
 - ▶ But use for this purpose not as important after repeal of Article 3J tax credits
- ▶ Still useful to combine resources and share in gain
- ▶ See white paper on legal structure for multi-jurisdictional industrial parks

