



Executive Summary

North Carolina Global TransPark

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Context: Opportunity Amid Change

North Carolina's economic landscape continues to adjust to tectonic shifts brought on by global technological, social and political change. So too are success-minded businesses, which are striving to keep pace with emerging market opportunities, demographic changes, consumer patterns and new policy dynamics impacting the direction of regulation, taxes and trade. In such an uncertain environment, risk-averse companies embrace opportunities on a just-in-time basis. Community and state leaders must respond with economic development product – industrial sites, parks, buildings and infrastructure – that is well-documented, proven and ready.

Fortunately for the state, a fully functioning business destination already exists in the form of the North Carolina Global TransPark, which has demonstrated its ability to bring high-impact jobs, companies and capital investment. The North Carolina Global TransPark is now entering a new and critical phase in its history. With the proper strategic support, appropriate capital and operating resources, relevant expertise and focused execution, it can play a central role in North Carolina's economic strategy over the coming generation.

Global TransPark: Rationale, Mission and Impact

The North Carolina Global TransPark (NCGTP) is a 2,500-acre multimodal industrial mega-park that is now home to more than 1,400 jobs. With workers commuting to the park from 21 counties, the NCGTP serves as an obvious regional economic engine for Eastern North Carolina. At the heart of the NCGTP's industrial appeal is an enviable network of transportation and land assets unmatched by most business destinations:

- An 11,500-foot by 150-foot runway that is the state's largest civilian runway;
- The NCGTP is 40 miles from I-95 and is served by industry-ready highways such as US70, which is set to become interstate-grade (I-42) under North Carolina's current state transportation improvement plan (STIP);
- 5,800 acres of environmentally-permitted land, including wetland mitigation credits valued at \$20 million.
- Gulf & Ohio Railway provides short-line rail service to the property, with mainline provider Norfolk-Southern also able to serve NCGTP tenants; and
- Easy access to deep-water port complexes in Morehead City (80 miles), Norfolk (155 miles) and Wilmington (99 miles).

The NCGTP mission is to enhance the economic well-being of North Carolinians by applying these multimodal capabilities to support global commerce. It accomplishes this through:

- The compilation of up-to-date site, workforce, environmental and other documentation to facilitate location decisions, speed development and minimize risk in the ramp-up of new operations;
- A dedicated focus on the sustained success of new and existing industrial residents;
- Business-savvy management that embraces opportunities to add measurable value for Eastern North Carolina and its economy;
- Priority consideration of current and future workforce needs through strategic and tactical collaboration with K-12, college and university partners to ensure an adequate and relevant talent pipeline;

- Ongoing efforts to equip the property with the assets, amenities and advantages of a globally-oriented 21st-century business destination.

While NCGTP has significant remaining developable land, the property now generates a measurable economic, community and national security impact:

- As of June 30, 2017, its private-sector tenants employ 847 workers who earn wages that are 34% higher than the Eastern North Carolina average and 29% higher than the Lenoir County average;
- GTP tenants provided \$1.14 million in local property-tax revenue to Lenoir County in 2016;
- Since 2008, the GTP has been anchored by Kansas-based Spirit AeroSystems, which supplies composite-based fuselage and wing components to France's Airbus Group. In late 2017, Spirit launched a \$55.7 million expansion plan at NCGTP;
- In 2013, military activities accounted for more than half the total runway operations; and
- As a base for the NC National Guard and the NC Division of Emergency Management, the NCGTP serves a vital role in life-saving relief efforts in the wake of hurricanes and natural disasters.

Economic Development Action Plan

Operating with a small but aggressive management team, NCGTP seeks to fully achieve its regional economic potential through a detailed plan of action that builds on its enviable strengths, identifies and addresses current needs, creates a network of strategic partners and harnesses the momentum that has accompanied recent advancements in Eastern North Carolina. Strategies will include:

- **Investing in deferred maintenance** of existing NCGTP buildings and equipment to maintain the quality and consistency of the NCGTP and its inventory;
- **Modernizing the branding of the NCGTP** to align with the expansion strategies of industries requiring shovel-ready sites, ready-to-go facilities, multimodal transportation, industrial-grade utilities, digital telecommunications service, improved highways and a foreign trade zone (FTZ);
- **Building on current uses**, without being constrained by them, in order to coordinate the optimization of developable land within and adjacent to NCGTP;
- **Tightening the focus on targeted industries and industry clusters**, utilizing the latest cluster data, GIS tools and economic intelligence to hone in on recruitment candidates whose needs mirror NCGTP assets, amenities and aspirations;
- **Developing a network of K-12, college and university partnerships** to boost the credibility and readiness through internships, apprenticeships, technology transfer, sponsored R&D and other opportunities;
- **Engaging in ongoing internal outreach to marketing partners** (NC Ports, EDPNC, Duke Energy, NC Southeast, etc.) to promote the NCGTP as a leading statewide and regional business destination; and
- **Aiming for the future while keeping options open**; today's actions will enable the NCGTP to embrace the opportunities of tomorrow, whatever they may be.

The economic development action plan places the NCGTP on solid footing to determinatively embrace business recruitment and job creation opportunities aligned with the current and anticipated needs of forward-thinking businesses. Over a five-year planning horizon, NCGTP will sharpen its market viability, achieve organizational stability and strive toward consistent, realistic growth. Working in concert with allies and partners, the NCGTP will aggressively embrace long-term, transformational strategies that establish the NCGTP as a state-level resource that advances the cause of rural economic development in Eastern North Carolina.

Cluster Targets and Segmentation Strategy

The NCGTP will base its value proposition on the unique array of geographical, physical and human resource assets that elevate its appeal over that of most competing destinations. It will concentrate its global market outreach on a manageable list of high-impact clusters and industry segments that will include:

- **Aerospace and Aviation**, including maintenance, repair and overhaul (MRO) operations; civilian aircraft assembly and testing; and civilian aircraft components manufacturing.
- **Automotive Components**, which shares common supply-chain characteristics with aerospace component manufacturers. This strategy leverages close proximity to Hyster-Yale a material handling company in Greenville, NC; Cummins Engines located in Rocky Mount, NC; and Triangle Tire's an emerging 800-worker operation and North Carolina's emerging leadership in next-generation vehicle research, testing and development.
- **Defense and Homeland Security Contracting**, including military-aviation component manufacturing, defense aircraft assembly and testing, and related services. The strategy includes private-sector providers of defense, homeland security, law enforcement and first-responder products, services, training and planning solutions.
- **Agribusiness and Food Science**, including food and beverage safety research and development, equipment manufacturing, advanced agribusiness inputs and services, and globally-oriented food and beverage processing and distribution which produces 30 percent of the state's agribusiness output from the 14 counties surrounding the industrial park.
- **Government Operations**. As a government asset, the NCGTP can increase its support of state and federal public safety interests by serving as a regional base for U.S. and North Carolina disaster preparation, training, and response and recovery functions. While not adding to the local business-property tax-base, such activities generate measurable economic and fiscal impact through facility construction and maintenance, residential and commercial development, and consumer spending.

A carefully targeted cluster approach concentrates NCGTP market outreach around the strategic physical, environmental, workforce and partnership development needs of growth-oriented segments of high-impact industries. NCGTP will leverage expertise and leadership from industry, education and government by establishing advisory councils to energize and guide the development of each targeted cluster.

Commitment Forward

The NCGTP's vast multi-modal transportation network and inventory of nearly one million square feet of office, industrial, commercial and warehouse space are crucial to its appeal as a ready-to-go business destination. But those hard assets must be adequately maintained in order to be effectively leveraged. NCGTP buildings, for example, range in age from seven to 40 years old, and many now suffer from deferred maintenance due to lack of dedicated funding. The same is true for mission-critical NCGTP equipment, including airfield support systems that are now beyond their intended useful life. **Immediate needs for capital repairs and upgrades are needed to restore state assets to a state of good repair; these investments that are central to the NCGTP's continued viability as an economic development asset.** See *NCGTP Strategic Plan Table 2. Capital Investment Plan* on page 37.

Consistent and reliable operational funding is also critical to the GTP's ability to adequately harness its game-changing economic potential. The park and its management organization currently rely on a modest professional staff armed with meager resources for internal communication, partnership outreach, stakeholder networking, market intelligence and global promotion. **Additional annual investment in staffing and resources are needed to support stable NCGTP operations over the coming five years.** See *NCGTP Strategic Plan Table 3. NCGTP Additional Operating and Maintenance Resource Needs (5-Year Projection)* on page 39.

By renewing North Carolina's commitment to the Global TransPark, the state will demonstrate its determination to reverse the erosion of rural prosperity and highlight its readiness for 21st century job-creation in an era of rapid, relentless and unpredictable change in the global economic landscape.

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