

**THE ROAD TO
LONG-TERM
JOB CREATION
IS MORE THAN
JUST A ROAD.**



NORTH CAROLINA
RAILROAD
C O M P A N Y

NCRR'S ECONOMIC DEVELOPMENT STRATEGIES AND INITIATIVES

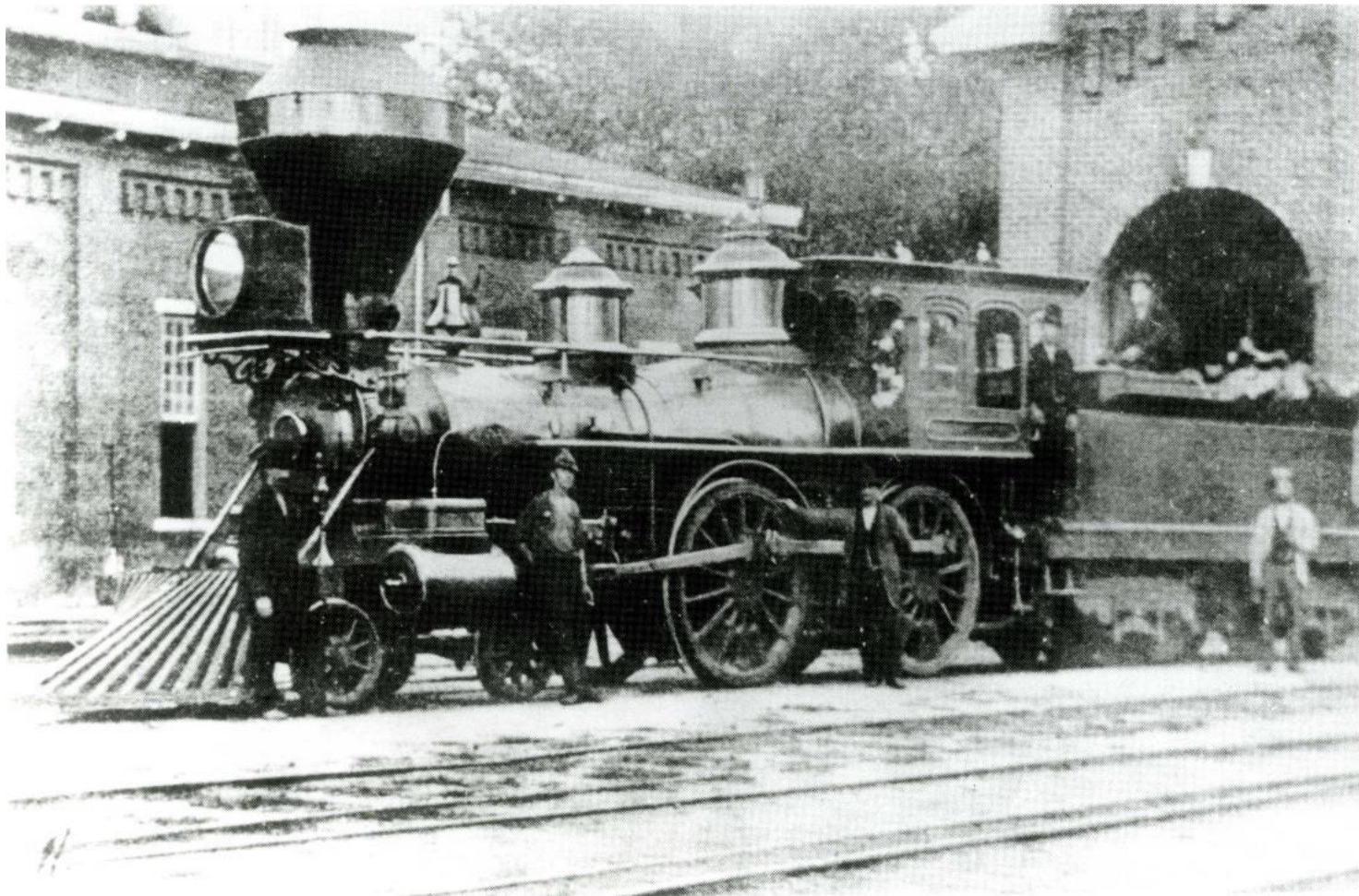
***HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION
PLANNING AND LONG-TERM FUNDING***

NORTH CAROLINA RAILROAD COMPANY
April 2, 2018





WHO WE ARE



NCR Engine No. 115 at Company Shops Engine House, Burlington, c. 1880

WHO WE ARE

Our Mission

Putting the North Carolina Railroad Company to work for the good of the people of North Carolina.

Our Vision

To improve our state by:

Expanding freight rail opportunities to grow business.

Enabling rail to move people.

Investing in North Carolina.

WHO WE ARE

An essential part of a comprehensive transportation system for 169 years

- **Private corporation with stock owned by the people of North Carolina**
- **Operates with Private, Non-Taxpayer Revenue**
- **Part of Tax Base**
- **History of collaboration with business/industry, municipal and state leadership, and our economic development and transportation partners**
- **Pays dividends to North Carolina, through the Freight Rail and Rail Crossing Safety Improvement Fund at NCDOT**
- **Trackage-Rights Agreement Results in Revenue-Generation for Economic Development Investments**

Freight Routes

- North Carolina Railroad Company
*operated by Norfolk Southern
- Norfolk Southern
- CSX Transportation
- ⋯ Various Shortlines

Intermodal Terminals

- Norfolk Southern
[Link to Norfolk Southern >](#)
- CSX Transportation
[Link to CSX >](#)

Logistical Centers

- ★ Military Bases
- ⚓ Seaports
- ✈ Airports

TENNESSEE

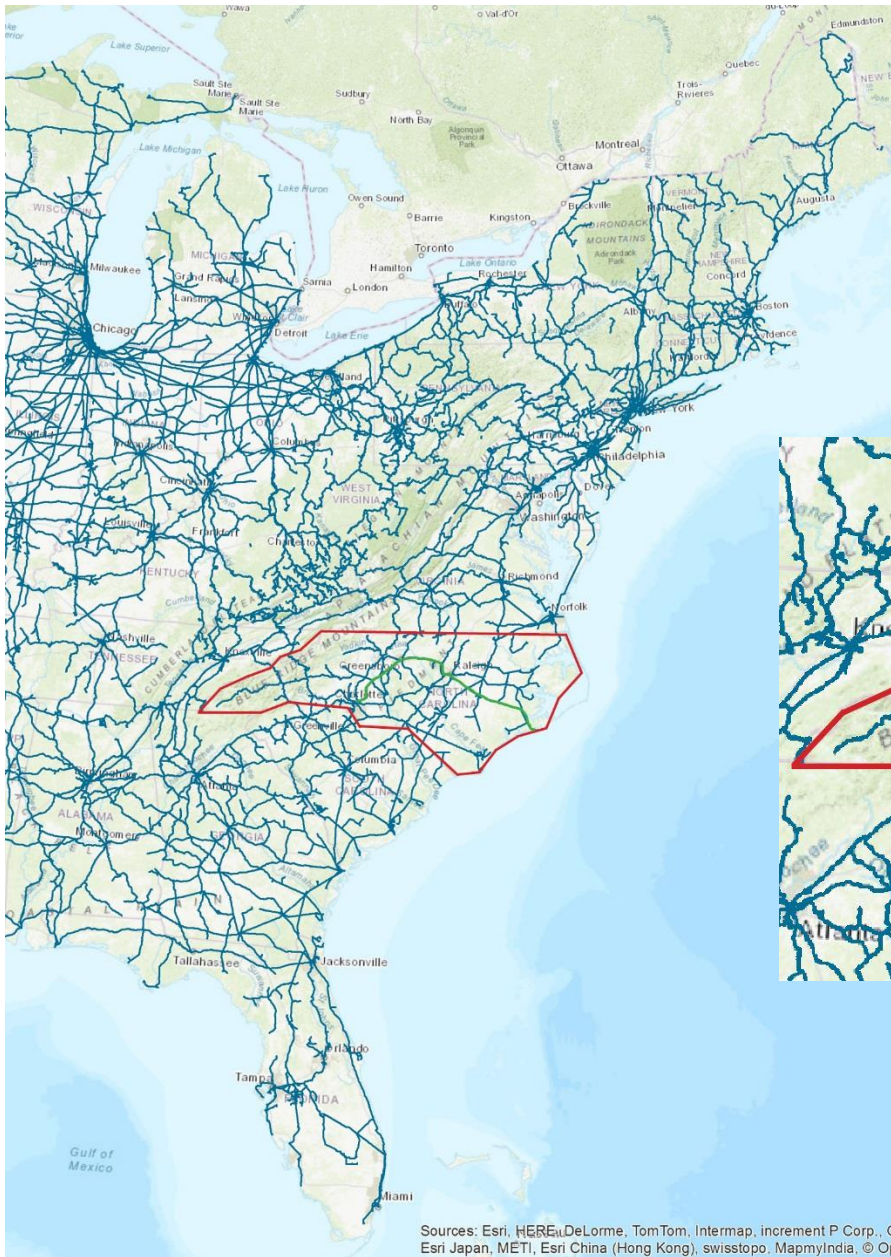
VIRGINIA

GEORGIA

SOUTH CAROLINA



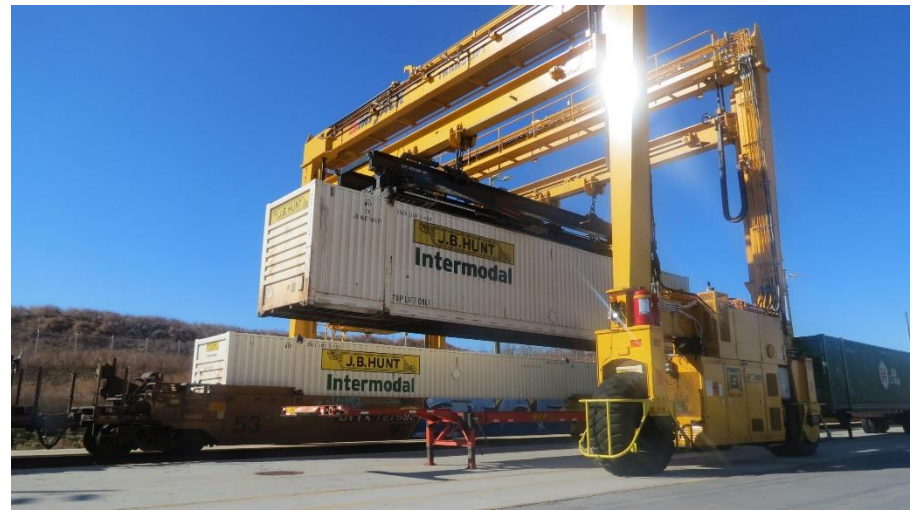
East coast rail network



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the AeroGraphic Corporation

ECONOMIC IMPACT

- More than **100** customers utilize freight rail on the NCRR line
- **19%** of NC freight carloads begin or end on the NCRR line
- **11.4** million tons of freight originates or terminates on the NCRR line
- **50%** of freight carloads on NCRR line are intermodal/containers



PICTURED: Top, Two freight trains pass on NCRR double track in Davidson County;
Bottom, Charlotte Intermodal Terminal (photo, WFAE-FM)

BUSINESS

Embattled Toys R Us to close all 740 US stores 8A



SPORTS

Duke blows past Iona; Seton Hall stops NC State 1B



FOUNDED 1894
VOLUME 54, No. 75

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NEWS ALL DAY,
YOUR WAY.

FRIDAY MARCH 16 2018

\$1.50

Partly cloudy
67°/38° See 1B

The News & Observer

NEWSOBSERVER.COM

Plant's demolition renews hope for downtown 'gateway' area



TRAVIS LONG tlong@newsobserver.com

A Cargill soybean processing plant south of downtown Raleigh is demolished Monday. The company doesn't yet have plans for the site.

BY CRAIG JARVIS

cjarvis@newsobserver.com

RALEIGH

A processing plant that has been seen as an impediment to revitalizing Raleigh's southern "gateway" is being demolished.

The owner, Minnesota-based Cargill, says it doesn't yet have plans for the 10 acres between South Wilmington and South Blount streets. But the plant's demolition has sparked interest from developers scouting the last major development area outside of downtown.



JOE SKIBBA Raleigh Urban Design Center and SKIBBA Illustration

A rendering shows what the area south of downtown around the Cargill plant site could look like when fully developed.

"The private sector is moving faster than we thought," said Dhanva Sandeen.

had been considered the most long-range and speculative of four focus areas that comprise city planners' vision for Raleigh's southern gateway, primarily because it would require moving the plant.

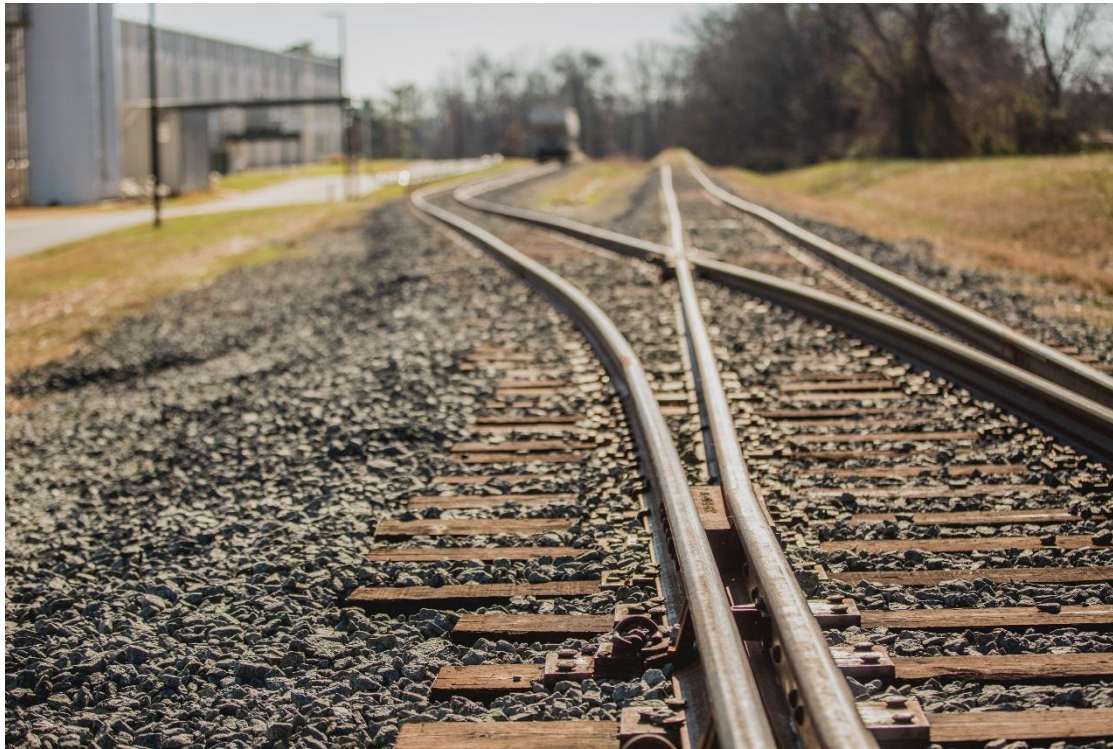
The Cargill operations sit amid the blur of dilapidated buildings and bland landscape along the approach to downtown.

Mostly idle since 2014, the plant once processed cottonseed oil and then dog food before turning to soybeans in 1985.

A study completed by the city last year envisions a

NCRR INVESTS

North Carolina's competitive advantage in the recruitment of rail-served business and industry.



INVESTMENT EXAMPLES

- Lead, siding and other tracks
- Engineering/Design

INVESTMENT FACTORS

- Job Creation
- Capital Investment
- Rail Use

Lead track constructed for the NC Industrial Center in Alamance County, serving CAMBRO Manufacturing, 200 jobs

ECONOMIC DEVELOPMENT



Freight Routes

- North Carolina Railroad Company
*Norfolk Southern Class I Freight Service
- Norfolk Southern
- CSX Transportation
- Various Shortlines

NCRR INVESTS

LARGEST PROJECTS IN 2017



- 770 jobs
- \$3.5 million investment by NCRR
- \$700 million investment by EGGER Wood Products



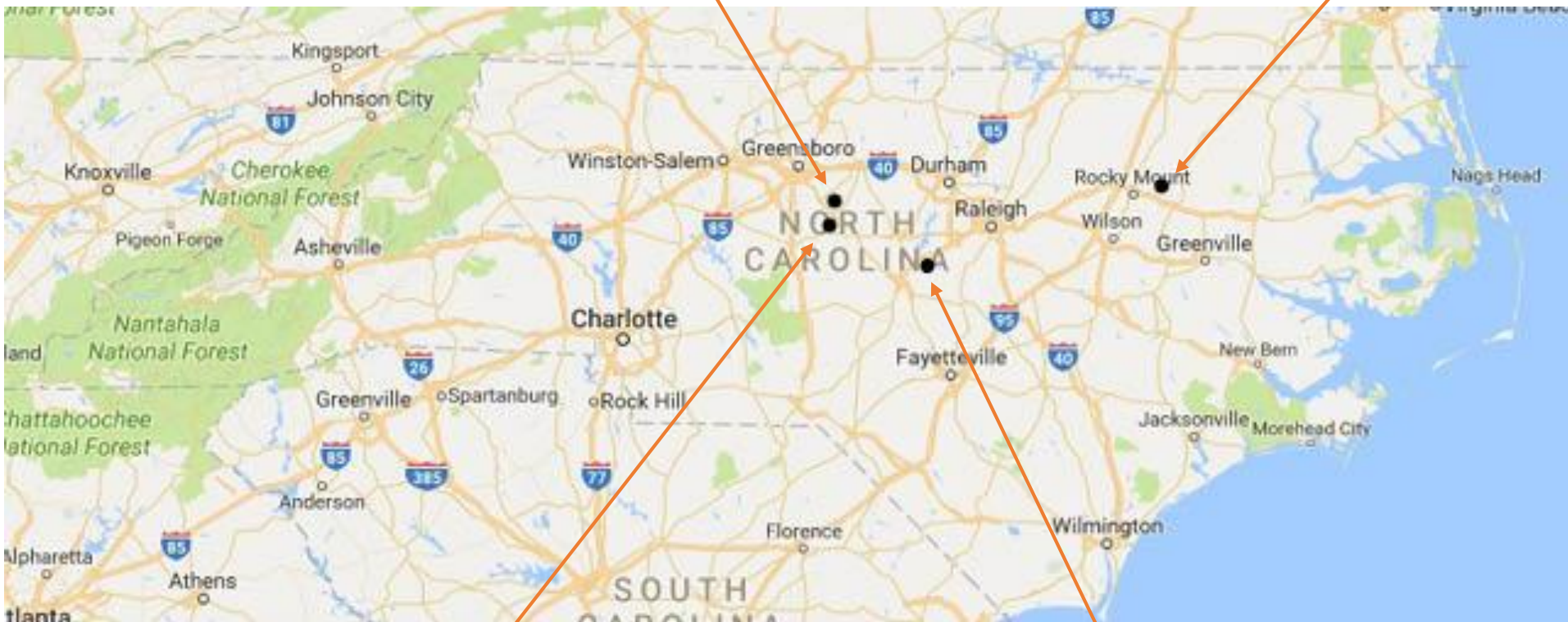
- 800 jobs
- \$2.5 million investment by NCRR
- \$580 million investment by Triangle Tyre Company

ECONOMIC DEVELOPMENT

1,000+ ACRE INDUSTRIAL SITES

GREENSBORO-RANDOLPH MEGASITE

KINGSBORO MEGASITE



CHATHAM-SILER CITY MEGASITE

MONCURE-MERRY OAKS MEGASITE

U.S. NEWS

Rural North Carolina Is One Tough Sell

As companies pit states against each other, cities thrive but countryside lags

By Vladimir Borison

RALPH, N.C.—In North Carolina, the economic challenges are geographic. The state can readily lure business to its fast-growing cities but struggles to sell its vast rural territory.

The issue was underscored this month when Polktech needed the shortest of sales for Anson County's second headquarters, but the state lost out to Alabama on a \$16 million investment-sensory plant that officials had pushed for a struggling former textile town.

"We have some work to do," said Lew Elert, chief executive of the North Carolina Chamber of Commerce, which helped secure the 1,800-acre site, which required grading land and installing infrastructure.

Largely economic growth is widening a long-term divide between cities like financial hubs Charlotte and Winston-Salem, and the poorer countryside, which has wrestled with the collapse of the tobacco, textile and furniture industries.

The unemployment is higher in the countryside than in the cities.

More, and 427 of the state's 553 municipalities lost population or grew more slowly than the state average since 2000, according to demographers with the University of North Carolina at Chapel Hill.

Overall, the state's economy is thriving. North Carolina had a 6.5% domestic product growth in 2012, compared with 1.5% nationally, according to the U.S. Department of Commerce.

But much of that growth is concentrated in a dozen urban centers.

After years of watching auto makers move towns in neighboring states, North Carolina went all out to bring a joint Toyota-Mazda plant to Mecklenburg County, 20 miles south of Charlotte.

Democratic Gov. Roy Cooper flew to Japan to meet executives. State officials helped secure the 1,800-acre site, which required grading land and installing infrastructure.

The state lost out to Alabama on a \$16 million investment-sensory plant that officials had pushed for a struggling former textile town.



Today
High 60°

The COURIER-TRIBUNE

THURSDAY, JANUARY 24, 2013 ASHEBORO, N.C.

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It's Inside! \$0.75

Quick look

Sports



PG
boys
top
ER
for
PAC
—TIA

Megasite proponents continue client search

By Larry Penkava
lpenkava@nc-couriertribune.com
@LarryPenkavaCT

"This legacy project is an affirmation of the foundation blocks laid years ago."
That quote from Huntsville, Ala., Mayor Tommy Battle came during the ceremony Wednesday.

The announcement came as Toyota-Mazda announced its plan to build an auto assembly plant in the Greensboro-Randolph County area. The announcement came as Toyota-Mazda announced its plan to build an auto assembly plant in the Greensboro-Randolph County area.

"Every consultant in the United States knows about this site. They know it's a good site and is on the

■ Use loss to create win, 7A

Randolph County Economic Development Corporation, echoed Battle's comments when he asked what chances for such a client would be had the process not been started years ago.

JAN. 19, 2013



ECONOMIC DEVELOPMENT

LBOLLINGER@BIZJOURNALS.COM 336-370-2913 @TRIADBIZLUKE

MEGASITE OPPONENTS EMBOLDENED

Advocates undeterred by missing Toyota-Mazda

While Triad economic and community leaders remain committed to landing an advanced manufacturing plant, long-term megasite opponents are claiming the state's failed bid for Toyota-Mazda as a victory in their continuing battle to thwart the development.

Alan Ferguson, a Greensboro attorney and neighbor to the Greensboro-Randolph County megasite who has argued against the assemblage of land since 2012, told Triad Business Journal that Toyota-Mazda's decision validates concerns opponents have had about efforts to woo an auto manufacturer.

Ferguson and other members of Northeast Randolph County Property Owners, where he acts as president, have long opposed the megasite as disruptive to the rural and agricultural area.



An updated map of the Greensboro-Randolph megasite. The areas highlighted in gray have been rezoned, bringing the total acreage to about 1,900.

RANDOLPH COUNTY EDC

the entire site has been rezoned. Another \$50 million is expected to be spent on infrastructure for the site.

"We have to see more money thrown in the hole when our county does so many other needs," Ferguson said. "Megasite proponents, however, contend that the loss of the Toyota-Mazda

News & Finance

Business

DOWN
21,891.12
UP
6,348.12
DOW
2,470.30
A8

WINNERS

LOSTERS

LOCAL INTEREST

Linking to new Davidson site



■ The N.C. Railroad Company is making a \$1.5 million investment to connect the Corporate Center in Davidson County and Egger Wood Products.

The railroad company is a private enterprise that will connect the Corporate Center in Davidson County and Egger Wood Products.

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Rail project planned to benefit tiremaker

BY COREY DAVIS
Staff Writer

The North Carolina Railroad Co. made a substantial investment to bring freight rail infrastructure to the Triangle Tire Co. operation located in the 1,400-acre Kingsboro megasite in Edgecombe County.

The company is investing \$2.5 million through its

economic development initiative called North Carolina Railroad Invests in design and construction of a rail spur and storage tracks for Triangle Tire Co. Scott Saylor, president of North Carolina Railroad Co., said the company is committed to assisting all of the state's industrial

See RAIL, A3

Danish textile company plans 145 Asheboro jobs

ASHEBORO — Danish textile company Fibertex Personal Care said Monday it will invest \$60 million in an Asheboro manufacturing plant — its first location in the U.S. — that will employ 145 people by 2021.

Gov. Roy Cooper announced that the company "could go anywhere in the world, but they chose North Carolina."

The company makes materials for diapers and feminine-hygiene products. Fibertex is based in Denmark and has 600 employees spread across parts of Malaysia and Germany.

An average salary is projected to exceed \$40,000 once all positions are filled. The average salary in Randolph County is \$33,974.

BIZ DIGEST

Your business news in brief

MILITARY BASES



Above: Harrier Jet at MCAS Cherry Point
Right Top: Marines unload equipment at Camp Lejeune
Right Bottom: Jet fuel arrives via rail at MCAS Cherry Point



CAPITAL INVESTMENT



High Point Slope Project



Crabtree Creek Bridge Rendering, Morrisville



Sugar Creek Road Bridge, Charlotte

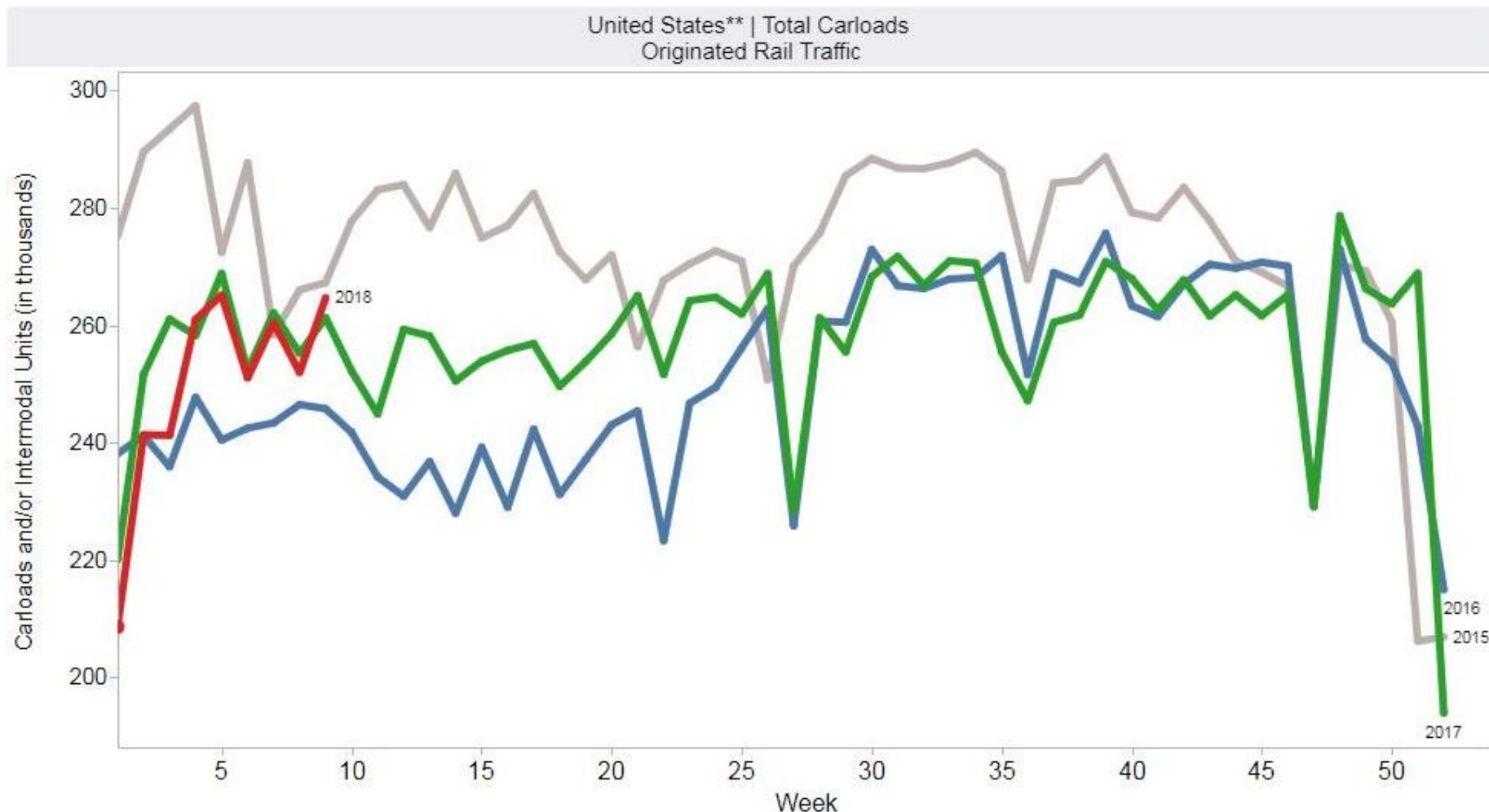
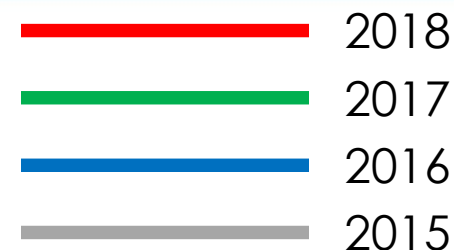
INDUSTRY OUTLOOK

| Carloads Carried | 2017 Numbers | % Change from 2016 |
|----------------------------------|-----------------|-----------------------|
| U.S. Class I Railroads | | |
| BNSF Railway | 5,006,782 | 4.7 |
| CSX | 3,563,526 | -1.4 |
| Kansas City Southern | 757,614 | 8.8 |
| Norfolk Southern | 3,531,656 | 4.5 |
| Union Pacific | 4,859,368 | 2.5 |
| Canadian Class I Railroads | | |
| CN | 3,220,287 | 6.2 |
| Canadian Pacific | 1,652,123 | 5.9 |
| Mexican Railroads | | |
| Ferrocarril Mexicano S.A. de C.V | 817,017 | -0.1 |
| Kansas City Southern de Mexico | 548,500 | 4.2 |

Source: Association of American Railroads, www.aar.org/data-center/rail-traffic-data

INDUSTRY OUTLOOK

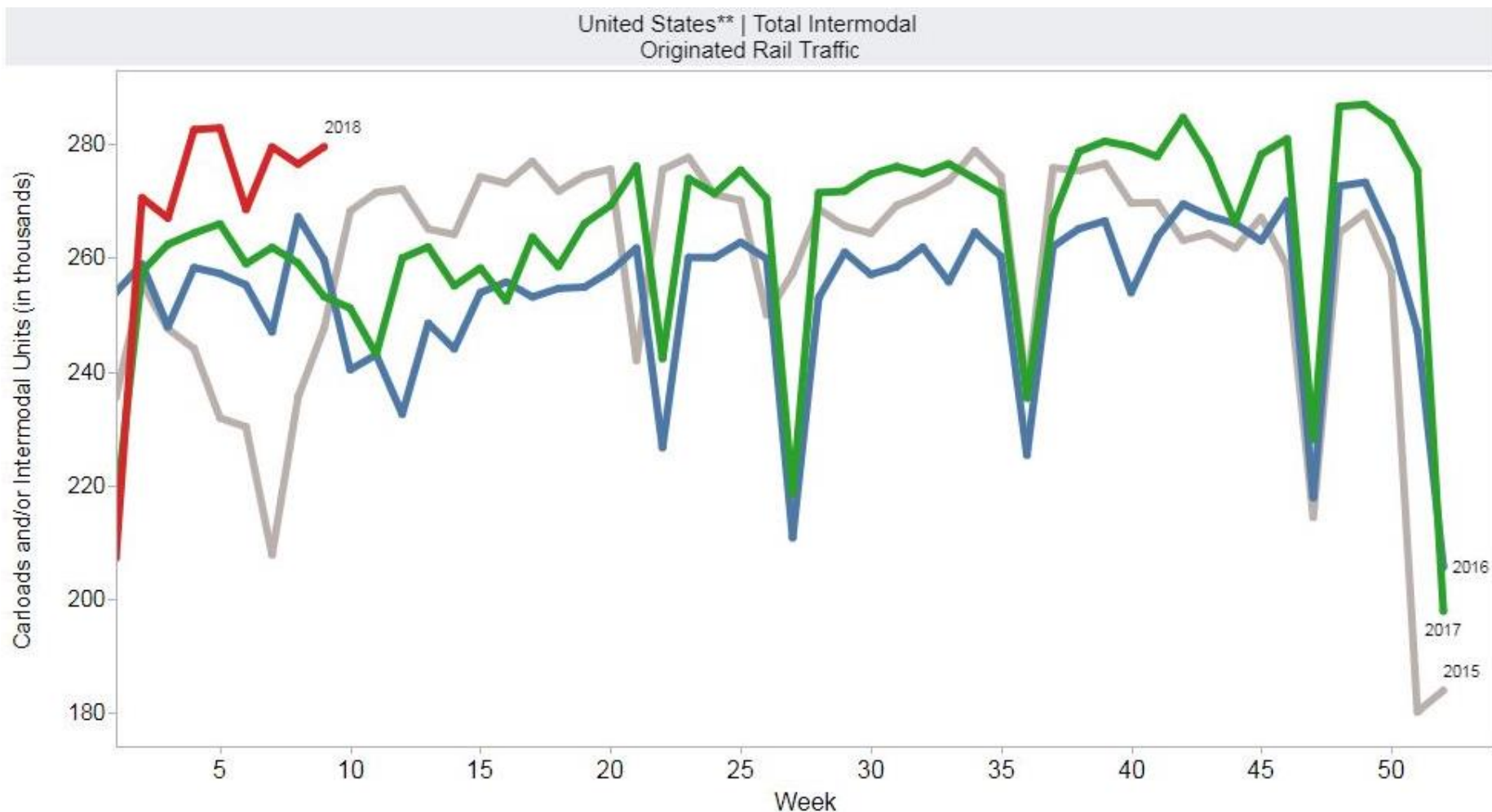
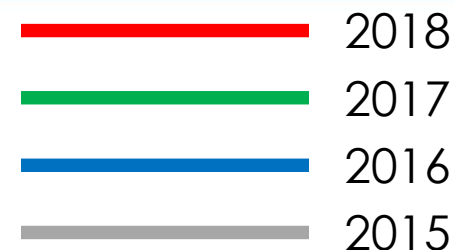
Carload Traffic



Source: Association of American Railroads, www.aar.org/data-center/rail-traffic-data

INDUSTRY OUTLOOK

Intermodal Traffic



Source: Association of American Railroads, www.aar.org/data-center/rail-traffic-data



NORTH CAROLINA
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C O M P A N Y

www.ncrr.com



@NCRailroad



Two freight trains pass on double track,
Upper Lake Road, Davidson County