



MEMORANDUM

To: N.C. General Assembly – Joint Legislative Commission on Governmental Operations
N.C. General Assembly – Joint Legislative Economic Development and Global Engagement Oversight Committee
N.C. General Assembly – Fiscal Research Division

From: Susan Fleetwood, Exec. Director of Economic Development, N.C. Department of Commerce
Mary Elizabeth Wilson, General Counsel, N.C. Department of Commerce

Date: May 1, 2024

Re: Annual Report on North Carolina Megasite Fund Administered by the EDPNC

Pursuant to Session Law 2022-74 § 11.11(g) (Current Operations Appropriations Act of 2022), attached you will find a report from the Economic Development Partnership of North Carolina (EDPNC) outlining the activities associated with the North Carolina Megasite Fund, administered by the EDPNC.



To: Susan Fleetwood
Director of Economic Development, North Carolina Department of Commerce

From: Michael Ebert
Chief Operating Officer, Economic Development Partnership of North Carolina

Date: April 1, 2024

RE: Annual Report on the Uses of Funds Appropriated to the Megasites Readiness Program

Per N.C.S.L 2022-74 Section 11.11(g), this report shall document uses of funds and other related items of the Megasites Readiness Fund.

Fiscal Year 2022-2023

The General Assembly appropriated \$1,000,000 to the Megasites Readiness Fund for the EDPNC to engage a national site selection firm, through a competitive bid process, to produce a report evaluating sites in the State and determining the five megasites best positioned for advanced manufacturing site selection searches conducted by major employers.

After a competitive application process that included the consideration of several qualified teams, the EDPNC selected a team consisting of Jones Lang LaSalle, Nexsen Pruet (now Maynard Nexsen), and Timmons Group to conduct analysis and issue a report. The report identified seven sites. The 68-page report was released in May 2023 and can be found [here](#).

The cost of JLL's and team's statewide evaluation of potential megasites and the subsequent report was \$378,000.00. Other expenses incurred by EDPNC from the balance of funds appropriated totaled \$106,814.40 and included additional legal and consulting expenses and fees associated with the development of technology infrastructure to receive, track and award future grants from the program. Unused funds were authorized to conduct a second study and report for the new SelectSites program.

Fiscal Year 2023-2024

The General Assembly appropriated an additional \$10 million to the EDPNC for FY 2023-24 and \$97.8 million to the EDPNC for FY2024-25 to the Megasites Readiness Fund.



To date, no funds have been committed or spent from these appropriations.

The \$10 million appropriated for the current fiscal year is to be used for due diligence costs at the seven megasites identified in the report. Proposed guidelines for the use of this \$10 million were posted on the EDPNC website for public comment in November 2023. The guidelines for due diligence awards were finalized in January 2024 and disseminated to eligible applicants. An application form has been made available to the eligible applicants but no applications have been received as of this date.

EDPNC has also developed guidelines for the use of funds appropriated for the 2024-25 fiscal year. In addition to due diligence costs, permissible uses of these funds include site acquisition, onsite preparation, and public infrastructure to serve the site. These guidelines were posted in April of 2024 for public comment.

Thank you for the cooperation and support that the Department has offered throughout the process. We look forward to working together to develop future megasites for North Carolina.