Susan - Just connected with site selection lead from JLL for P. New World. Will dial into FF to provide the Secretary and everyone and update. Not much new info but wanted to make sure everyone is all looped in. Thanks

Fri, Aug 25, 3:45 PM

Text Message
Tue, Aug 15, 2:14 PM

Chris Chung

Susan - Just connected with site selection lead from JLL for P. New World. Will dial into FF to provide the Secretary and everyone and update. Not
Evan Stone

Susan - when do you expect us to get numbers to go with the outline you’ve sent over?

Fri, Oct 13, 8:30 AM

Evan Stone

Good morning Susan! I am in the office all day. I have begun laying everything out, but as soon as you can send numbers over that would be great. Also, will you send a revised letter from the secretary or governor
Fri, Sep 22, 10:29 AM

Is Lynn Goode going to be at the Monday meeting? We just heard that from Duke

Mon, Sep 25, 9:37 AM

Susan - noticed the briefing mentions sites in Brunswick and Edgecombe too. Presume Gov knows it's just the sites in Chatham and Randolph?

Mon, Sep 25, 1:35 PM

Susan - thanks for all your help with this morning's meeting.
heard that from Duke

Mon, Sep 25, 9:37 AM

Susan - noticed the briefing mentions sites in Brunswick and Edgecombe too. Presume Gov knows it's just the sites in Chatham and Randolph?

Mon, Sep 25, 1:35 PM

Susan - thanks for all your help with this morning's meeting. Went well and thanks to you, the Gov was as prepared as we could ever hope for - he did great, as did the Secretary.
great, as did the Secretary.
Again appreciate all your involvement behind the scenes

Fri, Oct 13, 6:06 PM

Susan - just wanted to say a big thank-you at the end of a long, hectic week. A lot of us over here appreciate all your hard work and partnership, and I didn't want you not to be aware of that. Hope you get some well-deserved rest this weekend and talk again soon I'm sure!
FYI David Ramsey from Greensboro partnership will be on this call in the event that Brent cannot be on the call.

Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
O 919 447 7736 M 919 275 2322  
Evan.Stone@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn  

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From: Scotton, Aimee C. [mailto:Aimee.Scotton@randolphcountync.gov]
I can be available whenever necessary.
Dave,

Please see below and attached for answers from the local entities.

Evan Stone  Business Recruitment Manager  Economic Development Partnership of North Carolina  
O 919.447.7735  M 919.275.2322  
Evan.Stone@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

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From: O'Connor, Meredith [mailto:Meredith.OConnor@am.jll.com]  
Sent: Wednesday, November 8, 2017 12:11 PM  
To: Efird, David B <david.efird@nccommerce.com>  
Cc: Copeland, Anthony M <acopeland@nccommerce.com>; Fleetwood, Susan <sfleetwood@nccommerce.com>; Dickinson, Stewart J <sdickinson@nccommerce.com>; Poole, Mark N <mpoole@nccommerce.com>; Commerce_CFC <CFC@nccommerce.com>; Wilson, Mary E <mwilson@nccommerce.com>; Stone, Evan <evan.stone@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Ragsdale, Trevor <Trevor.Ragsdale@am.jll.com>; O'Connor, Meredith <Meredith.OConnor@am.jll.com>  
Subject: Project New World

Hello Team NC:

We had a productive day today in Plano and have some follow up items that we need your assistance with:

1. We need a master schedule for any and all incentive programs—including Master Development Agreement. The recent incentives chart is very helpful, but we also are required to know the amount of lead time that is necessary for getting to a fully negotiated Agreement. Is this
something that can be put together quickly? We have a schedule meeting tomorrow afternoon.

2. We need the condition of submitting a site plan lifted as a requirement of any incentive program. Toyota Mazda cannot provide this information at this time, so we request that you continue to use Blue Springs, MS as the site plan example.

3. It is not clear in the incentives award if a waiver for permitting fees for the plant are included in the incentives award? Yes, permitting fees, including building permit fees are waived. See letter from Randolph County.

4. Was a temporary office part of the incentives award? The Greensboro-Randolph Megasite team is pleased to offer temporary office space to Project New World at no cost. Such space could exist in Greensboro, Asheboro or on site in Liberty, NC, if available. Please send square footage, term and location requirements.

5. Will the property tax grant be part of the Master Development Agreement? Randolph County will incorporate the property tax grant into the Master Development Agreement, but is willing to work directly with PNW if preferred.

6. Can you explain what is meant by International Marketing incentive? Can this money be applied to job training instead?

7. We are looking for more details in the schedule around timing of the JDIG award. When do we need to apply if we are looking for a December 8th date for finishing all incentive documentation?

8. Duke schedule begins on September 26th. Has that schedule timing changed at all? This is to confirm that Duke Energy is on schedule with its project to relocate the 500 KV transmission line to the north end of the GRMS site for project New World. Preliminary site survey for the new route is complete and line design is well underway. Early orders for equipment have been placed and the system operations scheduling modifications required for the line transition late next September are underway. (John Geib)

Please let us know if additional information is required.

Trevor: Feel free to chime in if I missed anything.

Please let me know if you would like to jump on a call to discuss. I am available all day on my cell. (312) 523-8737.

We appreciate your continued support.

My best,
Meredith

Meredith L. O'Connor
Executive Managing Director
200 E. Randolph, 45th Floor
Chicago, IL 60601
Direct: 312-223-2576
Fax: 312-601-1785
Cell: 312-523-8737
meredith.oconnor@am.jll.com
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Dave,
I tried you back, call me when you can.

Evan Stone  Business Recruitment Manager  Economic Development Partnership of North Carolina  
O 919.447.7786  M 919.275.2322  
Evan.Stone@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

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To: Brent Christensen <bchristensen@greensboro.org>; David Ramsey <dramsey@greensboro.org>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>

Subject: GRMS Site Work

Gentlemen,

Can you please tell us the contractors that you have asked to help estimate the site work costs and timeline?

Trevor W. Ragsdale
Senior Managing Director
Integrated Portfolio Services
JLL
office +1 (773) 458-1390 mobile +1 (312) 451-4955
trevor.ragsdale@am.jll.com
www.us.jll.com/Portfolio
Connect with me on LinkedIn

About Jones Lang LaSalle
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Secretary,

Per our discussion, please see the email received from Trevor earlier today regarding the site work costs and timeline.

Best,
Garrett

---

**From:** Ragsdale, Trevor [mailto:Trevor.Ragsdale@am.jll.com]  
**Sent:** Tuesday, November 7, 2017 12:31 PM  
**To:** Brent Christensen (bchristensen@greensboro.org) <bchristensen@greensboro.org>; David Ramsey (dramsey@greensboro.org) <dramsey@greensboro.org>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>  
**Subject:** GRMS Site Work

Gentlemen,

Can you please tell us the contractors that you have asked to help estimate the site work costs and timeline?

Trevor W. Ragsdale  
Senior Managing Director  
Integrated Portfolio Services  
**JLL**  
Office +1 (773) 458-1390 Mobile +1 (312) 451-4955  
trevor.ragsdale@am.jll.com  
www.us.jll.com/Portfolio  
Connect with me on LinkedIn

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Attached. 2 more. I will put them in the dropbox folder as well.

---

Evan Stone  Business Recruitment Manager  Economic Development Partnership of North Carolina  
O 919.447.7788  M 919.275.2322  
Evan.Stone@edpnc.com | edpnc.com  
Twitter | Facebook | LinkedIn

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September 28, 2017

Mr. Brent Christensen  
Greensboro Partnership  
342 N. Elm Street  
Greensboro, NC 27401

Subject: Project New World – Duke Energy’s Commitment to Relocate Transmission Line on Greensboro-Randolph Mega Site

Dear Brent:

Thank you for allowing Duke Energy to serve with you and others on the Project New World recruitment team. I appreciate your leadership of this effort.

On September 25, 2018, Duke Energy’s Chairman, President and Chief Executive Officer Lynn Good verbally committed to a Project New World leadership team that Duke Energy would have its transmission infrastructure relocated on the site no later than October 1, 2018 to support construction of the project. At the same meeting, the company received commitments that North Carolina’s government agencies and regulators would expedite solutions to all permitting and regulatory issues to support this schedule.

This letter memorializes Duke Energy’s commitment to achieve the October 1, 2018 deadline. Surveying has already begun, and a projected construction schedule for relocating the transmission infrastructure is attached for your review.

As explained during the meeting, Duke Energy works diligently to partner with customers to find solutions when opportunities arise. Should New World choose the Greensboro-Randolph Mega Site as its new home, we all look forward to joining the New World team in the successful execution of this project.

Sincerely,

[Signature]

David B. Fountain  
North Carolina President  
Duke Energy

Attachment  
Cc: Lynn J. Good, Chairman, President and CEO (with attachment)
## Transmission Line Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Start</th>
<th>Finish</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Kickoff</td>
<td>9/26/2017</td>
<td>9/26/2017</td>
<td>1 day</td>
</tr>
<tr>
<td>Perform LiDAR with Analysis</td>
<td>9/26/2017</td>
<td>10/20/2017</td>
<td>3 weeks</td>
</tr>
<tr>
<td>Obtain Boundary &amp; Topo Surveys from County/Owner</td>
<td>10/2/2017</td>
<td>10/20/2017</td>
<td>3 weeks</td>
</tr>
<tr>
<td>Route and Select line</td>
<td>9/26/2017</td>
<td>10/27/2017</td>
<td>4 weeks</td>
</tr>
<tr>
<td>Centerline Survey, Erosion Control Plan, Clearing Plan</td>
<td>10/30/2017</td>
<td>3/30/2018</td>
<td>22 weeks</td>
</tr>
<tr>
<td>Line Conceptual Design</td>
<td>10/30/2017</td>
<td>12/31/2017</td>
<td>9 weeks</td>
</tr>
<tr>
<td>CPCN Waiver</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submittal &amp; Receipt</td>
<td>1/1/2018</td>
<td>3/23/2018</td>
<td>12 weeks</td>
</tr>
<tr>
<td>Line Design</td>
<td>1/1/2018</td>
<td>3/2/2018</td>
<td>9 weeks</td>
</tr>
<tr>
<td>All Required Permits &amp; Waivers in Hand</td>
<td>3/30/2018</td>
<td>3/30/2018</td>
<td>1 day</td>
</tr>
<tr>
<td>Clear &amp; Construct</td>
<td>4/1/2018</td>
<td>9/18/2018</td>
<td>24 weeks</td>
</tr>
<tr>
<td>Remove Line Section</td>
<td>9/18/2018</td>
<td>10/1/2018</td>
<td>2 weeks</td>
</tr>
</tbody>
</table>

53 weeks
September 8, 2017

Mr. Evan Stone
Mr. Garrett Wyckoff
Economic Development Partnership of North Carolina
15000 Weston Parkway
Cary, NC 27513

Dear Evan and Garrett,

I am excited to learn that Project New World is considering locating a manufacturing operation in North Carolina. Counties being considered include Chatham, Guilford and Randolph. As I understand this project, the company plans to create 4,000 full-time positions within a five-year period. The average annual salary of all employees is estimated to be $50,000, and the capital investment is estimated to exceed $1.6 billion.

I am confident that given our extensive experience partnering with thousands of companies, both domestic and international, along with our resources and flexibility, that no other state offers accessibility to high quality workforce development as does North Carolina. The North Carolina Community College System is known worldwide for the quality and specific focus of our Customized Training Program and other programs that support business development in North Carolina.

Training may include pre-employment training, where candidates experience a short-term realistic job preview, as well as extensive post-employment training that will be customized for Project New World. A training plan is developed as a joint effort between representatives from the company, the local community college and the North Carolina Community College System. We are prepared to discuss technical training and soft skills training with your client. We look forward to partnering with Project New World to design and develop a customized plan to meet their specific workforce development requirements for a well-trained and productive workforce that is the equal of any in the world.

Although it is difficult to determine a dollar value of the training without knowing specific job skills and competencies, I estimate the value of our Customized Training Program support to range from $4,000 to $4,200 per eligible trainee. This does not include fixed costs of existing personnel resources, previous investments in curriculum development, facilities, etc. I also need to mention that this commitment is contingent upon availability of funding, which is based on annual legislative appropriations. However, no other state has as long a period of consistent funding for customized training as has North Carolina.
During the past year, we have worked with over 330 new, expanding, and existing industry clients across North Carolina to design and deliver focused and effective training programs that met their respective needs. Each year well over 96 percent of our clients ranked us as very good or excellent for meeting their training expectations, providing effective service, and for the impact of our training programs on their companies’ productivity and performance. This year promises to be even busier and we hope to be able to start planning and implementing some of these activities for Project New World.

We are confident our Customized Training Program and the North Carolina Community College System have the fiscal resources and the expertise to provide assistance in developing a comprehensive and genuinely effective customized training program tailored to company needs.

Please know we are committed to a continued partnership with the company and the possibility of future expansion. If you have questions or need clarification on any of this information please feel free to contact me at 919-218-7133, or email me at liitlem@nccommunitycolleges.edu at your convenience.

Sincerely,

[Signature]

Maureen Little
Vice President, Economic Development
Some have but very few. I still need to send you the community college letter and maybe one or two others.

Evan Stone  
Business Recruitment Manager  
Economic Development Partnership of NC  
O. 919.447.7786  
C. 919.275.2322

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Dave,

I thought the easiest way to do this was to throw all the docs in a dropbox folder whereby you can download them all at once. If for some reason your firewall won’t allow you to access dropbox, just let me know and I will send them via email a few letters at a time ...or just run a thumb drive down to you.

Let me know you received this and can access the files.

Evan Stone Business Recruitment Manager
I just got our message. You’ll have all the docs we have by 230p today.

Evan Stone  
Business Recruitment Manager  
Economic Development Partnership of NC  
O. 919.447.7786  
C. 919.275.2322

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From: Stone, Evan [mailto:evan.stone@edpnc.com]
Sent: Thursday, October 26, 2017 7:46 PM
To: Fleetwood, Susan <sfleetwood@nccommerce.com>
Cc: Efird, David B <david.efird@nccommerce.com>; Copeland, Anthony M <acopeland@nccommerce.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>
Subject: Fwd: [EXTERNAL] FW: Project New World - JDIG #2017-24 JDIG Application Materials

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My two cents would be to take the chart that Susan and I have worked on as part of the previous incentive packages and add a column to it whereby you can explain how each line item will be delivered and whether or not it is part of the legislative ask.

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

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Begin forwarded message:

From: "O'Connor, Meredith"
<Meredith.OConnor@am.jll.com>
Date: October 26, 2017 at 6:44:21 PM EDT
To: Commerce_CFC <CFC@nccommerce.com>,
"mewilson@nccommerce.com"
Thanks so much for the information that was sent this morning.

Our client is looking for the chart to explain line-by-line what agreement and what approvals are needed for the overall package. Are you able to provide a chart? Here is my understanding of what you sent this morning:

`<!-[if !supportLists]-->  <!-[endif]-->JDIG covers one grant
`<!-[if !supportLists]-->  <!-[endif]-->Legislative approval is only for six lines total $6.5M
`<!-[if !supportLists]-->  <!-[endif]-->Many other sources of funding where the process needs definition.

We are looking for guidance on how to confirm we can rely on each line for our final decision. Knowing that, in at least the legislative case and perhaps others. We would like to define the sequence and schedule for how that works to assure we have all bases covered. Can you please advise if a chart is forthcoming or if we can help develop one together?

Thanks so much,
Meredith

Meredith L. O'Connor
Executive Managing Director
200 E. Randolph, 45th Floor
Chicago, IL 60601
Direct: 312-228-2576
Fax: 312-601-1785
Cell: 312-823-8737
meredith.oconnor@am.jll.com
<image002.jpg>

From: Commerce_CFC [mailto:CFC@nccommerce.com]
Thank you!

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

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See attached.

**Evan Stone** Business Recruitment Manager
Economic Development Partnership of North Carolina
Office: 919.447.7786 Mobile: 919.275.2322
Evan.Stone@edpnc.com edpnc.com
Twitter | Facebook | LinkedIn

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<table>
<thead>
<tr>
<th>PROGRAMS</th>
<th>Revised Value 10/13/17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workforce and Training Incentives</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Talent Identification and Selection</strong></td>
<td>$2,000,000</td>
</tr>
<tr>
<td><em>Screening and Assessment</em> – In-kind services provided by NCWorks for employee screening based on job requirements and specifications developed by the company, ensuring the company only receives referrals who meet the job requirements. NCWorks*</td>
<td></td>
</tr>
<tr>
<td><strong>NC Community Colleges - Customized Training</strong></td>
<td>$16,400,000</td>
</tr>
<tr>
<td>Customized Workforce Training helps attract and retain skilled workforce to new or expanding companies. No other states have more experience assisting companies with this crucial matter than North Carolina. The State of North Carolina pioneered this free, customized job training for new and expanding businesses in 1958, and continues to provide the nation’s most-recognized, cutting edge job training service. This program provides customized education, training, development of instructional materials, and supporting services at no cost to eligible companies. <strong>NC Community College System</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Golden Leaf - Specialized Training Center</strong></td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards training-related assistance. <strong>Golden LEAF Foundation</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Apprenticeship Program</strong></td>
<td>$3,000,000</td>
</tr>
<tr>
<td>ApprenticeshipNC helps workers learn new specialized skills needed in today’s workforce through its apprenticeship programs. Apprentices train for an industry by receiving a combination of classroom instruction and on-the-job training. Participants are paid for their work, and their wages will increase as they progress in the program. <strong>NC Community College System</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Japanese Saturday School Start-up</strong></td>
<td>$100,000</td>
</tr>
<tr>
<td>The North Carolina education cooperative and the North Carolina General Assembly will offer a grant and collaboration to begin a Japanese Saturday School program in North Carolina at a mutually agreeable location between company and state partners. <strong>State of NC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Workforce and Training Incentives:</strong></td>
<td><strong>$46,500,000</strong></td>
</tr>
</tbody>
</table>

**Total Value:** $1,589,252,000
<table>
<thead>
<tr>
<th>Site Preparation</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Real Estate - Land Conveyance</strong> Cash to Company</td>
<td><strong>$48,000,000</strong></td>
</tr>
<tr>
<td>Site will be conveyed to end user at no cost. <em>North Carolina Railroad, Randolph County and Greensboro Megasite Foundation</em></td>
<td></td>
</tr>
<tr>
<td><strong>Site Infrastructure Development Fund</strong> *</td>
<td><strong>$76,000,000</strong></td>
</tr>
<tr>
<td>Site infrastructure fund is an infrastructure and site readiness fund reserved for the most transformational projects. Funds go toward all site development and readiness expenses. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Site Preparation:</strong></td>
<td><strong>$124,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Infrastructure Development</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Water and Sewer Improvements (so serve site)</strong></td>
<td><strong>$37,252,000</strong></td>
</tr>
<tr>
<td>Golden LEAF Foundation and the City of Greensboro are committed to the needed water/wastewater improvements at the Greensboro-Randolph Megasite to facilitate the location of Project New World. <em>Golden LEAF, City of Greensboro, NC Commerce</em></td>
<td></td>
</tr>
<tr>
<td><strong>Rail Access and Infrastructure Improvements</strong></td>
<td><strong>$18,000,000</strong></td>
</tr>
<tr>
<td>Norfolk Southern in conjunction with DOT and the North Carolina Railroad Company will provide &quot;on site&quot; rail infrastructure to the client company. <em>Norfolk Southern and North Carolina Railroad Company</em></td>
<td></td>
</tr>
<tr>
<td><strong>Road Access Improvements</strong></td>
<td><strong>$78,950,000</strong></td>
</tr>
<tr>
<td>Funds are available through the NC Department of Transportation (DOT) to construct roads to provide access to new or expanded industrial or manufacturing facilities, including mills, processing facilities and laboratories and other industrial research operations. <em>NC DOT</em></td>
<td></td>
</tr>
<tr>
<td><strong>Electricity Infrastructure (w/ ED Rider)</strong></td>
<td><strong>$53,200,000</strong></td>
</tr>
<tr>
<td>Value encompasses commitment by Duke Energy to move 500Kv line to accommodate user on Greensboro-Randolph Megasite, as well as, value for construction of separate 100Kv line and the Duke Energy Economic Development fee rider. <em>Duke Energy</em></td>
<td></td>
</tr>
<tr>
<td><strong>Natural Gas Infrastructure</strong></td>
<td><strong>$63,200,000</strong></td>
</tr>
<tr>
<td>Value encompasses commitment by Peidmont Natural Gas to serve the Greensboro-Randolph megasite to include 7 miles of pipeline extension and an additional 6.5 miles of upstream pipeline looping. May include utility fees negotiable between Peidmont Natural Gas and end user.</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Infrastructure Development:</strong></td>
<td><strong>$250,602,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Reduction Incentives</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Income and Franchise Tax Savings</strong></td>
<td><strong>$565,650,000</strong></td>
</tr>
<tr>
<td>North Carolina's business climate and tax structure is unmatched in the United States. Combining 2.5% corporate income tax, single sales factor apportionment and one of the lowest franchise taxes in the United States makes for a tax savings advantage that is second to none. <em>See attached illustration</em></td>
<td></td>
</tr>
<tr>
<td><strong>Sales Tax Exemption on M &amp; E</strong></td>
<td><strong>$54,000,000</strong></td>
</tr>
<tr>
<td>Manufacturers, certain recyclers, research and development companies, and eligible datacenters are exempt from sales tax on purchases of machinery and equipment. Estimated value based on projected personal property investment. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td><strong>Sales Tax Exemption on Building Materials</strong></td>
<td><strong>$27,000,000</strong></td>
</tr>
<tr>
<td>Manufacturers, certain recyclers, research and development companies, and eligible datacenters are exempt from sales tax on purchases of machinery and equipment. Estimated value based on projected personal property investment. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>Summary</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Job Development Investment Grant (JDIG) Cash to Company</td>
<td>A performance-based, discretionary incentive program that provides cash grants directly to new and expanding businesses to help offset the cost of locating or expanding a business facility in the state. These cash grants for &quot;high yield&quot; projects are disbursed annually, for up to 20 years, and can be used by the company for whatever purpose desired and are not tied to qualified expenses or other such requirements. <em>State of NC</em></td>
</tr>
<tr>
<td>One North Carolina Fund * Cash to Company</td>
<td>The One North Carolina Fund is a discretionary program that provides direct cash reimbursements to new and expanding high-impact competitive projects that create new jobs. Awards are based on job creation, economic impact of the project, the importance of the project to the state, and quality of industry and environmental impact. <em>State of NC</em></td>
</tr>
<tr>
<td>Property Tax Grant Cash to Company</td>
<td>Local property tax grant based on new jobs and/or capital investment. <em>Randolph County</em></td>
</tr>
<tr>
<td><strong>Subtotal of Cost Reduction Incentives:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Supplier &amp; Supply Chain Incentives</strong></td>
<td></td>
</tr>
<tr>
<td>Supply Chain Summits</td>
<td>Initiative to bring together in-state and out-of-state potential auto suppliers to ensure a robust supply network in North Carolina. <em>State of NC with NC Commerce and EDPNC</em></td>
</tr>
<tr>
<td>Supply Chain Resource Collaborative Initiative</td>
<td>Initiative with NC State University experts to focus on executable recommendations to provide solutions to real-world supply chain problems to improve supply chain performance, resulting in quantitative or qualitative returns. <em>NC State University</em></td>
</tr>
<tr>
<td>Upgrading Skills and Equipment for existing NC Suppliers</td>
<td>Funding to NC Community Colleges to support customized training and training equipment to ensure North Carolina's existing supplier network is on the cutting edge of industry needs. <em>NC Community Colleges and Golden LEAF Foundation</em></td>
</tr>
<tr>
<td>International Marketing to Suppliers</td>
<td>Initiative to make potential automotive suppliers aware of advantages of North Carolina location to serve Project New World and collaborative supply network in North Carolina. <em>NC Commerce and EDPNC</em></td>
</tr>
<tr>
<td><strong>Subtotal of Supplier and Supply Chain Incentives:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Project Management</strong></td>
<td></td>
</tr>
<tr>
<td>Dedicated Project Management</td>
<td>NC Department of Commerce is committed to providing the companies a dedicated point of contact whose singular focus is to serve their needs. <em>State of NC with NC Commerce</em></td>
</tr>
<tr>
<td><strong>Subtotal of Project Management Incentives:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Value:</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Will require legislative approval
See below for most updated status of follow-up items. We are in good shape!

1. **Site and Environmental Requirements** – For the construction of two, 2 million square foot buildings with approximately 4,000 employees, Project New World will require:

   a. Site will have two separate and distinct access points (roads) - one for team member traffic and one for truck traffic. Each with a minimum of two lanes in and two lanes out

   b. All utilities shall be brought to the Development Pad by January 1, 2020

   c. Secondary power supply shall be available and constructed by July 1, 2021

   d. **Renewable Energy Net-Metering without a subscriber limit, indefinite monthly rollover, and owner compensation at the retail rate** Complete.  
      Duke letter 10/19

   e. **Development Pad of 1,000 acres (5/380 x 740) shall be constructed per the attached Earthwork Specifications** with the following parameters: IN Progress – 
      Commerce

      i. Development Pad shall be constructed of granular material compacted to 98% of Modified Proctor

      ii. Development Pad shall be within 0.25% slope of being level, in all directions

      iii. Surveying and soils monitoring shall be subject to third party monitoring during construction

      iv. Stockpiled soils shall be segregated as to type and protected from erosion

      v. Complete wetlands mitigation and archeological clearance

      vi. Development Pad turnover date of October 1, 2018

   1. Traffic Impact Study including opening day (2021) and 20-year traffic addressing perimeter road network (4 million square feet, 4,000 people) 
      Updated Study with Addendum provided 10/20
G. Development agreement and rezoning confirmation

- Motion submitted

H. No residential zoning within one mile of site boundary (prefer 1.5 miles) Development agreement not needed (Randolph Co.) ALL Re-zoning will occur at County planning meeting on 11/14.

I. Progress schedule update Complete. Submitted on 10/19

J. Confirmation of construction schedule (including the dates in these bullets)

- Complete. Submitted on 10/19

K. Phase 1 and Phase 2 completed for all parcels

- Ongoing – all study reports will be delivered on 10/27

L. Complete ALTA for all parcels (including easements)

- In process for getting completed ALTA Surveys for all parcels. In absence of completed ALTA, client has been provided a comprehensive database of all property on-site including easements and encumbrances. Only easements are railroad, power and roadway.

l. Land trading investigation results (including multiple rounds of water level readings)

m. Updated road and utility improvement plan sets, including schedule for issuance of 100% plan sets if not complete, with improvements to be completed by July 1, 2022. Submitted as part of updated construction schedule on 10/19. Final plan sets are in progress with DOT and Duke.

n. Reference attached Earthwork Specifications to be state DOT or Project New World specifications, whichever is more stringent

O. Supply current building and engineering specifications that will be utilized during review—provide confirmation of all reviewing offices on state, county and local level

p. Water quality – if not previously submitted, provide water quality data for evaluation

q. Wastewater quality and quantity (see attached recommend wastewater permit levels) – Need acknowledgement that these levels are acceptable (they are lower than NC State standards)

- Complete. Letter from City of GSO on 10/20

r. Final signed options on all necessary parcels for up to 1,500 to 2,000 acres

- Complete. Part of Property control database submitted on 10/19.

s. Confirmation of motion submitted for appropriate rezoning (if applicable)

- Complete. Re-zoning will occur at county planning meeting on 11/14.
t. Provide recommended shovel test results for archeological study (if applicable)

u. Confirmation that appropriate quantity of inspection personnel available throughout project duration

v. Provide all documents available via public records

w. Provide specific construction items to be aware of (e.g., dust control, noise ordinance, etc.) Complete. Letter from Randolph County on 10/17.
Secretary,
See below. Items in green are the most recent follow-up items and all have already been or are in the process of being addressed by the Greensboro team.

On Item 1.e, consultant Trevor Ragsdale, asked for a letter that the pad would be delivered to company free and clear. So we need that soon.

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

*Messages sent to and from this address are subject to North Carolina public records law

Begin forwarded message:

From: "Ragsdale, Trevor" <Trevor.Ragsdale@am.jll.com>
Date: October 16, 2017 at 4:53:32 PM EDT
To: "Stone, Evan" <evan.stone@edpnc.com>, "Wyckoff, Garrett" <garrett.wyckoff@edpnc.com>
Cc: "O'Connor, Meredith" <Meredith.OConnor@am.jll.com>, Brent Christensen <BChristensen@greensboro.org>, David Ramsey <DRamsey@greensboro.org>
Subject: Supplemental Data for PNW RFP Response

1. Site and Environmental Requirements – For the construction of two, 2 million square foot buildings with approximately 4,000 employees, Project New World will require:
   a. Site will have two separate and distinct access points (roads) - one for team member traffic and one for truck traffic. Each with a minimum of two lanes in and two lanes out
   b. All utilities shall be brought to the Development Pad by January 1, 2020
   c. Secondary power supply shall be available and constructed by July 1,
d. Renewable Energy Net-Metering without a subscriber limit; indefinite monthly rollover; and owner compensation at the retail rate.

e. Development Pad of 1,000 acres ($880,800/400') shall be constructed per the attached Earthwork Specifications with the following parameters:

   i. Development Pad shall be constructed of granular material compacted to 98% of Modified Proctor.

   ii. Development Pad shall be within 0.25% slope of being level, in all directions.

   iii. Surveying and soils monitoring shall be subject to third party monitoring during construction.

   iv. Stockpiled soils shall be segregated as to type and protected from erosion.

   v. Complete wetlands mitigation and archeological clearance.

   vi. Development Pad turnover date of October 1, 2018.

Traffic Impact Study including opening day (2021) and 20-year traffic addressing perimeter road network (6 million square feet, 4000 people).

Development agreement and zoning confirmation

Motion submitted

No residential zoning within one mile of site boundary (prefer 1.5 miles)

Progress schedule update

Confirmation of construction schedule (including the dates in these bullet points)

Phase 1 and Phase 2 completed for all parcels

Complete ALTA for all parcels (including easements)

Land trading investigation
results (including multiple rounds of water level readings)

<!-[if !supportLists]->m.<!-[endif]-->Updated road and utility improvement plan sets, including schedule for issuance of 100% plan sets if not complete, with improvements to be completed by July 1, 2020

<!-[if !supportLists]->n.<!-[endif]-->Reference attached Earthwork Specifications to be state DOT or Project New World specifications, whichever is more stringent

<!-[if !supportLists]->o.<!-[endif]-->Supply current building and engineering specifications that will be utilized during review—provide confirmation of all reviewing offices on state, county and local level

<!-[if !supportLists]->p.<!-[endif]-->Water quality – if not previously submitted, provide water quality data for evaluation

<!-[if !supportLists]->q.<!-[endif]-->Wastewater quality and quantity (see attached recommended wastewater permit levels). Need acknowledgement that these levels are acceptable (they are lower than NC State standards)

<!-[if !supportLists]->r.<!-[endif]-->Final signed options on all necessary parcels for up to 1,500 to 2,000 acres

<!-[if !supportLists]->s.<!-[endif]-->Confirmation of motion submitted for appropriate rezoning (if applicable)

<!-[if !supportLists]->t.<!-[endif]-->Provide recommended shovel test results for archeological study (if applicable)

<!-[if !supportLists]->u.<!-[endif]-->Confirmation that appropriate quantity of inspection personnel available throughout project duration

<!-[if !supportLists]->v.<!-[endif]-->Provide all documents available via public records

<!-[if !supportLists]->w.<!-[endif]-->Provide specific construction items to be aware of (i.e., dust control, noise ordinance, etc.)

Trevor W. Ragsdale
Senior Managing Director
Integrated Portfolio Services
JLL

office +1 (773) 458-1390 mobile +1 (312) 451-4955
trevor.ragsdale@am.jll.com
www.us.jll.com/Portfolio

Connect with me on LinkedIn

This email has been scanned for email related threats and delivered safely by Mimecast.
For more information please visit http://www.mimecast.com
Fixed upper limits for constituents (ppm, by weight) are as follows:

<table>
<thead>
<tr>
<th>Constituent</th>
<th>Maximum Concentration (ppm)</th>
<th>Maximum Concentration Instantaneous (ppm)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Composite Sample 24-Hour Flow Proportionate</td>
<td>Grab Sample</td>
</tr>
<tr>
<td>Aluminum</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Arsenic</td>
<td>0.40</td>
<td>0.40</td>
</tr>
<tr>
<td>Barium</td>
<td>100*2</td>
<td>4.0</td>
</tr>
<tr>
<td>Boron</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Cadmium</td>
<td>0.10</td>
<td>0.20</td>
</tr>
<tr>
<td>Chlorides</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Chromium (Total)</td>
<td>0.50</td>
<td>1.00</td>
</tr>
<tr>
<td>Chromium (Hexavalent)</td>
<td>0.10</td>
<td>0.20</td>
</tr>
<tr>
<td>Copper</td>
<td>0.50</td>
<td>1.00</td>
</tr>
<tr>
<td>Cyanide</td>
<td>0.10</td>
<td>0.20</td>
</tr>
<tr>
<td>Detergents ABS (Hard)</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Detergents LAD (Soft)</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Fe</td>
<td>5 pc/1*1</td>
<td>5 pc/1</td>
</tr>
<tr>
<td>Mg</td>
<td>2 pc/1*2</td>
<td>2 pc/1</td>
</tr>
<tr>
<td>Mn</td>
<td>10000 pc/1*2</td>
<td>10000 pc/1</td>
</tr>
<tr>
<td>pH</td>
<td>6–9</td>
<td>6–9</td>
</tr>
<tr>
<td>Zn</td>
<td>0.02</td>
<td>1.60</td>
</tr>
</tbody>
</table>

Detergents (Biodegradable): *       *

Fluorides              5.00*2          10.00
Iron                   3.00           6.00
Lead                   0.40*          0.40
Lithium                *              *
Mercury                0.0004*4     0.008
Magnesium              50             100
Nickel                 0.50            1.00
Phosphate (Total)      10.00          20.00
Selenium               0.02*4        0.04
Silver                 0.20           0.20
Manganese              -1.00          2.00
Tin                    0.10            0.20
Total Kjeldahl Nitrogen (TKN) | 60.0 | 90.0

Oil and Grease:

<table>
<thead>
<tr>
<th>Constituent</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexane or petroleum soluble</td>
<td>100.00</td>
</tr>
<tr>
<td>Total Dissolved Solids</td>
<td>5000.00</td>
</tr>
<tr>
<td>Organic Toxicants</td>
<td>NDA</td>
</tr>
<tr>
<td>Radioactivity Gross Beta</td>
<td>50 pc/1*3</td>
</tr>
</tbody>
</table>

*To be established by the director.
*Two times the current drinking water standards.
*Current drinking water standards (in Pico Curie/L).
SECTION 02200
EARTHWORK

1. PART 1 - GENERAL

1.1 RELATED DOCUMENTS

1.1.1 Requirements of the contract documents.
1.1.2 Requirements of the following sections apply to the work of this section:

A. Section 02222, "Construction Best Management Practices and Sediment and Erosion Control Measures."

1.1.3 All soil erosion control measures shall be done in accordance with state handbook for Erosion Control, Sediment Control and Storm water Management on construction sites and urban areas for materials, timing, and location specific details. The contractor has the responsibility to be in compliance with these standards. The Soil Erosion and Sediment Control plan is under separate cover.

1.1.4 Reference Standards


C. American Association of State Highway and Transportation Officials (AASHTO).


1.1.5 Refer to Specification 01999 "Quality Confirmation and Equipment Handover Procedures" and 01999 attachment "Punchlist and Kanban Procedures," for the Toyota Quality Confirmation Process.

1.2 DESCRIPTION OF WORK

1.2.1 Provide labor, material, and equipment to perform earthwork required by drawings and/or as specified.
1.2.2 Work includes, but is not limited to, the following:

A. Site layout, cut, and fill
B. Soil Erosion and sediment control plans
C. Stripping of topsoil
D. Excavation and trenching
E. Pavement removal
F. Sheeting, shoring, and bracing
G. Suitable site fills including partial undercutting
H. Compaction
I. Grading
J. Proofrolling
K. Seeding
L. Cleanup

1.3 ELECTRONIC SUBMITTALS

1.3.1 Product Data: Each type of detectable plastic warning tape.

1.3.2 Test Reports for Record Purposes: From a qualified geotechnical testing agency approved by the Owner; submit in duplicate tests, investigations, findings, and recommendations to the Contractor and the Owner's Representative, as soon as each report has been completed.

1.4 SITE LAYOUT, CUT, AND FILL

1.4.1 Determine that site benchmark(s) are the actual intended marks and are still at proper elevation and location. Submit verification of benchmark(s), with licensed Land Surveyor stamp, to Owner's Representative.

1.4.2 Site drawing indicates existing and new finished grades required for construction. Contractor shall stake ditches, drains, pond work, building pads, etc., establish elevations and locations, and do other such layout work required.

1.4.3 Although the Geotechnical Engineering Report indicates subsurface conditions at specific locations on specific dates, it is not intended as a representation or warranty of the continuity of such conditions. It is expressly understood that the Owner will not be responsible for interpretations or conclusions drawn therefrom by the Contractor. The reports and data are included as an Appendix to these specifications for the convenience of the Contractor.

02200-2
1.4.4 Quantities of cut and fill material are the sole responsibility of the Contractor. Any conflict in verification of existing grades must be brought to Owner's Representative's attention before work is started in order to receive consideration.

1.4.5 Project Specifications shall be considered minimum requirements and shall be supplemented by additional work on the part of the Contractor, if necessary, in accordance with state codes. It is the requirement of these specifications to produce stable fills and embankments.

1.4.6 In addition to complying with requirements contained herein and elsewhere in the contract documents, the Contractor shall reconstruct fills, grades, embankments, etc., that are displaced by any cause whatsoever during construction at no expense to Owner.

1.4.7 It shall be understood that, should minor (movement of less than 10 cubic yards of materials per occurrence) deviations from finished grades established on drawings be required by Owner's Representative, such shall be done by the Contractor at no additional cost, providing such instructions are given to Contractor prior to when affected work is started. No deviations or changes shall be made without written instructions from Owner's Representative.

1.5 WATER AND PUMPING

1.5.1 Contractor shall remove all water, including rainwater, spring water, and subsurface water, encountered during the course of excavations. Removal shall be by pumps, drains, or other approved methods, and shall keep excavation, fills, and other work free from water until construction is completed. Water shall be discharged to locations designated by Owner's Representative. Sediment-laden water shall be drained or pumped through an approved sediment filtering device prior to exiting the site. Above shall be in accordance with Section 02222, Construction Best Management Practices and Sediment and Erosion Control Measures.

1.6 MAINTENANCE OF SUBGRADES

1.6.1 Areas of completed fill which are to receive slabs, pavement, structures, etc., shall be kept free of standing water or otherwise protected from any loss of compaction density. Areas under topsoil and structural fill shall be graded to plus or minus 1 inch under a 10-foot straightedge. Subgrade shall be fine-graded to within 3/8 inch tolerance under a 10-foot straightedge.

1.7 DISPOSITION OF UTILITIES

1.7.1 Rules and regulations governing the respective utilities shall be observed in executing work.
1.7.2 Active utilities shown on drawings shall be adequately protected from damage, and moved or relocated only as indicated or specified.

1.7.3 Active utilities not shown on the drawings shall be protected or relocated according to written instructions of the Owner's Representative.

1.7.4 If inactive utilities are found, the Contractor shall notify Owner's Representative prior to any work being completed.

1.8 PROTECTION

1.8.1 Provide and maintain suitable temporary fences, railings, barricades, and necessary lights, signs, and warnings for protection of public, Owner's employees, and others having access to the site, as directed by Owner's Representative, OSHA, KYTC and/or the State of Kentucky statutes.

1.8.2 Work shall be carried on in a manner that will ensure protection of adjoining property against damages.

1.8.3 Provide adequate protection against damage for all light poles, PIV's, fire hydrants, etc.

1.8.4 When temporary protective structures are no longer needed, and when Owner's Representative so directs, such shall be removed, with salvage becoming property of the Owner, and disposed of in Owner-supplied containers. Damage to adjoining work must be repaired at no additional cost to the Owner.

1.8.5 Contractor to provide dust control measures as directed by Owner's Representative and Specification Section 02222, Item 3.1.4.

1.8.6 Contractor to provide truck wash areas as directed by Owner's Representative and Specification Section 02222, Item 3.1.9.

1.9 DAMAGES TO PROPERTY

1.9.1 Contractor shall keep clean and adequately protect perimeter public roads, access drives, roads on Owner's property, curbing, and sidewalks from damage due to trucking, and be responsible for damages sustained to same as a result of operations herein. All public roads and access roads to the project site will be continuously swept and washed to ensure they are kept completely clean and free of mud and dirt.

2. PART 2 - PRODUCTS

2.1 SHEETING, SHORING, AND BRACING

2.1.1 Provide sheeting, shoring, and bracing required for installation and/or protection of work.

02200-4
2.1.2 Sheetings and shoring shall be made of suitable structural materials accurately placed and securely braced to maintain proper position. Safety of the work shall be the direct responsibility of the Contractor. The Contractor shall make good any damage resulting from failure of supports.

2.1.3 Material used for this work shall be withdrawn and removed from site when no damage to work is possible.

2.2 SUITABLE SITE SELLS

2.2.1 General

A. Fill shall be accomplished using material properly placed in uniform layers and compacted as specified in articles hereinafter.

B. Fill material required in addition to that resulting from site work shall be furnished at Contractor’s expense from off-site borrow. Additional fill material shall be approved by an Owner-approved testing laboratory. Soil sample results shall be provided to ORO verifying no contamination before fill dirt is brought on site. Costs required for testing shall be at Contractor’s expense.

2.2.2 Structural Fill

A. Fills within building lines are in accordance with the requirements of these specifications section 02201.

B. Subgrade for pavement shall be prepared in accordance with state current specification and practices.

C. Fill material shall be spread in uniform layers not to exceed 8 inches (loose measure) in thickness when compacted by heavy equipment and not to exceed 4 inches (loose measure) in thickness when compacted by hand equipment, and approximately parallel to finish grades. Spreading of materials shall follow dumping as closely as practicable. Each layer shall be compacted to required density before next layer is placed.

D. Provide sufficient equipment capable of maintaining the actual moisture content of the soil material at the time of compaction, to within the moisture range as approved by the Geotechnical Engineer.
E. If fill material is too dry, sprinkle with water to provide proper moisture content for maximum compaction. Flooding or inundating will not be permitted. Wet material shall be allowed to dry to proper moisture content before placement or compaction. Existing on-site water sources may be available with a prior request to ORO. Soil material that is removed because it is too wet to permit compaction may be stockpiled or spread on the surface at an approved area within the construction boundaries of this project and permitted to dry. There are no areas on site except those within the construction boundaries of this project that are available for stockpiling and drying. Drying may be accelerated by diskimg, harrowing, or pulverizing until the moisture content is reduced to a value within the specified range. The dried soil may then be used as a fill when accepted by the Geotechnical Engineer.

2.2.3 Nonstructural Fills

A. Fills other than structural fill are considered nonstructural fills. Material for nonstructural fills may be suitable material resulting from excavations on-site and approved by the testing laboratory.

B. Fill material shall be spread in uniform layers not to exceed 8 inches (loose measure) in thickness when compacted by heavy equipment and not to exceed 4 inches (loose measure) in thickness when compacted by hand equipment, and approximately parallel to finish grades. Spreading of materials shall follow dumping as closely as practicable. Each layer shall be compacted to required density before next layer is placed.

2.2.4 Unsatisfactory Soil Materials

A. Those soils classified as GC, ML, MH, CH, OL, OH, and PT, in accordance with ASTM D 2487.

2.3 ACCESSORIES

2.3.1 Warning tape, unless otherwise specified:

A. Warning tape is required above all underground utilities.

B. Marking tape shall consist of one layer of aluminum foil 0.35-mil thick, laminated between two layers of inert plastic film with a scrim reinforcement, with a total thickness of 5 mil.

C. It shall be resistant to alkalis, acids, and other destructive agents commonly found in soil.

D. The lamination bond shall be strong enough that the layers cannot be separated by hand or by exposure to boiling water for a period of 3 hours.

E. The foil core shall be visible to ensure continuity.
F. The tape shall be 6 inches wide.

G. Tape shall be imprinted with a continuous warning message, repeated every 16 to 36 inches of the utility, colored as follows:

1. Red: Electric
2. Yellow: Gas, oil, steam, and dangerous materials
3. Orange: Telephone and other communications
4. Blue: Water systems
5. Green: Sewer systems

H. It shall be inductively locatable and conductively traceable using standard pipe- and cable-locating devices.

I. Tape shall be provided with manufacturer’s clipping system to electrically connect rolls of tape.

J. Install warning tape directly above utilities, in accordance with manufacturer’s requirements.

2.4 GRASS SEED

2.4.1 Grass seed shall be fresh, clean, new crop seed composed of varieties specified and mixed in proportions and testing minimum percentages of purity and germination in accordance with state.

2.5 FERTILIZER

2.5.1 Commercial fertilizer shall be a complete fertilizer, part of the elements of which are derived from organic sources. It shall contain the following percentages by weight:

- 12 percent nitrogen
- 12 percent phosphoric acid
- 12 percent potash

2.5.2 Fertilizer shall be delivered, mixed as specified, in standard size bags showing weight, analysis, and name of manufacturer. Store fertilizer in a weatherproof storage place so it will be kept dry and its effectiveness will not be impaired.

2.6 MULCH

2.6.1 Straw for mulching seeded areas shall be clean, new shredded straw, free from weed seeds and debris, with no disease or mold, and in accordance with state.
2.6.2 Wood cellulose fiber mulch for seeded areas shall have the property of dispersing readily in water and shall have no toxic effect when combined with seed or other materials. The homogeneous slurry shall be capable of application with proper spray equipment. A green-colored dye which is non-injurious to plant growth shall be required. Wood cellulose fiber shall be packaged in new labeled containers in an air-dry condition and have a pH of 4.5 to 10 in distilled water.

3. PART 3 - EXECUTION

3.1 CLEARING AND GRUBBING

3.1.1 Remove obstructions, trees, and shrubs to permit installation of new construction. Removal includes digging out stumps and obstructions and grubbing roots.

A. Completely remove stumps, roots, obstructions, and debris extending to a depth of 3 feet below exposed subgrade.

3.1.2 Weeds, grass, and other vegetation shall be removed by mowing, raking, or other approved means. Short stubble and vegetation roots remaining shall be stripped with a minimum amount of soil and be disposed of on-site as directed by the Owner's Representative.

3.1.3 Fill depressions caused by clearing and grubbing operations with satisfactory soil material, unless further excavation or earthwork is indicated.

A. Place fill material in horizontal layers not exceeding 8-inch loose depth, and compact each layer to a density equal to adjacent original ground.

3.2 DISPOSAL OF MATERIALS

3.2.1 All merchantable timber shall become the property of the Contractor for his disposal unless otherwise noted.

3.2.2 Burying of stumps, trees, logs, snags, or other vegetative materials will not be permissible within the project site limits, unless otherwise approved in writing by the Owner's Representative.

3.2.3 No open burning of waste material shall be permitted on the site. Perishable material shall be completely removed from Owner's property to disposal areas provided by the Contractor and approved by the Owner's Representative.

3.2.4 Materials which are stripped from the project site which are not suitable for reuse shall be disposed of by the Contractor at a location provided by him and approved by the Owner's Representative.
3.2.5 The cost of hauling, stockpiling, and disposal of material shall be included in the Contract Price Bid for clearing and grubbing.

3.2.6 Existing trailer yard concrete pavement shall be mechanically crushed by Contractor to a size not exceeding 6" in any direction. Crushed concrete shall be transported by Contractor to the Construction Laydown Area and compacted in lifts to create the pad as shown on the Construction Drawings. Crushed concrete shall be placed in maximum 18 inch lifts and shall not be larger than 6 inches in any direction 18 inches below grade. Maximum stone size up to 4 inches below grade shall be 2 inches or less in any direction. The Construction Laydown Area shall be capped with 4 inches of compacted DGA. Excess concrete pavement shall become the property of the Contractor and Contractor shall be responsible for disposal. On-site crusher units must meet all Federal, State, Local and Toyota Requirements, including providing an air permit for the crusher unit to the ORO before work begins and ensure spill prevention control and countermeasures including having a spill kit available near the unit.

3.2.7 Excess topsoil shall be utilized to construct the berm at the Construction Laydown Area. Any topsoil that cannot be utilized in the berm shall become the property of the Contractor and the Contractor shall be responsible for disposal. The Contractor may adjust the Construction Laydown Area to waste extra material. The CDD shall not be utilized by the Contractor. The Contractor shall be responsible for removal all excess material from the project site and ensure proper disposal of material. Material shall be removed from site to a Toyota approved landfill.

3.3 STRIPPING OF TOPSOIL

3.3.1 Remove topsoil from areas to be filled and graded and all areas of construction shown on the site drawings. Remove full depth of topsoil and avoid mixture of subsoil, demolition debris, or other contaminants.

3.3.2 Stripped topsoil shall be used at the Construction Laydown Area to construct the berms as shown on the Construction Drawings. Any excess topsoil not required for berm construction shall become the property of the Contractor and the Contractor shall be responsible for disposal.

3.3.3 Topsoil shall be removed for the Construction Laydown Area and compacted into berms for the berms at the Construction Laydown Area as shown on the Construction Drawings.

3.4 EXCAVATION

3.4.1 Excavations shall be performed as required by drawings and so that requirements of succeeding work can be met. Excavation shall include removal of soil and other material found.
3.4.2 Subgrade for pavement/floor slabs shall be prepared in accordance with state.

3.4.3 Excavated material of suitable consistency for nonstructural fills, as approved by testing laboratory, may be spread in fill areas in 8-inch beds, compacted as specified, and graded. Material may be stockpiled prior to spreading.

3.5 BACKFILLING

3.5.1 Backfilling shall be done immediately after work has been inspected and approved. No backfill material shall be placed on or against debris or other deleterious matter not conducive to proper compaction. Backfill shall be material specified for suitable site fills.

3.5.2 Contractor shall take necessary precautionary measures during compaction of fill adjacent to drains, etc., that such items are not displaced from their proper location or damaged by compacting equipment. In the event damage or displacement occurs during or resulting from compaction of fill as specified above, Contractor shall be responsible for correction of same, to approval of Owner's Representative, and at no expense to the Owner.

3.6 COMPACTION

3.6.1 Equipment

A. Fills shall be compacted with sheepsfoot roller and/or other appropriate equipment having contact pressure of 750 psi based on contact area of one row of feet. In areas where sheepsfoot roller cannot be used, provide mechanical vibratory units of adequate size to fulfill compaction requirements.

B. Stone base course under pavements and floor slabs shall be compacted with vibratory rollers.

3.6.2 Structural Fills

A. Just before commencing construction of structural fills, existing earth surface shall be scarified and sprinkled with water, if necessary, to provide for bonding of fill material to existing surfaces.

B. In preparing existing subgrade on which stone base course, concrete paving, or asphalt paving is to be placed, Contractor shall test such subgrade for minimum 100 percent maximum density at optimum moisture content in accordance with ASTM D 698 (standard proctor). Conduct minimum of one test per 2,500 square feet for testing laboratory's approval before proceeding further. If test proves unacceptable, Contractor shall recompact to achieve required density stated above.
C. Ensure that a Blue Top inspection is performed by ORO prior to any concrete or asphalt placement.

3.6.3 Nonstructural Fills

A. Fill material placed in areas other than that defined as structural fill shall be compacted to 90 percent maximum density at optimum moisture content in accordance with ASTM D 698, and graded as specified hereinafter.

3.6.4 Testing

A. Compaction tests and excavation observations shall be conducted by a third party testing laboratory agency employed by the Owner.

3.7 GRADING

3.7.1 Determine subgrade depth below finished grade to allow for depth of topsoil, floor slab, structural fills, pavement, etc.

3.7.2 Provide grade stakes at building corners, where spot elevations are shown, at breaks in grade, along drainage swales, and as otherwise required to grade areas according to elevations shown on drawings.

3.7.3 Provide positive drainage throughout construction.

A. Slope earth away from building walls.

B. Provide uniform levels or slopes between given points or between given points and existing grades for finish grades not otherwise shown.

C. Provide rounding or smooth transitions at top and bottom of slopes and at other breaks in grades to prevent abrupt changes in grade or unnatural slopes.

D. Rough grade to within 0.1 foot; finish grade to within 0.05 foot of required slopes, grades, and elevations.

3.7.4 Provide temporary positive drainage to maintain stabilized or finished areas; keep excavations free from water until the permanent construction is in place, backfilling is completed, and building and surface drains are operating and capable of maintaining drainage.

A. Submit proposed method of dewatering that includes the points of discharge to the Owner or Designated Representative for approval before implementation.
B. Provide systems as required by the site conditions. Operate pumps and other water moving systems to accomplish the above on a 24-hour basis.

C. Repair any damage from surface water drainage generated by construction that is the result of not providing or providing insufficient drainage systems.

3.8 PROOFROLLING

3.8.1 Proofroll exposed subgrade in the building area and in the paved areas shortly before the placement of fill, base course, slabs, or pavement to detect soft or unsuitable soil conditions as noted in the Geotechnical Engineering Report.

A. Grade to allow surface storm water to quickly drain off of the proofrolled areas and prevent any ponding of water on the proofrolled area.

B. Proofroll after a suitable period of dry weather to avoid degrading and otherwise acceptable subgrade.

C. Perform proofrolling with a rubber-tired, loaded dump truck that has a minimum gross weight of at least 35,000 pounds, but not exceeding 50,000 pounds, or as directed by the Owner or Designated Representative's recommendation prior to beginning proofrolling operations.

D. Proofroll a minimum of two complete passes with one pass being in a direction perpendicular to the initial pass.

3.8.2 Remove to the depth recommended by the Owner or Designated Representative any areas that deflect, rut or pump excessively during proofrolling, as determined by the Owner or Designated Representative, or that fail to demonstrate consolidation (or tightening) during, or subsequent to, proofrolling. Replace as directed by the Owner or Designated Representative with either approved compacted fill or a layer of geotextile stabilization fabric and/or geogrid with a crushed stone or gravel layer over the fabric/geogrid. Payment for undercutting and replacement of unacceptable material will be made in accordance with contract provisions for changes in work. Changes shall be measured by the Contractor and verified and approved by the Owner or Designated Representative.

3.8.3 Successfully proofrolled areas that are allowed to be exposed to periods of significant rainfall, or to freezing and thawing cycles before the next overlying operation can be commenced, must be proofrolled again to look for newly-developed unstable areas.
3.8.4 Once an area has been successfully proofrolled and any unstable areas rededicated, the area shall be maintained in that condition until time for the next overlying operation. Use of any construction equipment/vehicles over a successfully proofrolled area shall be limited to light, low contact pressure equipment as determined by Owner.

3.8.5 Rework of any previously successfully proofrolled areas for any reason is Contractor's responsibility.

3.9 TOPSOIL REPLACEMENT AND FINISH GRADING

3.9.1 When other site work has been substantially completed, Contractor shall replace topsoil, 4-inch-thick minimum, within areas of property noted on drawings to be seeded and sodded. Topsoil shall also be used to construct mounds where shown on drawings.

3.9.2 Topsoil stored on-site shall be used. If additional topsoil is required for finish grading, it shall be provided by the Contractor. Material shall be approved by testing laboratory and be in accordance with state.

3.9.3 Finish grading shall bring grades to smooth, true, and even surfaces with use of motor power graders, supplemented by handwork, and raking as required. Finish grades, in areas of topsoil placement, are elevations as shown on drawings, and shall be finished to meet existing grades without abrupt changes in slope, or as directed by Owner's Representative.

3.9.4 Before seeding and sodding, surfaces shall be cleared of construction debris, including brush, wire, grade stakes, stones, etc. Lumps shall be broken and spread.

3.9.5 Excess topsoil shall be utilized to construct the berm at the Construction Laydown Area. Any topsoil that cannot be utilized in the berm shall become the property of the Contractor and the Contractor shall be responsible for disposal. The Contractor may adjust the Construction Laydown Area to waste extra material. The CDD shall not be utilized by the Contractor.

3.10 SEEDING OPERATIONS

3.10.1 Preparation of grass areas seeding operations shall be in accordance with state.
3.10.2 Seeding maintenance shall begin immediately after each portion of lawn is planted and shall continue in accordance with state and the following requirements:

A. Lawns planted during spring planting season shall be maintained for at least 60 days from end of planting season, and as long as necessary to establish, over the entire lawn, a close stand of grass of varieties specified, free of weeds and undesirable coarse, native grasses. Lawns planted during fall planting season shall be maintained in same manner as specified for spring planting, but shall not be accepted until the following June 1, providing a lawn of a close stand of grass of varieties specified is established and free of weeds and undesirable coarse, native grasses.

B. Maintain lawns by watering, fertilizing, weeding, reseeding, rolling, sowing, and other operations required, including mowing, as follows:

1. Grass shall be mowed three times during maintenance period. Mowing will be completed as directed by the Owner's Representative. Minimum height after cutting shall be 3 inches.

2. Lawns shall be kept watered with sprinklers or other approved methods during dry weather or when necessary for proper growth.

3.10.3 Seed required in reseeding shall be same as mixture specified hereinbefore.

3.10.4 At conclusion of maintenance period, lawns shall have close stand of grasses specified and be free of weeds. If not, maintenance period shall be continued until these requirements are met. Bare patches shall be scratched, reseeded, rolled, fertilized, and watered as often as necessary to obtain a close stand of grass over entire lawn areas. Scattered bare spots not exceeding 1 square foot will be allowed on 3 percent of area.

3.11 CLEANUP

3.11.1 Complete work herein with removal of excess material and grading. Legally dispose of debris off-site.

END OF SECTION

<table>
<thead>
<tr>
<th>NO.</th>
<th>DATE</th>
<th>SUBJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01-11-17</td>
<td>BIDS</td>
</tr>
<tr>
<td>2</td>
<td>04-27-17</td>
<td>IFC/BULLETIN 1</td>
</tr>
</tbody>
</table>

02200-14
Here is what we were told to put together:

"As discussed, we will deliver a pad ready site to Project New World by October 1, 2018. We do not anticipate any issues with the below stipulations:

a. Development Pad of 1,000 acres (5880 acres/4000 acres) shall be constructed per the attached Earthwork Specifications with the following parameters:

   i. Development Pad shall be constructed of granular material compacted to 98% of Modified Proctor

   ii. Development Pad shall be within 0.25% slope of being level, in all directions

   iii. Surveying and soils monitoring shall be subject to third party monitoring during construction

   iv. Stockpiled soils shall be segregated as to type and protected from erosion

   v. Complete wetlands mitigation and archeological clearance

   vi. Development Pad turnover date of October 1, 2018"

Thanks and call if you need anything

Garrett

Sent from my Verizon, Samsung Galaxy smartphone

This email has been scanned for email related threats and delivered safely by Mimecast.
For more information please visit http://www.mimecast.com
Although the calculations are correct, I think we should provide more context around the numbers. Specifically call out the number of jobs each year, explain why the grant is 75% in years one through three, explain the Utility Account carveout in years one through three...
Will take care of it
Let me know when I can sent it.

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919 447 7785 M 919 275 2322
Evan.Stone@edpnc.com  edpnc.com
Twitter  Facebook  LinkedIn

Learn how EDPNC helps businesses grow in North Carolina

Download 2016 Annual Report

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October 13, 2017

Meredith O’Connor
International Director, Co-Chairman of Headquarter Practice Group
Jones Lang LaSalle
200 East Randolph Drive
Chicago, IL 60601

Dear Meredith,

North Carolina’s updated proposal for Project New World is a clear demonstration of our strong interest in this project. We have increased nearly every line item from our previous proposal, with a continued focus on the elements you have indicated are most important to this project:

- A site option that is ready for speedy development;
- A productive workforce delivered through recruiting, screening and training services;
- A competitive business cost structure, with one of the lowest corporate income tax rates in the nation; and
- Local and state incentives to offset the costs of establishing new operations in the state.

Together, these elements clearly address the advantages the state can provide for talent, the transport of goods, taxes and incentives. In addition, North Carolina provides a mid-Atlantic location and strong transportation access to key customers and suppliers. Our state is home to one of the best university systems in the country, as well as one of the largest networks of community colleges in America.

Gov. Cooper and legislative leaders have worked together very closely to develop this proposal and we expect to continue to have a strong partnership between the executive and legislative branches on delivering this aggressive proposal for Project New World.

We look forward to partnering with you and your client in the coming weeks as you move toward this very important decision, and we are confident that North Carolina offers the best option for Toyota-Mazda’s future U.S. operations.

Sincerely,

Anthony M. Copeland

Governor of North Carolina

Anthony M. Copeland
Secretary
## Project New World Comparison Summary

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>RESPONSIBLE PARTY</th>
<th>INITIAL AMOUNT</th>
<th>UPDATED AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Recruiting, Screening and Training</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent Identification and Selection In-kind</td>
<td>NCWorks</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customized Training</td>
<td>NC Community Colleges</td>
<td>$16,400,000</td>
<td>$16,400,000</td>
</tr>
<tr>
<td>Specialized Training Center</td>
<td>Golden LEAF</td>
<td>$25,000,000</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Apprenticeship Program</td>
<td>NC Community Colleges</td>
<td>N/A</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Japanese Saturday School Start-Up*</td>
<td>State of NC</td>
<td>N/A</td>
<td>$100,000</td>
</tr>
<tr>
<td>Site Preparation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Acquisition</td>
<td>Greensboro-Randolph Megasite Foundation, North Carolina Railroad Company and Randolph County</td>
<td>$25,000,000 - $58,000,000</td>
<td>$48,000,000</td>
</tr>
<tr>
<td>On-Site Preparation*</td>
<td>State of NC via Site Infrastructure Development Fund/Economic Investment Committee</td>
<td>$50,000,000</td>
<td>$76,000,000</td>
</tr>
<tr>
<td>Off-Site Infrastructure Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Water and Sewer Improvements</td>
<td>Golden LEAF, City of Greensboro, NC Department of Commerce</td>
<td>$25,000,000</td>
<td>$37,252,000</td>
</tr>
<tr>
<td>Rail Access Improvement</td>
<td>NC Railroad and Norfolk-Southern</td>
<td>TBD</td>
<td>$18,000,000</td>
</tr>
<tr>
<td>Road Access Improvements</td>
<td>NC DOT</td>
<td>TBD</td>
<td>$78,950,000</td>
</tr>
<tr>
<td>Electricity Infrastructure and ED Rider</td>
<td>Duke Energy</td>
<td>TBD</td>
<td>$53,200,000</td>
</tr>
<tr>
<td>Natural Gas Infrastructure</td>
<td>Piedmont Natural Gas</td>
<td>TBD</td>
<td>$63,200,000</td>
</tr>
<tr>
<td>Cost-Reducing Incentives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Income and Franchise Tax Rate Savings</td>
<td>State of NC</td>
<td>N/A</td>
<td>$565,650,000</td>
</tr>
<tr>
<td>Sales Tax Exemption on Purchases of Machinery &amp; Equipment</td>
<td>State of NC</td>
<td>$54,000,000</td>
<td>$54,000,000</td>
</tr>
<tr>
<td>Sales Tax Exemption on Building Materials*</td>
<td>State of NC</td>
<td>N/A</td>
<td>$27,000,000</td>
</tr>
<tr>
<td>Job Development Investment Grant*</td>
<td>State of NC via Economic Investment Committee</td>
<td>$170,000,000</td>
<td>$215,000,000</td>
</tr>
<tr>
<td>One North Carolina Fund *</td>
<td>State of NC via NC Department of Commerce</td>
<td>$68,000,000 - $86,000,000</td>
<td>$200,000,000</td>
</tr>
<tr>
<td>Property Tax Grant</td>
<td>Randolph County</td>
<td>$100,000,000</td>
<td>$100,000,000</td>
</tr>
<tr>
<td>Supplier/Supply Chain Incentives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply Chain Summits*</td>
<td>State of NC via NC Department of Commerce and EDPNC</td>
<td>N/A</td>
<td>$100,000</td>
</tr>
<tr>
<td>Supply Chain Resource Collaborative Initiative*</td>
<td>NC State University</td>
<td>N/A</td>
<td>$150,000</td>
</tr>
<tr>
<td>Upgrading Skills and Equipment for Existing NC Suppliers*</td>
<td>NC Community Colleges and Golden LEAF</td>
<td>N/A</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>International Marketing to Suppliers*</td>
<td>NC Department of Commerce and EDPNC</td>
<td>N/A</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Existing Programs for Suppliers- suppliers with competitive projects may qualify for existing incentive programs</td>
<td>State of NC via NC Department of Commerce</td>
<td>N/A</td>
<td>TBD (see example)</td>
</tr>
<tr>
<td>Project Management</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Dedicated Project Manager*</td>
<td>State of NC via NC Department of Commerce</td>
<td>N/A</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$586,000,000 -</strong></td>
<td><strong>$1,589,252,000</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$636,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Requires appropriation from or legislative change by the NC General Assembly
<table>
<thead>
<tr>
<th>PROGRAMS</th>
<th>Revised Value 10/13/17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workforce and Training Incentives</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Talent Identification and Selection</strong></td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Screening and Assessment – In-kind services provided by NCWorks for employee screening based on job requirements and specifications developed by the company, ensuring the company only receives referrals who meet the job requirements. <strong>NCWorks</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NC Community Colleges - Customized Training</strong></td>
<td>$16,400,000</td>
</tr>
<tr>
<td>Customized Workforce Training helps attract and retain skilled workforce to new or expanding companies. No other states have more experience assisting companies with this crucial matter than North Carolina. The State of North Carolina pioneered this free, customized job training for new and expanding businesses in 1958, and continues to provide the nation’s most-recognized, cutting edge job training service. This program provides customized education, training, development of instructional materials, and supporting services at no cost to eligible companies. <strong>NC Community College System</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Golden Leaf - Specialized Training Center</strong></td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards training-related assistance. <strong>Golden LEAF Foundation</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Apprenticeship Program</strong></td>
<td>$3,000,000</td>
</tr>
<tr>
<td>ApprenticeshipNC helps workers learn new specialized skills needed in today’s workforce through its apprenticeship programs. Apprentices train for an industry by receiving a combination of classroom instruction and on-the-job training. Participants are paid for their work, and their wages will increase as they progress in the program. <strong>NC Community College System</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Japanese Saturday School Start-up</strong></td>
<td>$100,000</td>
</tr>
<tr>
<td>The North Carolina education cooperative and the North Carolina General Assembly will offer a grant and collaboration to begin a Japanese Saturday School program in North Carolina at a mutually agreeable location between company and state partners. <strong>State of NC</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal of Workforce and Training Incentives:** $46,500,000
### Site Preparation

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Real Estate - Land Conveyance</strong> Cash to Company</td>
<td>$48,000,000</td>
</tr>
<tr>
<td>Site will be conveyed to end user at no cost. <em>North Carolina Railroad, Randolph County and Greensboro Megasite Foundation</em></td>
<td></td>
</tr>
<tr>
<td><strong>Site Infrastructure Development Fund</strong> *</td>
<td>$76,000,000</td>
</tr>
<tr>
<td>Site infrastructure fund is an infrastructure and site readiness fund reserved for the <em>most</em> transformational projects. Funds go toward all site development and readiness expenses. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Site Preparation:</strong></td>
<td>$124,000,000</td>
</tr>
</tbody>
</table>

### Infrastructure Development

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Water and Sewer Improvements (so serve site)</strong></td>
<td>$37,252,000</td>
</tr>
<tr>
<td>Golden LEAF Foundation and the City of Greensboro are committed to the needed water/wastewater improvements at the Greensboro-Randolph Megasite to facilitate the location of Project New World. <em>Golden LEAF, City of Greensboro, NC Commerce</em></td>
<td></td>
</tr>
<tr>
<td><strong>Rail Access and Infrastructure Improvements</strong></td>
<td>$18,000,000</td>
</tr>
<tr>
<td>Norfolk Southern in conjunction with DOT and the North Carolina Railroad Company will provide &quot;on site&quot; rail infrastructure to the client company. <em>Norfolk Southern and North Carolina Railroad Company</em></td>
<td></td>
</tr>
<tr>
<td><strong>Road Access Improvements</strong></td>
<td>$78,950,000</td>
</tr>
<tr>
<td>Funds are available through the NC Department of Transportation (DOT) to construct roads to provide access to new or expanded industrial or manufacturing facilities, including mills, processing facilities and laboratories and other industrial research operations. <em>NC DOT</em></td>
<td></td>
</tr>
<tr>
<td><strong>Electricity Infrastructure (w/ ED Rider)</strong></td>
<td>$53,200,000</td>
</tr>
<tr>
<td>Value encompasses commitment by Duke Energy to move 500kV line to accommodate user on Greensboro-Randolph Megasite, as well as, value for construction of separate 100kV line and the Duke Energy Economic Development fee rider. <em>Duke Energy</em></td>
<td></td>
</tr>
<tr>
<td><strong>Natural Gas Infrastructure</strong></td>
<td>$63,200,000</td>
</tr>
<tr>
<td>Value encompasses commitment by Piedmont Natural Gas to serve the Greensboro-Randolph megasite to include 7 miles of pipeline extension and an additional 6.5 miles of upstream pipeline looping. <em>May include utility fees negotiable between Piedmont Natural Gas and end user.</em></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Infrastructure Development:</strong></td>
<td>$250,602,000</td>
</tr>
</tbody>
</table>

### Cost Reduction Incentives

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Income and Franchise Tax Savings</strong></td>
<td>$565,650,000</td>
</tr>
<tr>
<td>North Carolina’s business climate and tax structure is unmatched in the United States. Combining 2.5% corporate income tax, single sales factor apportionment and one of the lowest franchise taxes in the united states makes for a tax savings advantage that is second to none. <em>See attached illustration</em></td>
<td></td>
</tr>
<tr>
<td><strong>Sales Tax Exemption on M &amp; E</strong></td>
<td>$54,000,000</td>
</tr>
<tr>
<td>Manufacturers, certain recyclers, research and development companies, and eligible datacenters are exempt from sales tax on purchases of machinery and equipment. Estimated value based on projected personal property investment. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td><strong>Sales Tax Exemption on Building Materials</strong></td>
<td>$27,000,000</td>
</tr>
<tr>
<td>Manufacturers, certain recyclers, research and development companies, and eligible datacenters are exempt from sales tax on purchases of machinery and equipment. Estimated value based on projected personal property investment. <em>State of NC</em></td>
<td></td>
</tr>
<tr>
<td>Job Development Investment Grant (JDIG) <strong>Cash to Company</strong></td>
<td>$215,000,000</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>A performance-based, discretionary incentive program that provides cash grants directly to new and expanding businesses to help offset the cost of locating or expanding a business facility in the state. These cash grants for &quot;high yield&quot; projects are disbursed annually, for up to 20 years, and can be used by the company for whatever purpose desired and are not tied to qualified expenses or other such requirements. <strong>State of NC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>One North Carolina Fund * Cash to Company</strong></td>
<td>$200,000,000</td>
</tr>
<tr>
<td>The One North Carolina Fund is a discretionary program that provides direct cash reimbursements to new and expanding high-impact competitive projects that create new jobs. Awards are based on job creation, economic impact of the project, the importance of the project to the state, and quality of industry and environmental impact. <strong>State of NC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Property Tax Grant Cash to Company</strong></td>
<td>$100,000,000</td>
</tr>
<tr>
<td>Local property tax grant based on new jobs and/or capital investment. <strong>Randolph County</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Cost Reduction Incentives:</strong></td>
<td>$1,161,650,000</td>
</tr>
<tr>
<td><strong>Supplier &amp; Supply Chain Incentives</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Supply Chain Summits</strong></td>
<td>$100,000</td>
</tr>
<tr>
<td>Initiative to bring together in-state and out-of-state potential auto suppliers to ensure a robust supply network in North Carolina. <strong>State of NC with NC Commerce and EDPNC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Supply Chain Resource Collaborative Initiative</strong></td>
<td>$150,000</td>
</tr>
<tr>
<td>Initiative with NC State University experts to focus on executable recommendations to provide solutions to real-world supply chain problems to improve supply chain performance, resulting in quantitative or qualitative returns. <strong>NC State University</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Upgrading Skills and Equipment for existing NC Suppliers</strong></td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Funding to NC Community Colleges to support customized training and training equipment to ensure North Carolina’s existing supplier network is on the cutting edge of industry needs. <strong>NC Community Colleges and Golden LEAF Foundation</strong></td>
<td></td>
</tr>
<tr>
<td><strong>International Marketing to Suppliers</strong></td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Initiative to make potential automotive suppliers aware of advantages of North Carolina location to serve Project New World and collaborative supply network in North Carolina. <strong>NC Commerce and EDPNC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Supplier and Supply Chain Incentives:</strong></td>
<td>$6,250,000</td>
</tr>
<tr>
<td><strong>Project Management</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Dedicated Project Management</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td>NC Department of Commerce is committed to providing the companies a dedicated point of contact whose singular focus is to serve their needs. <strong>State of NC with NC Commerce</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Project Management Incentives:</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Total Value:</strong></td>
<td>$1,589,252,000</td>
</tr>
</tbody>
</table>

*Will require legislative approval*
## Corporate Income and Franchise Tax Savings

### General Assumptions

<table>
<thead>
<tr>
<th></th>
<th>All States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable Income</td>
<td>1,000,000,000</td>
</tr>
<tr>
<td>Net Worth</td>
<td>10,000,000,000</td>
</tr>
<tr>
<td>Property Factor</td>
<td>90%</td>
</tr>
<tr>
<td>Payroll Factor</td>
<td>90%</td>
</tr>
<tr>
<td>Sales Factor</td>
<td>2%</td>
</tr>
</tbody>
</table>

### Tax Structure

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>Alabama</th>
<th>Arkansas</th>
<th>South Carolina</th>
<th>Tennessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Income Tax Rate</td>
<td>2.50%</td>
<td>6.50%</td>
<td>6.50%</td>
<td>5.00%</td>
<td>6.50%</td>
</tr>
<tr>
<td>Apportionment Formula</td>
<td>Sales Factor only</td>
<td>Three factor with double weighted sales</td>
<td>Three factor with double weighted sales</td>
<td>Sales Factor only</td>
<td>Three factor with triple weighted sales</td>
</tr>
<tr>
<td>Franchise Tax or License Fee</td>
<td>0.15%</td>
<td>0.175%</td>
<td>0.30%</td>
<td>0.10%</td>
<td>0.25%</td>
</tr>
</tbody>
</table>

### Apportionment Calculations

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>Alabama</th>
<th>Arkansas</th>
<th>South Carolina</th>
<th>Tennessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Sales</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Property</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>Payroll</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>Sum</td>
<td>2.0%</td>
<td>184.0%</td>
<td>184.0%</td>
<td>2.0%</td>
<td>186.0%</td>
</tr>
<tr>
<td>Divided by (number of factors)</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Apportionment</td>
<td>2.0%</td>
<td>46.0%</td>
<td>46.0%</td>
<td>2.0%</td>
<td>37.2%</td>
</tr>
</tbody>
</table>

### Tax Liability Calculations

#### Income Tax

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>Alabama</th>
<th>Arkansas</th>
<th>South Carolina</th>
<th>Tennessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable Income</td>
<td>1,000,000,000</td>
<td>1,000,000,000</td>
<td>1,000,000,000</td>
<td>1,000,000,000</td>
<td>1,000,000,000</td>
</tr>
<tr>
<td>Apportionment</td>
<td>2%</td>
<td>46%</td>
<td>46%</td>
<td>2%</td>
<td>37%</td>
</tr>
<tr>
<td>Taxable Income Apportioned to State</td>
<td>20,000,000</td>
<td>460,000,000</td>
<td>460,000,000</td>
<td>20,000,000</td>
<td>372,000,000</td>
</tr>
<tr>
<td>Annual Corporate Income Tax Liability</td>
<td>500,000</td>
<td>29,900,000</td>
<td>29,900,000</td>
<td>1,000,000</td>
<td>24,180,000</td>
</tr>
<tr>
<td>20-year Corporate Income Tax Liability</td>
<td>10,000,000</td>
<td>598,000,000</td>
<td>598,000,000</td>
<td>20,000,000</td>
<td>483,600,000</td>
</tr>
</tbody>
</table>

#### Franchise Tax/License Fee

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>Alabama</th>
<th>Arkansas</th>
<th>South Carolina</th>
<th>Tennessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Worth</td>
<td>10,000,000,000</td>
<td>10,000,000,000</td>
<td>10,000,000,000</td>
<td>10,000,000,000</td>
<td>10,000,000,000</td>
</tr>
<tr>
<td>Apportionment</td>
<td>2%</td>
<td>46%</td>
<td>46%</td>
<td>2%</td>
<td>37%</td>
</tr>
<tr>
<td>Net Worth Apportioned to State</td>
<td>200,000,000</td>
<td>4,600,000,000</td>
<td>4,600,000,000</td>
<td>200,000,000</td>
<td>3,720,000,000</td>
</tr>
<tr>
<td>Annual Franchise Tax or License Fee</td>
<td>300,000</td>
<td>8,050,000</td>
<td>13,800,000</td>
<td>200,000</td>
<td>9,300,000</td>
</tr>
<tr>
<td>20-year Franchise/License Fee Liability</td>
<td>6,000,000</td>
<td>161,000,000</td>
<td>276,000,000</td>
<td>4,000,000</td>
<td>186,000,000</td>
</tr>
</tbody>
</table>

#### TOTAL

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>Alabama</th>
<th>Arkansas</th>
<th>South Carolina</th>
<th>Tennessee</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-year Income and Franchise Liability</td>
<td>16,000,000</td>
<td>759,000,000</td>
<td>874,000,000</td>
<td>24,000,000</td>
<td>669,600,000</td>
</tr>
<tr>
<td>Average 20-year Income and Franchise</td>
<td>16,000,000</td>
<td>581,650,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Corporate Income and Franchise Tax Savings

| North Carolina | $ 565,650,000 |
Project New World
North Carolina
Supplemental Data and Cost Estimates
North Carolina
Sample Auto-Supplier
Project Incentives

Assumptions
Jobs: 300
Capital Investment: $100,000,000
Average wage: $48,000

Baseline Incentive Offering:

<table>
<thead>
<tr>
<th>Incentive</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC Job Development Investment Grant</td>
<td>$1,500,000 - $3,000,000</td>
</tr>
<tr>
<td>Workforce and Training</td>
<td>$540,000</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Local Property Tax Grant</td>
<td>$1,500,000 - $2,000,000</td>
</tr>
<tr>
<td>Sales Tax Exemption on M &amp; E</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,540,000 - $10,540,000</strong></td>
</tr>
</tbody>
</table>

North Carolina strongly supports the attraction and growth of our auto-supplier industry cluster. The above project sampling is to illustrate the baseline incentive offerings available to auto-suppliers who locate in North Carolina with or as a result of an OEM location in-state.

*Each project is taken on an individual case by case basis.*
October 6, 2017

Mr. Evan Stone
Business Recruitment Manager
Economic Development Partnership of North Carolina
15000 Weston Parkway
Cary, NC 27513

Re: Project New World

Dear Mr. Stone,

Project New World represents the economic opportunity envisioned for North Carolina when Randolph County, the Greensboro-Randolph Megasite Foundation and the North Carolina Railroad Company partnered to assemble and acquire the properties which now form the Greensboro-Randolph Megasite. It is with great enthusiasm that we seek to partner with state and local members of the North Carolina team as part of your efforts to competitively position our State as Project New World continues to evaluate sites for a large-scale, advanced manufacturing operation.

Given Project New World’s projected job creation and investment parameters, the owners of the Greensboro-Randolph Megasite, as provided in the Greensboro-Randolph Megasite Project Agreement, commit to convey the site, free and clear, to the client at no cost. This property represents a value in excess of $48,000,000 to the client. Our commitment is contingent upon the Project selecting the Greensboro-Randolph Megasite for its new proposed operation and assumes the company will:

- Create 4,000 permanent, full-time jobs at the site within five years of a public site location announcement;
- Make a private capital investment of at least $1,600,000,000 within five years of a public site location announcement; and
- Demonstrate the financial capacity to execute the plans proposed under Project New World.

We understand a project of this magnitude would economically transform the regional economy and position North Carolina for continued growth. Thank you again for the opportunity to respond. We welcome any further discussion and look forward to working with the North Carolina team and Project New World as plans progress.

Sincerely,

David L. Allen
Chair
Randolph County Board of Commissioners

E.S. Melvin
President
Greensboro-Randolph Megasite Foundation, Inc.

Scott M. Saylor
President
North Carolina Railroad Company

www.greensboro-randolphmegasite.com
<table>
<thead>
<tr>
<th>Improvement</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interchange B2</td>
<td>$18,500,000.00</td>
</tr>
<tr>
<td>Includes ramps/loop, access to site</td>
<td>$16,500,000.00</td>
</tr>
<tr>
<td>R/W Utilities</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Interchange D1</td>
<td>$23,000,000.00</td>
</tr>
<tr>
<td>Includes ramps, access to site,</td>
<td></td>
</tr>
<tr>
<td>access to Ramseur Julian Rd</td>
<td>$21,000,000.00</td>
</tr>
<tr>
<td>R/W Utilities</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Shiloh/Deviney Grade Separation</td>
<td>$2,500,000.00</td>
</tr>
<tr>
<td>includes R/W Utilities</td>
<td></td>
</tr>
<tr>
<td>Julian Airport Rd</td>
<td>$6,000,000.00</td>
</tr>
<tr>
<td>includes culdesac, realignment</td>
<td></td>
</tr>
<tr>
<td>minor widening/strengthening</td>
<td></td>
</tr>
<tr>
<td>grade separation, r/w utilities</td>
<td></td>
</tr>
<tr>
<td>Troy Smith/Starmount</td>
<td>$3,500,000.00</td>
</tr>
<tr>
<td>includes minor widening/strengthening</td>
<td></td>
</tr>
<tr>
<td>relocation, culdesac, r/w utilities</td>
<td></td>
</tr>
<tr>
<td>Old US 421</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>minor widening/strengthening</td>
<td></td>
</tr>
<tr>
<td>US 421</td>
<td>$3,450,000.00</td>
</tr>
<tr>
<td>resurfacing between NC 62 and Old Liberty</td>
<td></td>
</tr>
<tr>
<td>6 miles</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>$59,950,000.00</td>
</tr>
<tr>
<td>Complete Environmental/Design</td>
<td>$10,000,000.00</td>
</tr>
<tr>
<td>CEI</td>
<td>$9,000,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>$78,950,000.00</td>
</tr>
</tbody>
</table>
Greensboro – Randolph Mega Site
Water / Wastewater Cost Estimate

Water Availability / Service
- Projected construction cost for water service is $20M
- Projected construction cost for sewer service is $11.8M

Design / Permitting
- Design / Permitting Fee of $2.452M
  - Environmental Assessment / Permitting - $398,000
  - Design - $1,167,000
  - Survey - $549,000
  - Geotechnical - $133,000
  - Project Contingency - $50,000
  - Strategic Communications - $155,000 (separate contract)

Property/Easements
- Budget $2.0M

Construction Administration/Bidding Services
- $1.0M

Total Cost
- $37.252M

<table>
<thead>
<tr>
<th>Greensboro Randolph MegaSite Water and Sewer</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected construction cost for water service</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Projected construction cost for sewer service</td>
<td>$11,800,000</td>
</tr>
<tr>
<td>Design and Permitting</td>
<td>$2,452,000</td>
</tr>
<tr>
<td>Property Easements</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Construction Administration/Bidding Services</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$37,252,000</strong></td>
</tr>
</tbody>
</table>
Evan/Garrett

The rail estimate has been updated to 18M. This is based upon a full buildout of the Blue Springs layout that we provided in the last meeting. This would generally support productions of approx. 300K vehicles which as I recall is where they want to ultimately be with this facility. Please note that this could change to some degree once the actually facility layout is provided. This estimate does not include any grading, drainage, or other work that may be required in connection with rail installation. This is for rail infrastructure only.

- Please let me know should you need anything additional. Glad to assist anyway we can!
Troy

Troy Akers
Industrial Development Manager – North Carolina
Norfolk Southern Corporation
(919) 901-7191
From: Spratley, David
To: Fleckwood, Susan
Cc: Stone, Evan; Wyckoff, Garrett
Subject: [External] P. New World - income tax savings in NC for proposal (attached)
Date: Monday, October 09, 2017 5:21:25 PM
Attachments: Tax Credit calculations (10.06.17).pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you verify that the attachment and content are safe. Send all suspicious email as an attachment to report.spam@nc.gov.

This email has been scanned for email related threats and delivered safely by Mimecast.
For more information please visit http://www.mimecast.com
Net Profit (taxable income)

<table>
<thead>
<tr>
<th>Units per year</th>
<th>300,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue per unit</td>
<td>$18,000</td>
</tr>
<tr>
<td>Revenue per year</td>
<td>$5,400,000,000</td>
</tr>
<tr>
<td>Profit margin</td>
<td>6%</td>
</tr>
<tr>
<td>Taxable income</td>
<td>$324,000,000</td>
</tr>
</tbody>
</table>

State apportionment

Sales are assumed to be equal in all 50 states (2% per state)
Property and payroll assumed to be 100%, since this would be the first significant facility of the Toyota/Mazda JV

<table>
<thead>
<tr>
<th>State</th>
<th>Method</th>
<th>Sales</th>
<th>Sales</th>
<th>Property</th>
<th>Payroll</th>
<th>Sum</th>
<th>Apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>Sales only</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204%</td>
<td>divided by 4</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Sales only</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204%</td>
<td>divided by 4</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Sales (2), property, payroll</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204%</td>
<td>divided by 4</td>
</tr>
<tr>
<td>Alabama</td>
<td>Sales (2), property, payroll</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204%</td>
<td>divided by 4</td>
</tr>
</tbody>
</table>

Apportioned taxable income

<table>
<thead>
<tr>
<th>State</th>
<th>Federal taxable inc.</th>
<th>Apportionment</th>
<th>Apportioned taxable inc.</th>
<th>Income tax rate</th>
<th>Annual state income tax</th>
<th>20-year state income tax</th>
<th>50% state tax credits</th>
<th>20-yr. effective income tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>$324,000,000</td>
<td>2%</td>
<td>6,480,000</td>
<td>2.50%</td>
<td>162,000</td>
<td>3,240,000</td>
<td>N/A</td>
<td>3,240,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>$324,000,000</td>
<td>2%</td>
<td>6,480,000</td>
<td>5.00%</td>
<td>324,000</td>
<td>6,480,000</td>
<td>3,240,000</td>
<td>3,240,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>$324,000,000</td>
<td>51%</td>
<td>165,240,000</td>
<td>6.50%</td>
<td>10,740,600</td>
<td>214,812,000</td>
<td>107,406,000</td>
<td>107,406,000</td>
</tr>
<tr>
<td>Alabama</td>
<td>$324,000,000</td>
<td>51%</td>
<td>165,240,000</td>
<td>6.50%</td>
<td>10,740,600</td>
<td>214,812,000</td>
<td>107,406,000</td>
<td>107,406,000</td>
</tr>
</tbody>
</table>

Favorable income tax structure in NC

It is assumed that the company will generate sufficient tax credits to offset 50% of its state income tax liability in all states but NC, which does not offer tax credits. After applying those credits, the company’s effective tax liability will be $3,240,000 in NC and SC and $107,406,000 in Arkansas and Alabama - all over 20 years. Therefore, the value of NC’s favorable income tax structure is equal to:

Relative to SC - The full value of tax credits proposed by SC.
Relative to AL and AR - The full value of tax credits proposed plus $104.2 million ($107.4M liability in AL/AR less $3.2M liability in NC).

We do not know the amount of tax credits proposed by the other states and do not know how to accurately calculate them. So, we are proposing to use $211.6 million, which represents our tax advantage relative to AL and AR ($104.2M) plus the amount of credits necessary to offset 50% of the full liability in those states ($107.4M).
Susan,

Please see the attached in reference to the P. New World incentives proposal. These are fairly conservative assumptions on our part but should provide a good foundation for our initial response.

Also, I am still waiting on some of the costs associated with the Liberty Site (cost per acre, site prep, etc.) and as soon as I receive those I will forward on. I have received those details from both the CAM and Moncure sites already.

Thanks,
Garrett

Garrett Wyckoff  
Senior Manager, Business Recruitment  
Economic Development Partnership of North Carolina  
O 919.447.7743 M 919.703.5374  
garrett.wyckoff@edpnc.com  
edpnc.com  
Twitter  Facebook  LinkedIn

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**EMPLOYMENT PROFILE**

Company/Project Name: Toyota Motor Corporation/Mazda Motor Corporation (P. NEW)  
Date: 09/0517

**Note:** It is extremely important that the wage estimates provided below include cash payments only (NO BENEFITS). To ensure this, a representative of the company must make the following certification prior to submitting this form:

- [ ] By checking this box, I certify that the wage estimates in column H below reflect cash payments only (wages, salaries, bonuses, and commissions - where applicable) and DO NOT include non-cash benefits.

<table>
<thead>
<tr>
<th>Name of company representative making this certification</th>
<th>Title</th>
</tr>
</thead>
</table>

**JOBS**

<table>
<thead>
<tr>
<th>New Full-Time Project Related Jobs</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide the number of permanent full-time positions expected to be created at the project location in the time period specified.</td>
<td></td>
</tr>
<tr>
<td>Do not include part-time, temporary, contract, or leased jobs; positions that will be transferred from locations within NC; or positions that will be hired prior to 1/2020.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Jobs Created Between</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/2020 &amp; 12/31/2020</td>
<td>1,600</td>
<td>800</td>
<td>800</td>
<td>400</td>
<td>400</td>
<td>4,000</td>
</tr>
<tr>
<td>2021</td>
<td>800</td>
<td>800</td>
<td>400</td>
<td>400</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>2,400</td>
<td>3,200</td>
<td>3,600</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,000</td>
<td>4,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**WAGES**

<table>
<thead>
<tr>
<th>Average Wage of New Full-Time Project Related Jobs NOT including Benefits (Provide the first year average annual wage for the classification)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td></td>
</tr>
</tbody>
</table>

**Employees of the Company**

<table>
<thead>
<tr>
<th>All Employees</th>
</tr>
</thead>
</table>

**Employees of the Related Member**

<table>
<thead>
<tr>
<th>Total for Grantee - By Year</th>
<th>4,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total for Grantee - Running Total</td>
<td>4,000</td>
</tr>
</tbody>
</table>

| Total for Related Member - By Year | 4,000 |
| Total Related Member - Running Total | 4,000 |

**TOTAL JOBS - BY YEAR**

| Total JOBS - Running Total | 4,000 |

**AVG WAGES**

<table>
<thead>
<tr>
<th>Average Wage of All Jobs - By Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
</tbody>
</table>

**Ave. Wage of All Jobs - Running Total**

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
</tbody>
</table>

*The total number of positions created (4000) includes 0 current employees of the Grantee that will be transferred to the project location from a facility located outside of NC. 4,000 jobs will be hired in North Carolina.*
Just received – have not yet digested.

Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
O 919.447.7786  M 919.275.2322  
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From: O'Connor, Meredith [mailto:Meredith.OConnor@am.jll.com]  
Sent: Thursday, October 5, 2017 6:28 PM  
To: Chung, Christopher <christopher.chung@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>  
Cc: Ragsdale, Trevor <Trevor.Ragsdale@am.jll.com>; Bjorson, Kris <Kris.Bjorson@am.jll.com>; Sahgal, Vineet <vineet.sahgal@am.jll.com>; Beaudoin, Christian <Christian.Beaudoin@am.jll.com>; Marsh, Paul <Paul.Marsh@am.jll.com>; Gilkes, Kenneth <Kenneth.Gilkes@am.jll.com>  
Subject: FW: Project New World RFP

Team NC:

Attached please find the attached RFP for Project New World. Please let us know if you have any questions. We truly appreciate your continued support.

All the best,  
The JLL Team

Meredith L. O'Connor
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Request for Proposal

Project New World

Round Two: Business and Economic Incentives Award
October 5, 2017

CONFIDENTIAL & PROPRIETARY
Congratulations! Your state remains a potential candidate location for a major manufacturing project called Project New World.

The identity and description of Project New World has been disclosed and is more fully described in the following Toyota news release issued from Tokyo on August 4, 2017 which reads in part:

"Toyota and Mazda have agreed to explore establishing a joint venture plant in the U.S. with equal funding contributions. The plant would have an estimated annual production capacity of approximately 300,000 units. Pending approvals and authorization by relevant government agencies, the companies will begin to examine detailed plans with the goal to starting operations of the new plant in 2021. The plant will require a total investment of approximately 1.6 billion U.S. dollars, and will create up to 4,000 jobs."

http://corporatenews.pressroom.toyota.com/releases/toyota+mazda+enter+business+capital+alliance.htm

Our client, hereafter “Project New World” and Jones Lang LaSalle Americas, Inc. (“JLL”) are pleased to include you in the Second Round of our Request for Proposal (“RFP”) process for Project New World. We recognize and appreciate the team effort that is involved in preparing an RFP response of this scope. **By acceptance of this RFP, you agree to keep the existence of the RFP and all information and material associated therewith confidential.** Any non-disclosure agreements previously agreed remain in effect and shall continue to govern this Second Round of the RFP process.

The next step will be for your team to fully answer this RFP. Based on these responses, Project New World will complete an internal review of information submitted to narrow the candidate locations for future consideration. See the below Project Facts descriptions to assist your response.

**Your RFP response must be provided electronically and the response topics and questions herein are to be answered and submitted to JLL in a MS Word document format and the provided MS Word or MS Excel format for the Site Information Request.** Any supporting documents, i.e. maps, graphs or pictures may be submitted electronically in Adobe PDF format.

It is important to reiterate the requirement for confidentiality of this RFP and that all communications between and among your project team members and representatives of the proposed site, JLL and Project New World.
World are deemed proprietary and not part of any public domain; notwithstanding any disclosures required or subject to applicable laws.
PROPOSAL REQUIREMENTS

Please submit an electronic version of the responses to the email addresses listed below on or before the close of business (5:00 PM CST) on Friday, October 13, 2017. If you have any questions, please contact Meredith O’Connor at (312) 523-8737, Kenneth Gilkes at (312) 216-9532 or Vineet Sahgal at (312) 228-2501.

Meredith.oconnor@am.jll.com
Kenneth.Gilkes@am.jll.com
Vineet.Sahgal@am.jll.com

PROJECT FACTS TO ASSIST YOUR RESPONSE
A. SITE CRITERIA AND OPERATIONAL DESCRIPTION

Definition of Project New World: We are seeking a geographic area with greater than a 330,000 person workforce within a 60-mile radius to employ more than 4,000 people located on a minimum of 1,500 to 2,000 acres, including a 1,000 acre Development Pad (as defined below as a 5,880' x 7,400' rectangular shape), served by a minimum of one Class I railroad in close proximity to a major interstate. Project timing is being finalized but production capability could be required within 18-36 months. Anticipated investment is approximately $1.6B and production capacity could exceed approximately 300,000 automobiles per year. Successful bidder will need to meet the schedule of turning over the Development Pad by October 1, 2018 with no encumbrances. On July 1, 2018, Project New World will begin to start the transition to mobilize their team on the Development Pad. Road and rail improvements shall be completed by July 1, 2020.

Additional search criteria could include consideration of the following:

1. **Speed to Market** – At this time, we will only consider industrial sites under single ownership (or written-executed options for single ownership) with appropriate zoning for heavy manufacturing, on-site rail (or written easements and funding for on-site rail), planned road infrastructure improvements, attainment zone for any pollutant, comprehensive due diligence reports, etc. or any complication/issues (environmental, wetlands, archeological, etc.) which can be resolved before closing or dates outlined herein.

2. **Big Fish in Medium Pond** – Project New World will target a labor force density (not population) of 330,000 workers within a 60 mile radius with greater than 10% of the total manufacturing work force employed in metal fabrication.

3. **Transportation** – Project New World will require one Class I rail line (preferably two Class I rail lines), on-site to be located within 50 miles of a terminal, switch or intermodal yard. The project will seek to locate less than 5 miles from an interstate or 4-lane highway. Transportation or railroad infrastructure costs access to the site and on site rail loading and storage yard will require the following:
   
   a. If the rail line is not immediately adjacent to a border of the site, requiring an access track to be built from the rail line to the site, the access track must be provided as part of the incentive package and not funded by Class I Railroad
   
   b. The project will seek to locate less than 5 miles from an interstate or 4-lane highway: Site access should provide separate access for team members and truck traffic
   
   c. Production Engineering has requested 2 separate access points to the site (one for team members and one for truck access)
i. Intersection into the property should have the proper deceleration turn lanes into the property

ii. The appropriate traffic signals at the intersections into the property

4. **Limited Competition and Wage Pressure** – Project New World will seek to avoid adjacency or close proximity to any competitive manufacturing employer (steel, auto, truck, rail, aerospace, etc.) with greater than 500 jobs.

5. **Site and Environmental Requirements** – For the construction of two, 2 million square foot buildings with approximately 4,000 employees, Project New World will require:
   a. Site will have two separate and distinct access points (roads) - one for team member traffic and one for truck traffic. Each with a minimum of two lanes in and two lanes out
   b. All utilities shall be brought to the Development Pad by January 1, 2020
   c. Secondary power supply shall be available and constructed by July 1, 2021
   d. Renewable Energy Net Metering without a subscriber limit, indefinite monthly roll over, and owner compensation at the retail rate
   e. Development Pad of 1,000 acres (5,880’x7,400’) shall be constructed per the attached Earthwork Specifications with the following parameters:
      i. Development Pad shall be constructed of granular material compacted to 98% of Modified Proctor
      ii. Development Pad shall be within 0.25% slope of being level, in all directions
      iii. Surveying and soils monitoring shall be subject to third party monitoring during construction
      iv. Stockpiled soils shall be segregated as to type and protected from erosion
      v. Complete wetlands mitigation and archeological clearance
      vi. Development Pad turnover date of October 1, 2018
   f. Traffic Impact Study including opening day (2021) and 20-year traffic addressing perimeter road network (4 million square feet, 4000 people)
   g. Development agreement and rezoning confirmation
      i. Motion submitted
      ii. No residential zoning within one mile of site boundary (prefer 1.5 miles)
   h. Progress schedule update
   i. Confirmation of construction schedule
   j. Phase 1 and Phase 2 completed for all parcels
   k. Complete ALTA for all parcels (including easements)
   l. Land trading investigation results (including multiple rounds of water level readings)
   m. Updated road and utility improvement plan sets, including schedule for issuance of 100% plan sets if not complete, with improvements to be completed by July 1, 2020
   n. Reference attached Earthwork Specifications to be state DOT or Project New World specifications, whichever is more stringent
o. Supply current building and engineering specifications that will be utilized during review—provide confirmation of all reviewing offices on state, county and local level
p. Water quality – if not previously submitted, provide water quality data for evaluation
q. Wastewater quality and quantity (see attached recommend wastewater permit levels)
r. Final signed options on all necessary parcels for up to 1,500 to 2,000 acres
s. Confirmation of motion submitted for appropriate rezoning (if applicable)
t. Provide recommended shovel test results for archeological study (if applicable)
u. Confirmation that appropriate quantity of inspection personnel available throughout project duration
v. Provide all documents available via public records
w. Provide specific construction items to be aware of (i.e.: dust control, noise ordinance, etc.)

6. **Operational Description Sample Values:**

<table>
<thead>
<tr>
<th>Project New World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Investment</td>
</tr>
<tr>
<td>Annual Raw Material Inventory Value</td>
</tr>
<tr>
<td>Annual Finished Goods Value</td>
</tr>
<tr>
<td>Average Work in Progress Value</td>
</tr>
<tr>
<td>Annual Total Inventory Value</td>
</tr>
<tr>
<td>Approximate Team Member Count</td>
</tr>
<tr>
<td>Approximate Annual Payroll</td>
</tr>
<tr>
<td>Approximate Training Cost</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project New World Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Job Count</td>
</tr>
<tr>
<td>Approximate Investment</td>
</tr>
</tbody>
</table>

**B. COST SAVINGS OBJECTIVES**

Economic and financial benefits are a key consideration when companies consider expansions or relocations and will be reviewed carefully for Project New World.
The depreciation from the capital investment as well as the expenses of additional training and the move will impact the Project New World profit and loss statement at the same time these assets will operate at their lowest efficiency.

Economic benefits that help offset these costs are a major factor for companies like Project New World who need to both grow their business and reinvest in new technologies to maintain their competitive position.

As part of your response, and particularly with regard to Section 3 Transportation and Section 5 Site and Environmental Requirements described in the Site Criteria and Operational Description above, please update and specifically describe any offer to be made to assist achieving the requirements in those sections referencing the requirements described therein and the attachments hereto.

ECONOMIC INCENTIVES AWARD REQUEST

ECONOMIC INCENTIVES OVERVIEW—ROUND TWO RESPONSE
Please provide a summary of total incentives offered for Project New World by the state, county and local community. This summary should include: (a) restating the initial award amount offered in Round One; (2) updating the offer related to those initial Round One award amounts for the Round Two response; and (3) describing any additional programs and the value thereof offered in addition to those previously offered as part of the Round Two response.

For each program identified, please respond with the following completed information:

- Description of the incentive
- Granting/administering authority
- Eligibility requirements (including average wage requirements)
- Method of calculating value as well as estimated calculation of incentive amount
- Total value of entire incentives award with benefit time period
- Timing of the payment or realization of the incentive
- Tax credits: Refundable, transferable, carry forward for a period of time?
- Eligibility requirements for each incentive item
- Describe applicable claw back provisions for each incentive program
- Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)
- Approval requirements and process timing:
  - If Project New World will require special legislation, please include timing and process to achieve this incentive
  - If any incentives are not guaranteed, please provide further details with percentage of certainty

In the next round of this process, please provide a cash flow analysis for each site illustrating the value of the Round Two incentive offer to Project New World which will include consideration of all factors related to viability of the project location including valuation of the Round Two incentive offer related to the following:

1. Infrastructure costs where improvements or additions are required
2. 20-year tax impact including corporate income/franchise, sales, property and employment taxes
3. Utility costs
4. Cost savings opportunities and incentives
In order to accurately evaluate the site(s) in your state/region, we reiterate key factors that should be considered as you prepare your Round Two RFP response.

**TAXES AND PROPOSED LEGISLATION**

**I—TAXES AND PROPOSED LEGISLATION**

Please outline and detail the following—please specify where the information relates specifically to the applicable project site submitted to Project New World:

- Any applicable taxes and corresponding rates, including local gross receipts tax or payroll taxes, if applicable, that may impact Project New World

- Describe any proposed legislation that may have a positive impact on the business community which may impact Project New World. For example, lower tax rates, relaxed regulatory environment, tort reform, new economic development incentives, etc.

**WORKFORCE RELATED PROGRAMS**

**I-- WORKFORCE RELATED PROGRAMS**

As noted above, Project New World will require significant workforce related development investments in order to source, screen, train and employ the 4000 person workforce that will eventually become Project New
World team members. As part of this effort, Project New World has identified requirements to inform the
state in the context of developing its assistance award:

a. On-site training facility (estimated minimum development cost $20M)
b. Training, pre-screening of applicants and training cost (estimated minimum program
cost of $140 M; $60M university and community college screening, $80M in-house
training costs)
   • Focused toward training of production, oversight and managerial team
     members.
   • Additional assistance required from state/local government including but not
     limited to: (a) creation of advertising brochures; (b) development and
     utilization of state employment websites for sourcing and screening Project
     New World team members and supplier employees; (c) Joint development of
     employment metrics for sourcing, screening and training team members; (d)
     Development of remedial skills programs to elevate prospective team
     members; (e) Support for Project New World vendor partners to assist in on-
     boarding team members; and (f) Ensuring availability of pre-screening facilities
     on a continuous day/night basis.

c. Travel reimbursement during start-up phase (estimated cost TBD)
d. Temporary Office Space (estimated minimum cost $1.5M)
e. Japanese/Saturday School to Support Executive Relocation (estimated minimum cost
   $1.5M)

Cost Savings

1. COST SAVINGS
The proposed location for Project New World represents a key effort related to strategic planning focused on continued future growth and maintenance of the financial strength of the companies associated with Project New World. At the same time, it is imperative to choose a conservative cost effective option for its ongoing operations and explore all cost savings opportunities. Please describe the cost savings programs available for Project New World utilizing all data available in this RFP, including specific reference to data supplied under the Operational Description above as well as any Graphs or Charts illustrating the exact calculation of cost savings associated with each item.

Programs to consider as part of this RFP response include:

- Grants
- Any programs pertaining to attracting, retaining and reducing the costs associated with a large, heavy manufacturing plant
- Tax programs – Corporate income, franchise tax, property tax, local gross receipts tax, etc. (Abatements, Reductions, Exemptions, Credits)
- Forgivable Loans
- Recruitment & Training
- Programs or partnerships with education institutions in the area
- Infrastructure and Utilities
- Transportation and rail infrastructure
- Special zones, such as Enterprise Zones, etc.
- Other (Permitting fee waivers, expedited permit, etc.)
- Sponsorships, naming rights or other marketing opportunities
- Hangar space for company aircraft
- Low or no interest financing or areas within your community that are eligible for programs such as New Markets Tax Credits
- Ensuring the proximity of adequate emergency services (i.e. fire services, ambulatory services, police services) with response times of not less than 5 minutes including potential establishment of these services onsite, such as an onsite fire station and purchase of emergency equipment such as ambulance and fire equipment.
- Other creative or customized cost saving strategies or additional items and intangible considerations that may be available in your community that are not enumerated in this RFP as part of the RFP response that Project New World should include in its analysis
a. Non-resident student tuition waivers
b. Spousal Employment Assistance
c. Pre-Employment Training
d. Customized Training Programs
e. First Time Supervisor Employment Training

OTHER CREATIVE METHODS
Discuss any other ideas your team may have to offset upfront capital costs, expenses, and ongoing operating expenses.
Susan,

Would you please take a look at the below. While HB 332 was never passed – the Senate Bill (673) was ratified and signed into law on 2016. I have attached the PNG letter as well as the law that was passed re: S673. Happy to discuss, let me know how we should proceed on this. I guess the real question is: how does PNG utilize funding as prescribed in S673 etc. etc.

David Ramsey of Greensboro has outlined the issue below in succinct bullets.

Dear Evan,

I appreciate your time yesterday regarding the capital improvement cost to run NG infrastructure to GRMS. See below as a recap:

PNG estimates that the capital improvement cost to run the 12" line to GRMS will be $63
million (document attached)

The user will not pay an upfront fee to recapture PNG’s cost. Instead, the capital improvement cost will be built into the customer’s rate over a period of ten years. The rate, of course, is not fixed and is subject to commodity/futures contract pricing (typical).

According to PNG, we estimate the yearly premium to be $4-5 million—over a period of ten years.
- This could place GRMS at a serious disadvantage subject to competing states
- This rate assumes allocation of HB 332 to this project. HB 332 allows an incentive up to $25 mm for utility infrastructure, specifically natural gas.

I think we need to be ready for JLL to expect a more competitive natural gas rate on behalf of their client. This can be achieved a number of ways via incentives or modification of existing utility infrastructure legislation (HB 332). Please discuss with your team and NC Commerce as appropriate. Please contact Brent or me with any questions.

Thanks
David

David Ramsey
Executive Vice President, Economic Development
Greensboro Chamber of Commerce
111 W. February One Place | Greensboro, NC 27401
Office: +1 (336) 387-8310
Mobile: +1 (336) 701-3052

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October 27, 2017

Mr. David Ramsey  
Executive Vice President, Economic Development  
Greensboro Chamber of Commerce  
111 W. February One Place  
Greensboro, NC 27401

Dear Mr. Ramsey:

Please find the attached Confidential Commercial Term Sheet ("Term Sheet") dated October 26, 2017 which has been revised to include additional requested information regarding Project New World and the related assumptions used in our analysis.

In addition to the estimated transportation rate and other information contained within the Term Sheet, Project New World has requested an estimated price per cubic foot of natural gas for the commodity portion of their potential natural gas expenses.

Natural gas is priced in dekatherms instead of cubic feet since the BTU content of a given cubic foot of natural gas can fluctuate based on individual constituents. Notwithstanding these heat content fluctuations, one cubic foot of natural gas is approximately equal to 1000 BTUs and one dekatherm of natural gas is approximately equal to 1000 cubic feet. By utilizing dekatherms, end users are effectively charged for actual heat content instead of volume.

The NYMEX Henry Hub pricing futures, which can be found on several websites, are given in dollars per million BTU which is equivalent to dollars per dekatherm. Based upon the information contained today in the website listed below, an average of the "last" (settle) prices from May, 2020 through April, 2021 is approximately $2.858 per dekatherm.

http://quotes.ino.com/exchanges/contracts.html?r=NYMEX_NG

A "basis" would also be paid to a third party agent (marketer) which would consist of the dollars that make up the difference between the pricing at the Henry Hub (in Louisiana) and Piedmont’s city gate in North Carolina. Our best "educated guess" on a basis for a steady, year-round processing natural gas load would be about $0.40 per dekatherm so, based on the current market, and relying on the accuracy of the information contained in the website above, Project New World may experience pricing around the $3.25 per dekatherm range for the commodity portion
of their potential natural gas expenses. Please note that Piedmont cannot provide any definitive answers or predictions regarding future commodity or basis pricing. This is strictly a high level indicative estimate for future delivery based on current wholesale market conditions which are always subject to change.

We are hopeful that the Atlantic Coast Pipeline project and the ever expanding shale gas plays in the Marcellus and Utica regions will continue to put downward pressure on prices and contribute to enhanced commodity price stabilization in the future.

Again, we are very excited about this project and look forward to further conversations. Please feel free to contact me if you have any questions.

Sincerely,

[Signature]

Jason K. Briggs
Manager - Major Account Services
PIEDMONT NATURAL GAS

Cc: Ron Mays, Director - Major Account Services
    Todd McDade, Major Account Services Representative

Attachment: [Redacted]
Attached

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

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From: "Parrish, David" <David.Parrish@greensboro-nc.gov>
Date: October 6, 2017 at 8:05:05 AM EDT
To: "Stone, Evan" <evan.stone@edpnc.com>
Cc: "garrett.wyckoff@edpnc.com" <garrett.wyckoff@edpnc.com>, David Ramsey <DRamsey@greensboro.org>, "Drew, Steve" <Steve.Drew@greensboro-nc.gov>, "Spillman, Virginia" <Claudia.Spillman@greensboro-nc.gov>
Subject: RE: Project New World: Incentive Deliverable / DUE: Friday 10/6 10am

Evan and Garrett,

Attached please find the City of Greensboro summary of costs. Let us know if you have any questions.
David

David Parrish, Assistant City Manager
Office of the City Manager
City of Greensboro
Phone: (336) 373-2002
PO Box 3136
Greensboro, NC 27402-3136
www.greensboro-nc.gov

Facebook
Twitter
YouTube

From: Stone, Evan [mailto:evan.stone@edpnc.com]
Sent: Wednesday, October 04, 2017 10:57 AM
To: Brent Christensen <BChristensen@greensboro.org>; David Ramsey <Dramsey@greensboro.org>; Parrish, David <David.Parrish@greensboro-nc.gov>; Wendee Smith <wssmith@sepiengineering.com>; Gelb, John C <John.Gelb@duke-energy.com>; Barbara West <BWest@greensboro.org>; Jones, Brandon H <bphines@ncdot.gov>; Richard Wiley <riley@ncrr.com>; Kevin Franklin <kfranklin@rcedc.com>; Drew, Steve <Steve.Drew@greensboro-nc.gov>; Cline, F. Jeff <jeff.cline@nscorp.com>; 'brenfro@rcedc.com' <brenfro@rcedc.com>; Briggs, Jason K <jason.briggs@piedmontng.com>; Anna Moore <AnnaMoore@ncrr.com>; Akers, Troy J. <Troy.Akers@nscorp.com>; Randazzo, Tracy <Tracy.Randazzo@hdrinc.com>; Sam Simpson <sam@simpsoncre.com>; David Joseph <david@djojoseph.com>; Wyckoff, Garrett <garrett.wyckoff@epdnc.com>; Ron Mays <ron.mays@piedmontng.com>; Joe Hines <Joe.Hines@timmons.com>; Scott Saylor <scottsaylor@ncrr.com>; Miller, Vickie M. (Raleigh) <Vickie.Miller@hdrinc.com>  
Cc: Spillman, Virginia <Claudia.Spillman@greensboro-nc.gov>; Wyckoff, Garrett <garrett.wyckoff@epdnc.com>

Subject: Project Incentive Deliverable / DUE: Friday 10/6 10am

DUE Friday 10/6 at 10am

GRMS Team:
I apologize for any earlier confusion as it relates to this process.
As discussed on the call this morning, we expect an additional Incentive RFI from JLL this Wednesday and will be expected to respond by Wednesday 10/11. In light of that, we need to get updated costs and values for each of the many pieces of infrastructure, land and utilities associated with delivering the site. So, if you are responsible for one of these deliverables, we need you to provide updated value to Garrett and Me by 10am this Friday, 10/6.

Attached:
Attached you will find a spreadsheet of preliminary infrastructure, land and utility values that can be used as a reference point. They are only a reference point, and if they are not accurate, this process will help correct that. If I missed any partner group below that has associated costs, please let us know and then forward your costs to us.

Assignments:
Land
Anna Lea Moore – NCRR
Sam Simpson – Simpson Commercial
-We need an aggregate total cost of the land and the value placed on conveying the land to the client “free and clear” from the three owner groups, preferably presented as one total.

Power
John Gelb – we need a full cost estimate of all activity associated with moving the line and any other associated power infrastructure

Natural Gas
Ron Mays – Piedmont Natural Gas
*Need costs estimates and values for delivering natural gas to site, regardless of any future cost recoup via utility fee or the like.

Water / Wastewater
David Parrish – City of Greensboro
Steve Drew – City of Greensboro
*need costs and cost estimates of infrastructure improvements to serve the site, regardless of any future cost recoup via utility fee or the like.
Road
Brandon Jones – DOT
-Updated cost of any road infrastructure improvements and needed pre-construction studies

Rail
Troy Akers – NS
Jeff Cline – NS
Anna Lea Moore – NCRR
*Need best estimate for rail infrastructure costs and/or “up to” amount for all on-site rail.

How to respond:
1. You may send cost estimates or executive summary letters if available, but at a minimum we need an email with a simple overview of the related costs/values and then the sum total number.
2. Make sure and copy both Garrett Wyckoff and Me on your responses.

DUE Friday 10/6 at 10am

Evan Stone Business Recruitment Manager
Economic Development Partnership of North Carolina
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Evan.Stone@edpnc.com  edpnc.com
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Greensboro – Randolph Mega Site

Water Availability / Service
- Projected construction cost for water service is $20M
- Projected construction cost for sewer service is $11.8M

Design / Permitting
- Design / Permitting Fee of $2.452M
  - Environmental Assessment / Permitting - $398,000
  - Design - $1,167,000
  - Survey - $549,000
  - Geotechnical - $133,000
  - Project Contingency - $50,000
  - Strategic Communications - $155,000 (separate contract)

Property/Easements
- Budget $2.0M

Construction Administration/Bidding Services
- $1.0M

Total Cost
- $37.252M
- Funding not secured $24.658

Grants/Additional Funding
- Golden LEAF Foundation Grant $7.0M December 2017
- Department of Commerce Grant $1.418M

<table>
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<th>Cost</th>
<th>Funding Comments</th>
<th>To be Funded</th>
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<td>Projected construction cost for water service</td>
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<td>Projected construction cost for sewer service</td>
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<td>$8.148 M from Grants *</td>
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<tr>
<td>Design and Permitting</td>
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<td>Total</td>
<td>$37,252,000</td>
<td></td>
<td>$24,658,200</td>
</tr>
</tbody>
</table>
Susan,

One other thought: If we're cataloging "in-kind" incentives in the revised proposal we send to JLL this week, one thing we would be prepared to do at EDPNC is to hold multiple "supplier support seminars" in Japan to help Mazda suppliers especially (since they don't have much of a footprint in the U.S.) understand tax, incentive, permitting, and other issues in NC.

Obviously we would do the same for Toyota suppliers, but I think this would help more with the Mazda folks.

Thanks,
Chris

Christopher Chung
Economic Development Partnership of North Carolina
Christopher.Chung@EDPNC.com

On Oct 8, 2017, at 4:51 PM, Chung, Christopher <christopher.chung@edpnc.com> wrote:

Susan,

As the team is working on the final incentives document for New World, I wanted to share the attached, which I finally tracked down in some (very) old files during my time in Ohio. The attached was developed when competing for Project Curveball, which was Honda's search a Civic assembly plant looking in the Midwest. The plant eventually ended up in Greensburg, Indiana.

(I wouldn't so much focus on the amounts themselves – there's a backstory to why they are what they are. Plus, the "price tag" for OEM plants 11 years ago was, I think, a little less than these days!)

Rather, there are some ideas in here that may be worth emulating (if they're not already included) in our proposal. These are in the section of the state letter titled "Other State Assistance" and include:

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The final proposal had also included a letter from the Governor, the Lt. Governor (who doubled as essentially the state’s Secretary of Commerce), and the entire Congressional Delegation. While letters from the Governor and Congressional Delegation aren’t specifically being requested as part of the final response to JLL, they certainly could be a nice show of support if there’s sufficient time to get them included.

Lastly, there were some other tax analyses designed to show the comparatively lower pre-incentive tax burden in Ohio versus other finalist states. (The year before, Ohio had eliminated personal property tax, and replaced its corporate income tax with a gross-receipts tax.)

Anyway, I hope this helps. Obviously, anything any of us can to do help out with this part of the process, please just let us know!

Thanks,
Chris

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Sent: Friday, October 6, 2017 5:24 PM
To: Susan Fleetwood (sfleetwood@nccommerce.com), <sfleetwood@nccommerce.com>
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Garrett, Evan, and I caught up earlier today, and I promised them I would send along a few thoughts as you all work on the incentives brief that JLL is requesting:

- **Corporate income tax savings:** Garrett and Evan mentioned the “tax savings model” they developed to compare our overall tax burden favorably to other finalist states based on our lower rate and soon-to-be-implemented single-factor apportionment – Great to know you’re also
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Anyway, those are some of the additional ideas we talked about today. Thank you again for your help, and have a restful weekend!

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Welcome from Governor Bob Taft
June 12, 2006

Mr. Akio Hamada
President
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, OH 43040

Dear Mr. Hamada:

As Honda reaches its decision on where it will locate its next assembly plant in North America, I want to take this opportunity to reiterate my strong personal commitment to doing all I can to help Honda expand here in the State of Ohio. Attached you will find the State’s offer of assistance as it relates to financial and regulatory incentives that we are making available to your company for this very important investment.

While I acknowledge that the other states you are considering for this project may have some distinct benefits, I firmly believe that no other state in this country can ever replicate the value that Ohio has provided, and will continue to provide, to Honda. In the end, what Ohio offers to Honda is a 26-year track record of partnership, cooperation, and trust.

Long ago, Honda boldly decided to begin manufacturing its high-quality products in Ohio. I hope you will agree with me that, for more than 26 years now, this decision has continued to result in remarkable returns for Honda and the tens of thousands of Ohians who have led better lives because of the positive impact that Honda and its suppliers make in our state. This is true not only because of Honda’s constant drive to manufacture products that widely appeal to consumers around the world, but also because the State of Ohio has repeatedly demonstrated a willingness and ability to work with Honda at every step of the company’s growth in this state.

What Ohio offers to Honda is 26 years of experience in resolving a variety of matters that, at one time or another, could have otherwise limited the expansion of the company’s operations here. From transportation accessibility to workforce availability to environmental permitting to business tax reforms, Honda’s concerns have always been a top priority for the State of Ohio. Time and again, we have shown that the State of Ohio has the necessary experience, resources, and capacity to take care of every issue that will help to keep Honda a world-class automotive manufacturer. No other state can make this same claim, and we are extremely proud of that fact.
The State of Ohio will help Honda meet its ambitious timeline for constructing and commencing production at this new plant. We will do everything in our power to help Honda do this ahead of schedule, as well as under budget. We will ensure that Honda receives nothing but the most immediate attention of the state government and legislature, all with the ultimate goal of enabling Honda to make the launch of this new plant the most successful ever for the company.

These are my promises to you today, and they are backed by more than 26 years of history between your great company and our great state. I look forward to working with you in writing the next chapter of this long and successful relationship we have enjoyed together thus far.

Sincerely,

Bob Taft
Governor

BT/emc
June 7, 2006

Mr. Akio Hamada
President
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040

Dear Mr. Hamada:

Governor Bob Taft and I are fully committed to supporting Honda in locating its next auto assembly plant in the State of Ohio. This project is of the highest priority to this administration and we will do whatever we can to bring this project to fruition in Ohio. During these past three months, our team has worked tirelessly, recognizing that timing is the single most critical element of this project. I appreciate the opportunity to provide you with information that clearly illustrates why the State of Ohio is the most cost effective and expedient location for Honda’s new assembly plant.

For more than 26 years now, Ohio has stood side-by-side with Honda as your company has grown to become one of the world’s most respected automotive firms. In large part due to this fantastic relationship, the State of Ohio is now first in the nation for the number of automotive suppliers and second for the production of vehicles. Honda has benefited over the years from Ohio’s location at the geographic center of the North American automotive industry, with an astounding 80 percent of North American light vehicle production taking place in Ohio or within 500 miles of its borders. In addition, 75 percent of the United States population lives within this same radius.

Just-in-time delivery systems perform to maximum efficiency in Ohio, directly supported by the State’s established transportation corridor, which includes the fourth largest interstate highway network in the nation and more automotive suppliers than any other state, including over 200 Tier One suppliers. To enhance this already superb infrastructure, Ohio voters approved an additional $1.35 billion in State funding last November to support continued improvements to and maintenance of this valuable resource.

All of Ohio’s state agencies, including not only the Department of Transportation, but also the Environmental Protection Agency, the Department of Commerce, and the Public Utilities Commission, are ready to assist you with every requirement necessary to successfully execute this project to meet your timeline.
Mr. Akio Hamada  
June 7, 2006  
Page Two

Ohio will continue to provide Honda with both educated and highly trained workers. Over 185 colleges and universities with world-class engineering programs are located here, not to mention numerous technical colleges with specialized, relevant curriculum as well. I am proud of Ohio’s quality workforce of more than six million Ohioans. Our State’s core strength in manufacturing and our increasing prominence as a technology hotbed have both contributed to a well-educated, highly skilled labor pool. Our ambitious workforce development programs guarantee the utmost satisfaction for Honda.

The Ohio Department of Development (ODOD) remains absolutely committed to Honda’s proposed project in Ohio. Enclosed with this letter is a Summary of Incentives that outlines our financial support of this major investment. In addition to these incentives, I once more want to emphasize ODOD’s strong commitment to ensuring Honda clears every milestone of this project, including infrastructure development, environmental and construction permitting, and incentive approvals.

The ODOD will work closely with you and your team to ensure Honda benefits from making its proposed investment in the State of Ohio. I believe this offer of assistance, coupled with the local and State resources available and ready to assist you, fully enables the State of Ohio to address Honda’s entire project needs to complete this project under budget and ahead of schedule, making Ohio the best state to locate this investment.

I look forward to working with you on this very important project.

Sincerely,

[Signature]

G.O. Governor Bruce Johnson  
Director of Development

BJ/sk

Attachments
State of Ohio

Summary of Incentives to

Honda of America Manufacturing, Inc.

Value of Ohio’s Commitment: Up to $71.7 million

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<td>Up to $23,746,000</td>
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<tr>
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<td>Ohio Department of Transportation Infrastructure Grant</td>
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<td>Roadwork Development (629) Account Grant</td>
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<tr>
<td>Ohio Water Development Authority Local ED Loan</td>
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</tr>
<tr>
<td><strong>Total Value of State Incentives</strong></td>
<td>Up to $71,713,000</td>
</tr>
</tbody>
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Other State Assistance

- State Project Coordinator
- Expedited Environmental Approval Processes/Permit Team
- Expedited Department of Transportation Processes
- Dedicated Inspection Services
- Expedited Building Construction Permits
- Sales Tax Exemption on Building Construction Materials
- Ohio Air Quality Development Authority Financing
- Joint Advertising Grant
- Foreign Trade Zone
- Visa Assistance
Summary of Incentives for Honda

Project Assumptions

- Honda of America Manufacturing, Inc. (Honda) would construct and operate a new automotive assembly plant in either Fayette County or Van Wert County.
- At least 2,067 new full-time jobs would be created at the facility within the first three years of operation.
- The average hourly wage for all new positions at the facility would be $15.59, exclusive of benefits.
- Capital investment would total at least $550 million, including investments in land acquisition, building construction, and machinery and equipment acquisition.
- The State of Ohio is in competition with the states of Indiana, Illinois, and other Midwestern states for this project.

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

TAX INCENTIVE

Ohio Job Creation Tax Credit
Estimated Value: Up to $23.7 million

The Ohio Job Creation Tax Credit (JCTC) program allows companies creating net new jobs in the State of Ohio to take a tax credit against its corporate franchise tax or State income tax based upon the number of new full-time jobs generated by a specific project. The credit is refundable if the company's annual tax liability is less than the annual tax credit amount. The Ohio Department of Development (ODOD) is willing to recommend up to a 75 percent tax credit for 15 years to the Ohio Tax Credit Authority. The company's tax credit is calculated based upon the State income tax withholding for the new jobs created for Ohio residents. Based on an average hourly wage of $15.59 for 2,067 new jobs and the granting of the full credit suggested in the preceding sentence, the credit would be worth an estimated $23.7 million to the company over the 15-year term. The value of the credit will increase as payroll increases. The new jobs must be created within three years of the project's initial operations, and the company must commit to hiring at least 10 percent disadvantaged and/or minority persons, as defined by the Ohio Administrative Code. This credit is contingent upon submittal of an application, meeting all program requirements including adequate local financial support, and approval by the Ohio Tax Credit Authority. The company must maintain operations at the project site for at least 30 years, twice the term of the tax credit.

The JCTC program provides for a tax credit taken against a company's corporate franchise tax liability in Ohio. Because the corporate franchise tax is being eliminated through a phase-out under new business tax reforms in Ohio, the JCTC will be applied to the new Ohio Commercial Activities Tax (CAT) for tax periods beginning July 1, 2008. Until this time, the tax credit will continue to apply to the corporate franchise tax and will be refundable for any credit amount that exceeds the corporate franchise tax liability. The value of the credit is expressed in terms of a percentage of annual State income tax withholdings for new full-time employees hired under a JCTC agreement. The JCTC is refundable, so any credits in excess of a company's Ohio Franchise or CAT liability would be refunded to the company receiving the credit.

The Ohio Tax Credit Authority is prepared to meet in emergency session to approve Honda's tax credit with as little time as 24 hours notice to meet Honda's timeline if necessary.

JCTC Calculation for Honda:

- Number of new full-time employees: 2,067
- Average annual wages for new employees: $32,427
- Ohio income tax withholdings per employee: $1,021
- Total annual Ohio income tax withholdings: $2,110,809
- Estimated tax credit rate: 75%
- Annual value of tax credit: $1,583,109
- Estimated tax credit term: 15 years
- Total value of tax credit over 15-year term: $23,746,497

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

WORKFORCE DEVELOPMENT

Ohio Investment in Training Program
Estimated Value: Up to $5 million

Through the Ohio Investment in Training Program (OITP), the State of Ohio can assist a company with its specific training and other workforce development needs. Up to 50 percent of allowable training costs for Honda’s project can be reimbursed, subject to the availability of funds. Eligible costs include instructor fees, materials, and other such expenses. The OITP has committed to fund $2.5 million from fiscal year 2008 funds (which begins July 1, 2007), $1.5 million from fiscal year 2009 funds (which begins July 1, 2008), and $1 million from fiscal year 2010 funds (which begins July 1, 2009), for a total of up to $5 million for the training of Honda’s employees. Availability of 2008, 2009, and 2010 funds is contingent upon future appropriations to the program by the Ohio General Assembly. An OITP Training Coordinator is prepared to work with Honda to develop a training proposal that best meets the needs of the company.

New Training Center
Estimated Value: Up to $10 million

Recognizing Honda’s need to employ a highly educated and trained workforce, the State of Ohio will make available up to $10 million through the next Capital Budget Bill to provide Honda a training center of approximately 40,000 square feet that would offer a state-of-the-art lecture hall/auditorium, classrooms, manufacturing and computer labs, reference center, and office space. This training center will be located at an agreed upon location on-site or within reasonable proximity of the project site. The training center will be constructed, owned, and operated by the State of Ohio. Honda may have exclusive use of the training center, if it so desires, for up to seven (7) years after the manufacturing facility becomes operational, after which time the center will also be made available to others in the community.

The State of Ohio shall complete the training facility no later than one year from the date the final plans are agreed upon and approved.

Employment Pre-Screening, Testing, and Recruitment
Estimated Value: Up to $2 million

Through county workforce development offices, prospective employers in Ohio can access “one-stop” services for the hiring and placement of new employees. Services available through the Fayette County or Van Wert County Job and Family Services (JFS) office may include: matching your employment needs with existing job and applicant pools; placing “blind” job advertisements on behalf of your company; testing and screening prospective workers; and other customized workforce services. These services are available at no charge to Honda and estimated to save the company up to $2 million.

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

GRANTS

Infrastructure Assistance
Estimated Value: Up to $12.4 million

The Ohio Department of Development (ODOD) is prepared to offer infrastructure assistance in the form of grants for up to $12.4 million for its costs associated with on- and off-site infrastructure as well as the acquisition and installation of machinery and equipment. The grants will be provided on a reimbursement basis to Honda or appropriate designee. The use of State funds may require the payment of Ohio's prevailing wage rates as determined by the Ohio Department of Commerce, Wage and Hour Bureau. Use of these funds is contingent upon approval by the State Controlling Board.

Ohio Department of Transportation
Estimated Value: Up to $7.5 million

The Ohio Department of Transportation will make available up to $7.5 million to improve the necessary public road infrastructure around the chosen site. Funding will be made available to the chosen community to ensure that Honda's timeframe on the necessary road improvements are met.

Roadwork Development (629) Account
Estimated Value: Up to $5 million

The ODOD will commit up to $5 million from fiscal year 2007 (which begins July 1, 2006) in Roadwork Development (629) Account funds to either Fayette County or Van Wert County for public roadwork improvements necessary to support Honda's project. Funds would be granted to and administered by the community recipient. The use of these grant funds may require the payment of Ohio's prevailing wage as determined by the Ohio Department of Commerce, Wage and Hour Bureau. Use of these funds is contingent upon approval by the State Controlling Board.

FINANCING

Ohio Water Development Authority Local Economic Development Loan
Loan Amount: Up to $6 million

The ODOD is prepared to support the selected local community's application for low-interest loan financing through the Ohio Water Development Authority's Local Economic Development Loan fund. Financing may be used towards all eligible public water and sanitary sewer improvements related to the Honda project. The terms of the loan would be as follows:

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

Loan Amount: Up to $6 million
Term: Up to 15 years
Interest Rate: 2 percent
Repayment: No payments in years 1 through 5; loan amortized in years 6 through 15

Other State Assistance

Meeting Honda's Timing Needs

The State of Ohio and the two communities being considering embrace a pro-active approach to Honda and encourage timely cooperation with your company to ensure the project remains on a specified timeframe. Extensive efforts will be made for Honda to receive all required permits for the project within Honda's specified timeframe to meet the company's schedule, including environmental, construction, building review, and any other permits pertinent to the success of this project. The additional assistance being offered in this section of the letter is subject to Honda's timely filing of all necessary permit applications and compliance with applicable law.

State Project Coordinator

Due to the magnitude of this project and the number of local, state, and federal agencies that may be involved, the ODOD will designate a State Project Coordinator that will be available to Honda for the duration of the initial project period. The State Project Coordinator duties will include assisting Honda in the coordination of all project-related matters with any government agency as well as assistance regarding issuance of all permits, other than those for which the Environmental Permit Coordinator is responsible. Duties will also include, but not limited to, coordination of State assistance to Honda and its first and second suppliers.

Expedited Environmental Approval Processes/Permit Team

The State of Ohio recognizes the need for site location projects to move quickly through the environmental permitting process. As a result, the Ohio Environmental Protection Agency (Ohio EPA) will coordinate a permit team, which includes technical staff knowledgeable of the auto sector and experienced in writing air permits for auto manufacturing operations, including other Honda operations in Ohio. In addition, the industrial liaison from the Director's office at the Ohio EPA will assist in monitoring the progress of permit reviews to ensure that permit review activities stay on track. Also, ODOD's internal liaison with the Ohio EPA will be available on an as-needed basis to help ensure that Honda's environmental permit approvals are processed with maximum expediency.

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

The Ohio EPA stands ready to work with Honda to meet its schedule requirements. Both locations Honda is considering in Ohio are in attainment areas and the Ohio EPA can meet the company’s desire to have an air permit by November 15, 2006. Attached is a memo that outlines a proposed schedule that would allow Ohio EPA to meet that deadline. While this is an extremely aggressive schedule, the State of Ohio believes it is important to clarify expectations as early as possible to ensure unnecessary complications or confusion through the process.

Expedited Department of Transportation Processes

The Ohio Department of Transportation (ODOT) will work closely with Honda’s logistics staff to ensure all of Honda’s transportation needs are met. The ODOT and ODOD, in cooperation with the local community and county, will work closely to ensure all transportation modifications, improvements, and road closures will immediately begin to ensure all of Honda’s transportation needs are met in the required timeframe. If required, the ODOT is prepared to construct or improve an interchange at the site location without sacrificing the required timeline of Honda’s schedule.

Dedicated Inspection Services

The Ohio Department of Commerce will make available all of the necessary inspection services within its jurisdiction including building inspectors, electrical inspectors, plumbing inspectors, elevator inspectors, boiler inspectors, and fire code inspectors, that will be dedicated to the Honda project for up to two years or until the construction is complete. The appropriate inspectors will be available whenever necessary to ensure that Honda’s construction deadlines are not delayed.

Expedited Building Construction Permits

The Ohio Department of Commerce will guarantee the highest level of expediency in processing permit approvals and all construction documents necessary for this project to move forward on or ahead of schedule.

Sales Tax Exemption on Building Construction Materials

The State of Ohio allows for the exemption of sales and use taxes on all building construction materials in cases in which the building to be constructed will be owned by a quasi-governmental entity, such as a Port Authority. At the sole discretion of Honda, the State of Ohio may request a Port Authority, or other qualified quasi-governmental entity designated by Honda, to act as a project conduit for the purposes of assuming ownership title of all related building construction. In doing so, Honda may realize a substantial upfront savings in state and local sales taxes, the value of which savings would be based on Honda's planned expenditures in construction materials and the applicable combined state and local sales tax rate.

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

Ohio Air Quality Development Authority Bond Financing

The Ohio Air Quality Development Authority (OAQDA) is a non-regulatory agency of the State of Ohio, formed to promote air quality management and pollution control in Ohio. The agency is empowered to issue “air quality revenue bonds,” which can be used to finance real and tangible personal property investments designed for pollution control functions.

There is no limit on the amount of financing that can be provided through these revenue bonds; however, investments to be financed must be certified by the OAQDA to be related to pollution control or air quality control purposes. Bond financing is available for up to 40 years, and will depend in part upon the useful life of the item being financed. Interest income on OAQDA revenue bonds is exempt from State of Ohio taxes, therefore decreasing the interest rate on the bond financing.

In addition to receiving attractively priced financing for a project, there are several tax-related benefits associated with an OAQDA revenue bond issuance:

- Real and tangible personal property financed with an OAQDA revenue bond must be certified as "pollution control equipment" by the OAQDA, therefore, 100 percent real and tangible personal property designated as thus is exempt from local real and personal property taxes for the entire term of the financing.
- Pollution control equipment is exempt from State and local sales taxes.

Joint Advertising Grant

At the request of Honda, the State of Ohio, acting together with the Ohio Business Development Coalition (OBDC), will make available professional marketing resources specifically for promoting the history of partnership between Honda and the State of Ohio. The OBDC has previously featured your company in advertisements that appeared in the Wall Street Journal in key markets around the country, and at Honda's discretion, would produce and publish additional advertisements designed to highlight Honda’s positive impact in Ohio. All advertising design and content would be mutually agreed upon by Honda and the OBDC, and any subsequent advertising would be professionally prepared by the OBDC. Using its existing relationship with national publications like the Wall Street Journal, the OBDC would address all costs related to placement of any advertising.

Foreign Trade Zone

The State of Ohio will work with local officials and Honda to facilitate the approvals necessary to have either site designated a Foreign Trade Zone (FTZ). FTZ is a federal designation essentially declaring a geographic area to be outside the stream of U.S. Commerce. Receiving such a designation would benefit the company through U.S. customs tariffs and duty avoidance or deferral, and other advantages that occur when importing goods that are subject to quotas. The value to the client will depend upon variables specific to the company’s operations, including sources of materials and destinations of products. Savings would be realized in the company’s on-going operating costs.

This commitment will remain in effect until December 31, 2006.
Summary of Incentives for Honda

*Visa Assistance*

The State of Ohio, through the Ohio Asian Office and the Ohio Washington DC Office, will assist Honda’s full-time employees and their families moving into the State of Ohio from abroad with expediting necessary visa and work permits from the federal government.

This commitment will remain in effect until December 31, 2006.
MEMORANDUM

TO: Bruce Johnson, Lt. Governor
FROM: Joseph P. Koncelik, Director, Ohio EPA
DATE: June 12, 2006
RE: Air Permitting Timeline

The following is Ohio EPA's projected timeline for meeting the revised deadline of November 15, 2006, for issuance of the final air permits-to-install. Because each proposed site is in an attainment area, the following timeline applies to each site.

June 14, 2006 Pre-application meeting (OEPA/Applicant)
July 12, 2006 Application received by District Office/Local Air Agency – Ohio EPA team begins work on preparing the Permit to Install (PTI).
August 30, 2006 Central Office receives recommendation from District Office/Local Air Agency
September 6, 2006 Sign Off on draft at Central Office
September 12, 2006 Issue draft permit / 30 day public notice
October 19, 2006 Hold Public Hearing
October 26, 2006 Close public comment period
November 9, 2006 Final issuance of Air PTI
November 15, 2006 Deadline for issuance of permit

Ohio EPA remains committed to meeting this November 15, 2006 deadline and will make staffing adjustments where prudent to take advantage of experience we have gained in working through similar permits with this company in the past.
III. **State Support Letters**

a. **Joint Congressional Letter**
June 7, 2006

Mr. Akio Hamada
President and Chief Executive Officer
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada:

We are writing to express our strong support for the State of Ohio’s ongoing efforts to attract Honda’s new automotive assembly plant. Honda has invested considerable sums of money and employed thousands of workers in our great state for over 25 years, and we are committed to another 25 years of Honda flourishing in Ohio.

Ohio’s congressional delegation is eager to work with Honda, especially on matters that affect the long-term viability of automotive manufacturing in the United States. As our delegation focuses on issues involving fuel economy standards, environmental regulations, and passenger safety legislation, we want to partner with Honda on strengthening a national business climate that is increasingly supportive of domestic manufacturing.

To that end, our congressional delegation is dedicated to working closely with Governor Taft and his administration to help Honda make this new automotive plant a reality in Ohio. Our state’s strengths in the automotive industry should make Ohio the location of choice for Honda’s new automobile investment and far surpass competing states. Furthermore, Ohio’s universities have an abundance of talented engineering graduates, who will ultimately assure Honda’s success as you continue to grow in the state.

Ohio’s strategic location near other Honda operations, major U.S. markets and population centers will continue to make Ohio an attractive place for your company. We are immeasurably proud of Ohio’s vast network of Honda suppliers, which will optimize the just-in-time production systems that Honda has perfected. We understand that speed-to-market is imperative for your company to successfully launch this project, and we assure you that Ohio’s proven track record for reliability, expediency, and experience will once again meet or exceed all of Honda’s needs.
Mr. Akio Hamada  
June 7, 2006  
Page Two

Governor Taft and Lt. Governor Bruce Johnson have been working diligently to ensure that your proposed sites have the attributes you need: on and off-site infrastructure and accelerated environmental and building permitting. Our congressional delegation is extremely appreciative of their efforts, and we want you to know that they will continue to enjoy our fullest support, as will the new administration when it takes office next January.

Please let us know if there is any way we can be of further assistance to you or any of your colleagues as you pursue this important location for your new plant. We look forward to working with you on this very important project and appreciate Honda’s continued commitment to Ohio.

Sincerely yours,

Mike DeWine, U.S.S.  
Chairman  
Senate Judiciary Subcommittee on Antitrust, Competition Policy & Consumer Rights

George V. Voinovich, U.S.S.  
Chairman  
Senate Environment and Public Works Subcommittee on Clean Air, Climate Change & Nuclear Safety

Ralph Regula, M.C.  
Chairman  
House Appropriations Subcommittee on Labor, Health and Human Services, Education & Related Agencies

Michael E. Oxley, M.C.  
Chairman  
House Committee on Financial Services

Marcy Kaptur, M.C.  
Member  
House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration & Related Agencies

Paul E. Gillmor, M.C.  
Chairman  
House Energy & Commerce Subcommittee on Environment & Hazardous Materials
John A. Boehner, M.C.  
Majority Leader

Sherrod Brown, M.C.  
Ranking Member  
House Energy & Commerce Subcommittee on Health

David Hobson, M.C.  
Chairman  
House Appropriations Subcommittee on Energy &  
Water Development

Deborah Pryce, M.C.  
Chairman  
House Republican Conference

Bob Ney, M.C.  
Chairman  
House Financial Services Subcommittee on Housing and Community Opportunity

Steven C. LaTourette, M.C.  
Chairman  
House Transportation & Infrastructure Subcommittee on Railroads

Ted Strickland, M.C.  
Member  
House Committee on Energy & Commerce

Steve Chabot, M.C.  
Chairman  
House Judiciary Subcommittee on the Constitution

Michael Turner, M.C.  
Member  
House Committee on Armed Services

Stephanie Tubbs Jones, M.C.  
Member  
House Committee on Ways & Means
Patrick J. Tiberi, M.C.
Chairman
House Committee on Education & the Workforce
Subcommittee on Select Education

Tim Ryan, M.C.
Member
House Committee on Armed Services

Jean Schmidt, M.C.
Member
House Committee on Transportation & Infrastructure
b. General Assembly Letter

THE GENERAL ASSEMBLY OF
THE STATE OF OHIO

June 7, 2006

Mr. Akio Hamada
President and Chief Executive Officer
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada:

We are writing to express our unified support for the State of Ohio’s ongoing efforts to attract Honda’s new automotive assembly plant. Your company and its suppliers have played a unique role in shaping the landscape of the economy in every region of Ohio. As the elected representatives of thousands of hard-working Ohioans that go to work for Honda and its supplier companies every day, we are extremely grateful for the long history of partnership between Honda and Ohio.

We understand that timing is of the essence for Honda, and that a successful launch of your new product is entirely dependent on Ohio’s ability to meet your ambitious timeline. You can be assured that we intend to work with Governor Bob Taft and Lieutenant Governor Bruce Johnson on clearing every milestone—whether that involves infrastructure development, environmental permitting, construction permitting, or incentive approval—faster and more aggressively than any of our competitor states.

We also acknowledge that Honda’s choice must be financially sensible. To that end, we are prepared to fully cooperate with Governor Taft’s administration on assembling an incentive package that not only guarantees you a site with all the needed infrastructure in place, but that also optimizes your return on investment for this new facility. At the same time, we appreciate Honda’s responsibility to its communities, and we will work to ensure a strong sense of balance in any financial assistance that is provided to Honda for this project.

Honda is already familiar with many of the benefits of our great state. The sites you have identified in Van Wert County and Fayette County will continue to provide your company with access to a strategic location near other Honda operations, major U.S. markets and an Ohio labor
force that is second to none in its depth of skill, its experience in the automotive industry, and its renowned work ethic. We are proud of our state’s strengths in automotive assembly and parts production, and our universities and colleges produce an annual supply of engineering, management, and technical expertise that will fuel Honda’s prolonged success in Ohio.

Regardless of the site in Ohio that you decide to select for this project, you and your many suppliers in Ohio will enjoy our full and unconditional support. We understand and appreciate the enormous positive impact that Honda has made in this state, and we will express our appreciation by accelerating any and all processes necessary to build and open your new facility.

Please do not hesitate to let any of us know how we can be of further assistance to you or your colleagues as Honda reaches what will be an important decision for the company for years to come. Again, we thank you for Honda’s continued commitment to Ohio, and we look forward to working with you on this project.

Sincerely,

Bill Harris
President – Ohio Senate

Lynn Wachtmann
State Senator – 1st District

John Carey
State Senator – 17th District

Jon Husted
Speaker – Ohio House of Representatives

James Hoops
State Representative – 75th District

John Schlichter
State Representative – 85th District
May 31, 2006

Mr. Akio Hamada
President and Chief Executive Officer
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada:

As candidates to serve as Ohio’s next governor, we both recognize and deeply appreciate the many contributions that Honda of America has made to our state’s economic prosperity. We applaud your efforts to grow Honda’s presence in the Midwest, and we want to assure you that you will enjoy the fullest cooperation from either of us in supporting the state’s efforts to make this expansion happen in Ohio.

The continued success of Honda is a cornerstone of Ohio’s economic future, and you have our firmest pledge to work closely with the current Administration on resolving any permitting, regulatory, and financial issues that still remain to be addressed when the new governor takes office in January. For nearly 27 years, our state’s elected officials have been united in their bipartisan support of Honda, and we assure you that Honda will benefit from our commitment to make this project a top priority. Both of us understand how critical it is that Honda be able to experience a seamless transition between administrations, and that is precisely what we promise to provide you.

If there is anything that either of us can do for you personally to assist with the decision to locate your new facility in Ohio, please do not hesitate to be in touch. Again, we are honored at the prospect of working with Honda in the future, and we look forward to welcoming your next investment to the great state of Ohio.

Sincerely,

[Signatures]

Ted Strickland
U.S. Representative
Democratic Candidate for Governor

J. Kenneth Blackwell
Ohio Secretary of State
Republican Candidate for Governor
June 8, 2006

Mr. Akio Hamada
President and CEO
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada,

I understand that Honda of America is considering the establishment of an additional manufacturing site in the State of Ohio. As the Foreign-Trade Zone (FTZ) Grantee representing Honda’s current operations in Marysville, East Liberty and Anna, Ohio, we would be happy to offer our support and assistance to your staff if you decide that you would like to extend FTZ benefits to your new location.

I am sure you that once you announce your new location, you will want to begin manufacturing at the facility as quickly as possible. Please be assured that we are prepared to work aggressively to meet the needs of your production schedule.

Since the signing of our first FTZ agreement with Honda in 1979, we have enjoyed a very strong and mutually successful relationship. We look forward to a continuation of our existing relationship and are excited about the opportunity to making it even stronger.

Please let us know if we can be of assistance to you in your site location decision process.

Sincerely,

Ken Fightsmaster
Director, Foreign-Trade Zone
IV. State of Ohio Supporting Data
   a. State Tax Analysis
Major State of Ohio BUSINESS Taxes, After FULL IMPLEMENTATION of Tax Reform

Full implementation of tax reform scheduled for 2010

BEFORE APPLICATION OF INCENTIVES, AMENDMENTS, AND REVISION

[Graph showing tax rates and revenues before incentives]

(Chart)

2010: This chart presents estimated net liability to less than 6% of the total tax liability

[Bar chart with detailed figures for different types of taxes and jurisdictions]

[Note: Additional information and analysis related to the tax reform and its impact on different regions and sectors]
Major State and Local Taxes and Tax Rate Structure, Ohio and Comparison States, at Selected Comparison Locations in Each State

**Dollars in Thousands**

<table>
<thead>
<tr>
<th>Description</th>
<th>Ohio - Cinci (Fayette Only)</th>
<th>Ohio - Van Wert (Van Wert Only)</th>
<th>Comparison States / Locations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Before Tax Reform (July 1, 2010)</strong></td>
<td><strong>1,234,567</strong></td>
<td><strong>2,345,678</strong></td>
<td><strong>Indiana - Elkhartville (Fayette Only)</strong></td>
</tr>
<tr>
<td>Real Property</td>
<td>$1,234,567</td>
<td>$2,345,678</td>
<td><strong>Indiana - Evansburg (Fayette Only)</strong></td>
</tr>
<tr>
<td>Tangible Personal Property</td>
<td>$345,678</td>
<td>$456,789</td>
<td><strong>Kentucky - Elkhartville (Fayette Only)</strong></td>
</tr>
<tr>
<td>State Corporate Income Tax</td>
<td>$123,456</td>
<td>$234,567</td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>State Gross Receipts Tax</td>
<td>$567,890</td>
<td>$678,901</td>
<td><strong>$123,456</strong></td>
</tr>
<tr>
<td>State Personal Income Tax</td>
<td>$789,012</td>
<td>$890,123</td>
<td><strong>Before Tax Reform</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$2,087,456</td>
<td>$2,345,678</td>
<td><strong>$234,567</strong></td>
</tr>
</tbody>
</table>

**After Tax Reform (January 1, 2010)**

<table>
<thead>
<tr>
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<td><strong>$234,567</strong></td>
</tr>
</tbody>
</table>

Data Sources: Tax data from the Ohio Department of Taxation. Income figures from the State Employment Security Agency.

NOTES: (1) For Ohio — the actual change to the state personal income tax, state tax, corporate franchise tax, and state real property tax, and the implementation of the community benefits tax, as contained in the Senate Substitute House Bill 66 (H.B. 66, July 1, 2010, Senate File 11, Assembly).

(2) For Indiana — the actual change to the state personal income tax, state tax, corporate franchise tax, and the implementation of the community benefits tax, as contained in the Senate Substitute House Bill 66 (H.B. 70, July 1, 2010, Senate File 11, Assembly).

This analysis is based on information gathered from various public information sources. Only those changes have been made to the information used in the preparation of this analysis that are due to the wonderland that affects the state of Ohio. Any differences in the information gathered in this analysis are due to the wonderland that affects the state of Ohio.
<table>
<thead>
<tr>
<th>State</th>
<th>Ohio</th>
<th>Ohio</th>
<th>Indiana</th>
<th>Indiana</th>
<th>Kentucky</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Fayette City)</td>
<td>Van Wert (Van Wert City)</td>
<td>Evansville (Evansville City)</td>
<td>Greencastle (Greencastle City)</td>
<td>Columbus (Columbus City)</td>
</tr>
<tr>
<td>BEFORE TAX RETURN</td>
<td>495,467,177</td>
<td>463,910,786</td>
<td>634,618,048</td>
<td>677,305,163</td>
<td>1,154,291,722</td>
</tr>
<tr>
<td>AFTER TAX RETURN</td>
<td>495,467,177</td>
<td>463,910,786</td>
<td>634,618,048</td>
<td>677,305,163</td>
<td>1,154,291,722</td>
</tr>
<tr>
<td>Tax Credit in Tax Liability</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>BEFORE TAX RETURN</td>
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<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
<tr>
<td>AFTER TAX RETURN</td>
<td>825,461,177</td>
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<td>825,461,177</td>
<td>825,461,177</td>
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</tr>
<tr>
<td>Exempt From Payment</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
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<tr>
<td>Other (Total)</td>
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<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
<tr>
<td>Joining of Tax Liability</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
<tr>
<td>Other</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
<tr>
<td>TOTAL</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
<td>825,461,177</td>
</tr>
</tbody>
</table>
b. **State Education Data**

1. **Competitive Workforce Measures by State**
COMPETITIVE WORKFORCE MEASURES BY STATE
Ohio, Michigan, Indiana, Kentucky, Alabama, & Texas

K-12 Student Preparation
A key challenge for undergraduate education is preparing K-12 students in science and mathematics. In an apples-to-apples comparison with similarly situated states, Ohio prepares a greater percentage of K-12 students for future academic success.

<table>
<thead>
<tr>
<th>State</th>
<th>Algebra in 8th Grade</th>
<th>Math Proficiency</th>
<th>Reading Proficiency</th>
<th>Science Proficiency</th>
<th>Writing Proficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ohio</td>
<td>22%</td>
<td>30%</td>
<td>34%</td>
<td>41%</td>
<td>38%</td>
</tr>
<tr>
<td>2. Michigan</td>
<td>14%</td>
<td>28%</td>
<td>32%</td>
<td>37%</td>
<td>24%</td>
</tr>
<tr>
<td>3. Texas</td>
<td>n/a</td>
<td>25%</td>
<td>26%</td>
<td>23%</td>
<td>31%</td>
</tr>
<tr>
<td>4. Alabama</td>
<td>13%</td>
<td>16%</td>
<td>22%</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>5. Indiana</td>
<td>12%</td>
<td>31%</td>
<td>33%</td>
<td>35%</td>
<td>26%</td>
</tr>
<tr>
<td>6. Kentucky</td>
<td>12%</td>
<td>24%</td>
<td>34%</td>
<td>29%</td>
<td>25%</td>
</tr>
</tbody>
</table>


Student Per Computer Ratio
Preparing students for today's world of work means giving them a technological advantage. Ohio is building its workforce for today and tomorrow by ensuring that a greater percentage of K-12 students have access to computers and the Internet.

<table>
<thead>
<tr>
<th>State</th>
<th>Internet Connected Computer Ratio</th>
<th>Internet Connected Computer Rank</th>
<th>Instructional Computer Ratio</th>
<th>Instructional Comp. Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Indiana</td>
<td>3.5</td>
<td>12</td>
<td>3.2</td>
<td>11</td>
</tr>
<tr>
<td>2. Ohio</td>
<td>3.6</td>
<td>17</td>
<td>3.2</td>
<td>11</td>
</tr>
<tr>
<td>3. Texas</td>
<td>3.7</td>
<td>20</td>
<td>3.3</td>
<td>15</td>
</tr>
<tr>
<td>4. Kentucky</td>
<td>4.0</td>
<td>22</td>
<td>3.7</td>
<td>26</td>
</tr>
<tr>
<td>5. Michigan</td>
<td>4.1</td>
<td>27</td>
<td>3.9</td>
<td>30</td>
</tr>
<tr>
<td>6. Alabama</td>
<td>4.9</td>
<td>41</td>
<td>4.8</td>
<td>44</td>
</tr>
</tbody>
</table>

Source: Education Weekly, Technology Counts, May 5, 2005

Educational Attainment
The social benefit of a workforce with greater educational attainment is enhanced worker productivity. Ohio is more likely than other states to realize the productivity gains required for success in today's manufacturing industry because it produces a greater percentage of high school graduates.

[Chart 1: Percentage of Population that Graduate from High School, by State]

2. **Ohio's Automotive-Related Workforce Information**
Ohio's Automotive-Related Workforce Information

1. In a peer state comparison between Ohio, Michigan, Indiana, and Kentucky, Ohio boasts the largest number of educational institutions with engineering and precision production programs, as well as the largest number of residents with Bachelor and Graduate degrees.

![Chart 1](Image)

**Chart 1**
Educational Institutions with Engineering and Precision Production Programs

<table>
<thead>
<tr>
<th>State</th>
<th>Education Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ohio</td>
<td>100</td>
</tr>
<tr>
<td>Michigan</td>
<td>69</td>
</tr>
<tr>
<td>Indiana</td>
<td>45</td>
</tr>
<tr>
<td>Kentucky</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: U.S. Department of Labor, National Center for Education Statistics

![Chart 2](Image)

**Chart 2**
Number of Residents with Bachelor's and Graduate Degrees

<table>
<thead>
<tr>
<th>Degree</th>
<th>Ohio</th>
<th>Michigan</th>
<th>Indiana</th>
<th>Kentucky</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor's Degree</td>
<td>1,016,256</td>
<td>878,680</td>
<td>475,247</td>
<td>271,418</td>
</tr>
<tr>
<td>Graduate or Prof. Degree</td>
<td>547,276</td>
<td>517,579</td>
<td>280,366</td>
<td>182,051</td>
</tr>
</tbody>
</table>

Source: 2000 Census, U.S. Bureau of the Census
c. State Transportation Maps

1. Road and Rail Network Map

Ohio's Transportation Network

Legend
- Primary Commercial Service Airports
- (Passenger Boardings 2024)
- Railroads
- CSX Transportation, Inc.
- Norfolk Southern Corporation
- Other Railroad
- Interstate Routes
- US Routes
- < Less than 4 Lanes
- > 4 or More Lanes
- State Routes
- < Less than 4 Lanes
- > 4 or More Lanes

Sources: Rail data for railroads and highways obtained in November 2024 from the Ohio Department of Transportation, Office of Technical Services; http://www.dot.state.oh.us/techservices/raildata/; http://www.dot.state.oh.us/techservices/roads/; http://www.dot.state.oh.us/techservices/airports/

Airport data obtained in April 2024 from the U.S. Department of Transportation, Federal Aviation Administration, http://www.faa.gov/airports/_layouts/airport.aspx; Airport Data (2014); and Contact Information, Passenger and Air-Cargo Statistics.

Prepared by: Ohio Department of Development, Office of Strategic Research (May 2024)
Intermodal Facilities Map

Intermodal Terminals, Railroads and Highways in the Midwest
V. Local Assistance – Van Wert Site

a. Van Wert Local Assistance Letter
June 12, 2006

Mr. Akio Hamada
President and Chief Executive Officer
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada:

We are honored to have the opportunity to submit the enclosed letter of assistance and support package from Van Wert County, Ohio, where we welcome you to live, work, and grow with us for many years to come.

The enclosed book of community support includes over 300 letters from citizens, schools, businesses, regional partners and elected officials expressing excitement about Honda’s interest in West Central Ohio.

As representatives of the County and City of Van Wert, we want to assure you that we are committed to working together to do everything we can to ensure that the timeline for Honda is met or exceeded.

We are excited about the opportunity before us, a sentiment which is strongly reflected in the enclosed community support package. Thank you very much for your interest in our community.

Sincerely,

Harold Merkle
Chairman, Board of Commissioners
Van Wert County

Don Farmer
Mayor
City of Van Wert
June 7, 2006

Mr. Akio Hamada
President and Chief Executive Officer
Honda of America Manufacturing, Inc.
24000 Honda Parkway
Marysville, Ohio 43040-9251

Dear Mr. Hamada:

On behalf of the citizens and businesses of Van Wert County, Ohio, we want to thank you for considering our community for your new automotive assembly plant. We are sincerely honored that a globally recognized company like Honda is thinking of making Van Wert home to its next manufacturing center.

Van Wert is the ideal choice for Honda. We combine the best of small community living with a positive, progressive attitude towards business. We are centrally located within 200 miles of the major metropolitan areas of Detroit, Chicago, Columbus, Cincinnati, and Indianapolis. A highly skilled, hardworking labor force of over 500,000 potential Honda associates reside within a one hour commute of Van Wert, giving you extraordinary access to your future employees.

Just as importantly, the people of Van Wert have stepped out in full support of this wonderful opportunity. In just a few days, we have gathered more than 300 letters from area residents, business owners, and others in the region, all of whom want the chance to welcome Honda to this community. Local governmental officials have passed resolutions and signed joint letters of support, committing to work together towards the common goal of ensuring that every single one of Honda’s project needs is met, ahead of schedule and under budget.

Finally, it is a frequent practice in Van Wert to present our new neighbors with a “welcome basket” of gifts that demonstrate the appreciation we have for others who become part of our community. Meeting your ambitious timelines for site development and providing local incentives to assist you in making this investment are just two of the many ways that we intend to welcome our newest neighbor, Honda of America Manufacturing, to our community, and we want to take this opportunity to share with you below our very special “welcome basket” for Honda.
Infrastructure Timeline Commitments

We understand how important it is for Honda to open this facility by June 1, 2008. The first step in reaching this goal is ensuring that your site in Van Wert can be prepared and served with all the necessary utilities on a timeline that fits your needs.

Water
- The Van Wert Water Treatment Plant will meet the needs for this project, without any further improvements.
- Construction plans for all necessary water line extensions will be completed and submitted within 30 days to the Ohio EPA.
- Water line construction can begin as soon as the Ohio EPA approves the construction plans. Ohio EPA has committed to expedite their approval process for this project. Actual construction will be completed within 60 days of OEPA approval.
- We will work to approve and fund any plans for an on-site water tower.

Wastewater
- The Van Wert Wastewater Treatment Plant will meet the needs for this project, without any further improvements.
- Construction plans for all necessary sanitary sewer line extensions will be completed and submitted within 30 days to the Ohio EPA.
- Sanitary sewer line construction can begin as soon as the Ohio EPA approves the construction plans. Ohio EPA has committed to expedite their approval process for this project. Actual construction will be completed within 60 days of OEPA approval.

Public Roadways
- The City of Van Wert will be responsible for the construction of any additional traffic signalization, as deemed necessary for this project.
- State and local government entities will cooperate to ensure that the public road network surrounding the proposed site is improved in a way that meets the needs of this project. Work to be performed by the state and local community, once the site plan is developed, will include, among other things, the vacating or abandoning of local roads and the upgrading of nearby intersections.

In conclusion, relating to the infrastructure issues facing the City of Van Wert and Van Wert County, there is no concern with meeting any of the timeframes proposed for this project.
Local Financial Commitments

We understand that Honda must make its site selection choice based not only on speed-to-market, but also on the most financial sensible location. We strongly believe that Van Wert is the most cost-affordable decision for Honda, and we intend to pledge the full extent of our local resources in support of this project.

 Permit Fee Waivers
- The City of Van Wert will waive all permit fees for Honda, as well as any of its suppliers that create at least 50 jobs and invest at least $1 million.
- In addition to waiving fees, we will expedite the permit process to meet or exceed your needs for accelerated project timing.

Targeted Industry Customized Training Grants
- Finding and training employees that can perform to the expectations of Honda is critical to the success of this new facility. We are prepared to offer local funds that will assist with this important goal.
- This matching grant program is administered through a partnership between Vantage Career Center, Wright State University and Rhodes State College. The partnership will commit to providing customized training assistance to Honda, and offers the flexibility of funding training costs that are incurred either on- or off-site.

Municipal Job Creation Tax Credit
- In addition to either the Community Reinvestment Area tax exemption or Tax Increment Financing arrangement detailed below, the City of Van Wert will consider offering a nonrefundable credit against the company’s corporate municipal income tax liability. The value of this credit would be equal to 75 percent of a portion of the annual personal income tax collected on employees associated with this project, for a period of up to 15 years.
- Based on 2,067 jobs at an average salary of $32,427 for a total annual payroll of $67,026,609, this tax credit would be worth approximately $502,700 to the company on an annual basis.
- This credit may be used in lieu of, or in combination with, any Tax Increment Financing revenues to service debt on related infrastructure improvements at the project site.
Mr. Akio Hamada  
June 7, 2006  
Page Four

Property Tax Exemptions

- The City, County, and relevant school districts are prepared to support one of the three following property tax exemption options available to Honda for this investment:

A. Community Reinvestment Area Tax Exemption
   Through the Community Reinvestment Area program, we will consider offering to Honda an exemption of up to 75 percent of local real property taxes for a period of 10 years. This would exempt Honda from its real property taxes on building and improvements. An established Community Reinvestment Area is already adjacent to the Van Wert Industrial Site and would be expanded to include the site, further saving time on local incentive finalization.

B. Van Wert Enterprise Zone Tax Exemption
   Through the Van Wert Enterprise Zone, we will consider offering to Honda an exemption to effectively abate up to 75 percent of local real property taxes for a period of 10 years. This would exempt Honda from a significant portion of its real property taxes on building and improvements. The Van Wert Industrial Site is already located within an established Enterprise Zone, further saving time on local incentive finalization.

   The remaining 25 percent in real property taxes would be distributed to all taxing authorities involved, including three local school districts that cover portions of the site.

C. Tax Increment Financing
   As an alternative to, or in conjunction with, the Community Reinvestment Area and Van Wert Enterprise Zone tax exemptions, we will consider using a TIF district to assist in paying for public infrastructure improvements. The City and County have a history of establishing Tax Increment Financing (TIF) districts. A TIF district is already in place adjacent to the site and can be expanded to include the Honda site.

   Under the proposed TIF, 75 percent of Honda's real property taxes would be exempted, and the remaining 25 percent would be redirected as payments in lieu of tax (PILOTs) to service any debt incurred for the purpose of making approximately $12 million in infrastructure improvements. The TIF could also be combined with the local Municipal Job Creation Tax Credit incentive.
Foreign Trade Zone Application Support
- Foreign Trade Zone (FTZ) is a federal designation essentially declaring a geographic area to be outside the stream of U.S. commerce. Receiving such a designation benefits companies in an FTZ by allowing them to defer or avoid U.S. customs tariffs and duties, and to enjoy other advantages that occur when importing products normally subject to quotas.
- We will support the application for creating and establishing a Foreign Trade Zone (FTZ) at the project site, and would work with Honda to facilitate the approvals necessary to designate the site as an FTZ.

Local Financing Assistance
- The Van Wert Community Improvement Corporation (CIC) has ample experience in attracting new industry to Van Wert by providing grants to companies for a variety of project needs, if Honda so desires. The CIC will provide direct assistance to Honda for its investment in Van Wert.
- Even prior to Honda’s decision, the CIC has secured funding to assist with costs related to infrastructure engineering and design work, property acquisition, and any additional preliminary infrastructure developments that can further reduce the time necessary to develop the site.

Regional Partnership Cost Sharing
- Van Wert County officials are exploring a possible collaboration with contiguous counties for the development of a multi-county cost-sharing agreement to serve the Honda site. Van Wert County enjoys an excellent working relationship with the counties in West Central Ohio and has a proven record of multi-jurisdictional cooperation.

In conclusion, we will support this project with a financially aggressive, but locally responsible, assistance package that maximizes your return on investment and minimizes your operating costs and timeline.
Local Assistance Commitments

Cost and timing are two very important issues that will be resolved if Honda selects Van Wert as its next home. However, cost and timing are just two of the ways in which Van Wert can help Honda meet its goals. Like a customer who has just purchased a Honda and discovers all the wonderful benefits of owning a first-class product, Honda will hopefully soon enjoy the first-class “customer experience” of doing business in our community. We want to support you throughout every aspect of your new facility location efforts, and below are a number of ways in which we intend to do so.

Housing Assistance
- The Van Wert Area Chamber of Commerce, in cooperation with local realtors, will assist Honda employees with identifying and procuring rental housing.
- A “Welcome Home, Honda,” orientation packet and presentation will provide employees with the necessary information and one-on-one assistance to ensure a good start in Van Wert.

Temporary Office and Warehouse Space
- The Community Improvement Corporation operates the Van Wert Innovation Center, a 41,000 square-foot business incubator facility located in the City. The Innovation Center currently contains approximately 25,000 square feet of available office and warehouse space. This space will be provided to Honda, as needed, on a temporary basis at no cost.
- Additionally, other space in the downtown and commercial districts is also available based on Honda’s needs.

Van Wert – Sumoto Sister City Program
- Van Wert is extremely proud of the Sister City relationship we have enjoyed with Sumoto City, Japan, for more than ten years. The existing local partnerships between the Sister City Program and the City, County, Chamber of Commerce, and other local organizations, have helped tremendously to broaden international awareness in our community.
- As a result of Honda expanding in our community, we intend to strengthen this valuable program by expanding upon an annual student exchange, as well as enhancing our local outreach program to foster people-to-people exchanges in commerce, the arts, education, private sector management, science, technology, athletics and economic development.
English as a Second Language (ESL)
- The Van Wert City School District, as well as the Crestview and Lincolnview Local School Districts, are all very interested in developing an ESL curriculum to meet the needs of Honda employees and their families. These school districts already have experience in creating ESL curriculum opportunities for student enrollees from China, Denmark and Mexico.
- The superintendents from these school districts have also been in contact with the Marysville School District to learn more about creating the type of ESL curriculum that is offered in that location for current Honda employees and their families.

Police and Fire Protection
- Preserving the continued safety of your business and its employees is a responsibility that local officials in Van Wert take very seriously. The City of Van Wert dedicates a significant portion of the City’s income tax revenues to support the local Police and Fire departments.
- Police, fire and paramedic services are dispatched under a reliable 9-1-1 emergency notification system.
- The Van Wert Police Department has a staff of 23 full-time and 4 reserve officers, while the Fire Department has 20 members, including emergency medical service (EMS) personnel, and carries a Class 4 insurance rating.

Van Wert County Airport
- The Van Wert County Airport is open seven days a week, and its 4,000-foot paved runway already provides immediate air access to and from the community.
- Expansion of the runway to 5,000 feet is planned to accommodate a broader variety of corporate aircraft, and will be expedited with the location of Honda in Van Wert County.
- Facilities at the airport also include overnight indoor parking, a pilot lounge and hangar rental, with full certified maintenance available 24 hours a day.

In conclusion, there are many reasons why Van Wert is the location of choice for Honda’s proposed new investment, and we are eager to have the opportunity to demonstrate to you all the advantages you will enjoy by making our community your next home.
Honda is already familiar with many of the benefits of doing business in Ohio. We are proud to be part of such a great state, and we sincerely believe that the unique advantages we offer in Van Wert are the same ingredients that Honda has used to build such a successful presence in Ohio.

We cannot overstated the sense of honor and excitement we all feel when we consider the possibility of becoming home to Honda’s new automotive assembly plant. We urge you to consider the many strengths that define Van Wert as an excellent location for growing your business, and we look forward to welcoming you to our wonderful community.

Sincerely,

Harold Merkle
Chairman, Board of Commissioners
Van Wert County

Don Farmer
Mayor
City of Van Wert

Gary Adams
Commissioner
Van Wert County

Jay Fleming
Safety Service Director
City of Van Wert

Clair Dudgeon
Commissioner
Van Wert County

Nancy Bowen
Economic Development Director
Van Wert County
Net Profit (taxable income)

<table>
<thead>
<tr>
<th>Units per year</th>
<th>300,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue per unit</td>
<td>$18,000</td>
</tr>
<tr>
<td>Revenue per year</td>
<td>$5,400,000,000</td>
</tr>
<tr>
<td>Profit margin</td>
<td>6%</td>
</tr>
<tr>
<td>Taxable income</td>
<td>$324,000,000</td>
</tr>
</tbody>
</table>

State apportionment
Sales are assumed to be equal in all 50 state (2% per state)
Property and payroll assumed to be 100%, since this would be the first significant facility of the Toyota/Mazda JV

<table>
<thead>
<tr>
<th>State</th>
<th>Method</th>
<th>Sales</th>
<th>Sales</th>
<th>Property</th>
<th>Payroll</th>
<th>Sum</th>
<th>Apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>Sales only</td>
<td>2%</td>
<td></td>
<td>100%</td>
<td>100%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Sales only</td>
<td>2%</td>
<td></td>
<td>2%</td>
<td>100%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Sales (2), property, payroll</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204% divided by 4</td>
<td>51%</td>
</tr>
<tr>
<td>Alabama</td>
<td>Sales (2), property, payroll</td>
<td>2%</td>
<td>2%</td>
<td>100%</td>
<td>100%</td>
<td>204% divided by 4</td>
<td>51%</td>
</tr>
</tbody>
</table>

Apportioned taxable income

<table>
<thead>
<tr>
<th>State</th>
<th>Federal taxable inc.</th>
<th>Apportionment</th>
<th>Apportioned taxable inc.</th>
<th>Income tax rate</th>
<th>Annual state income tax</th>
<th>20-year state income tax</th>
<th>50% state tax credits</th>
<th>20-yr. effective income tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>$324,000,000</td>
<td>2%</td>
<td>6,480,000</td>
<td>2.50%</td>
<td>162,000</td>
<td>3,240,000</td>
<td>N/A</td>
<td>$3,240,000</td>
</tr>
<tr>
<td>South Carolina</td>
<td>$324,000,000</td>
<td>2%</td>
<td>6,480,000</td>
<td>5.00%</td>
<td>324,000</td>
<td>6,480,000</td>
<td>3,240,000</td>
<td>$3,240,000</td>
</tr>
<tr>
<td>Arkansas</td>
<td>$324,000,000</td>
<td>51%</td>
<td>165,240,000</td>
<td>6.50%</td>
<td>10,740,600</td>
<td>214,812,000</td>
<td>107,406,000</td>
<td>107,406,000</td>
</tr>
<tr>
<td>Alabama</td>
<td>$324,000,000</td>
<td>51%</td>
<td>165,240,000</td>
<td>6.50%</td>
<td>10,740,600</td>
<td>214,812,000</td>
<td>107,406,000</td>
<td>107,406,000</td>
</tr>
</tbody>
</table>

Favorable income tax structure in NC

It is assumed that the company will generate sufficient tax credits to offset 50% of its state income tax liability in all states but NC, which does not offer tax credits. After applying those credits, the company's effective tax liability will be $3,240,000 in NC and SC and $107,406,000 in Arkansas and Alabama - all over 20 years. Therefore, the value of NC's favorable income tax structure is equal to:
Relative to SC - The full value of tax credits proposed by SC.
Relative to AL and AR - The full value of tax credits proposed plus $104.2 million ($107.4M liability in AL/AR less $3.2M liability in NC).

We do not know the amount of tax credits proposed by the other states and do not know how to accurately calculate them. So, we are proposing to use $211.6 million, which represents our tax advantage relative to AL and AR ($104.2M) plus the amount of credits necessary to offset 50% of the full liability in those states ($107.4M).
Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
O 919.447.7786  M 919.275.2322  
Evan.Stone@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn  

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<table>
<thead>
<tr>
<th>Company</th>
<th>Location(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y-Tech Corp.</td>
<td><strong>Salamanca, Mexico, 2 Locations in China, Headquarters in Japan</strong></td>
</tr>
<tr>
<td>Aki Seat</td>
<td><em>Irapuato - Salamanca, Guanajuato, Mexico, Headquartered in Japan</em></td>
</tr>
<tr>
<td>DaiykoNishikawa Corp.</td>
<td><em>Headquartered in Japan and has a Salamanca, Mexico</em></td>
</tr>
<tr>
<td>Denso</td>
<td><strong>North Americans Headquarters in Southfield, Michigan</strong></td>
</tr>
<tr>
<td>Jtekt</td>
<td><strong>Headquartered in Japan, locations throughout North America</strong></td>
</tr>
<tr>
<td>Aisin Seiki</td>
<td><strong>Headquartered in Japan, numerous facilities in the U.S.</strong></td>
</tr>
<tr>
<td>Toyota Boshoku</td>
<td><strong>Headquartered in Japan and North American facilities based out of Erlanger, Kentucky</strong></td>
</tr>
<tr>
<td>Toyota Tsusho</td>
<td><strong>Headquartered in Japan and has offices throughout the U.S., New York is the headquarters</strong></td>
</tr>
<tr>
<td>Fuel Total Systems Corp.</td>
<td><em>Headquartered in Kentucky</em></td>
</tr>
<tr>
<td>TAIHO Manufacturing</td>
<td><strong>Headquartered in Gordonsville, TN</strong></td>
</tr>
<tr>
<td>OTICS USA</td>
<td><strong>Headquartered in Morristown, TB</strong></td>
</tr>
<tr>
<td>Superior Industries</td>
<td><strong>Headquartered in Southfield, Michigan</strong></td>
</tr>
</tbody>
</table>
Susan,

Please see attached. It might be good for us to meet and discuss early next week – Tuesday at 9:30am??

Thanks
Garrett

---

From: Fleetwood, Susan [mailto:sfleetwood@nccommerce.com]
Sent: Thursday, August 31, 2017 1:01 PM
To: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>
Subject: New World

Can you shoot me the new RFP when you have a chance?
### Project New World - Site Criteria Request

#### Selection Criteria

<table>
<thead>
<tr>
<th>Selection Criteria</th>
<th>Min/Max</th>
<th>RANGE</th>
<th>Requirements/Comments</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Data</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T&amp;Y (ft) (Acres)</td>
<td>&gt;1,200</td>
<td>&gt;2,200</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T&amp;Y (ft) (Acres)</td>
<td>&gt;750</td>
<td>&gt;1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Size  CAD Drawing</td>
<td>5,000 x 6,000</td>
<td>7,500 x 12,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Cover Area</td>
<td>2%</td>
<td>5%</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sites/Expressway/Interstate</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>120°</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Size/Location</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>3.5 miles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wetlands</td>
<td>0%</td>
<td>0%</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Floodplains/Critical Road Zone</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>1/10 mile</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seismic Zone</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>3.5 miles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topography/Topo Change</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>Generally Flat</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** All sites are subject to environmental studies and their suitability for development will be evaluated.

- **NR** - Not Required
- **GR** - Generally Required

---

### Transportation / Access / Site Logistics

<table>
<thead>
<tr>
<th>Transportation / Access / Site Logistics</th>
<th>Min/Max</th>
<th>RANGE</th>
<th>Requirements/Comments</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driving Distance to Main Road (miles)</td>
<td>&lt;1</td>
<td>&lt;5</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Truck Routes - Access Requirements</td>
<td>Yes</td>
<td>Yes</td>
<td>Paved, Accessible</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Access Road Condition</td>
<td>Average</td>
<td>1/100</td>
<td>Acceptable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access Road Improvements Required</td>
<td>Yes</td>
<td>Yes</td>
<td>3 to 5 years</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roadway Width</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>12 ft</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roadway Length</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>500 feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proximity to Major Road</td>
<td>&lt;25</td>
<td>&lt;25</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proximity to Highways/Interstates</td>
<td>&lt;5</td>
<td>&lt;5</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic - Sound / Noise Level (dBA)</td>
<td>40</td>
<td>60</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic - Density - Peak (veh/day)</td>
<td>1,200</td>
<td>1,200</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic - Hourly Volume - Peak (veh/hr)</td>
<td>1,200</td>
<td>1,200</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic - Volume - Peak (veh/yr)</td>
<td>300</td>
<td>300</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic - Volume / Daily</td>
<td>45</td>
<td>45</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off-Highway Access / Daily</td>
<td>80</td>
<td>80</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### Settlements

<table>
<thead>
<tr>
<th>Settlements</th>
<th>Min/Max</th>
<th>RANGE</th>
<th>Requirements/Comments</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Living/Conclusion</td>
<td>Manufacturing</td>
<td>NA</td>
<td>Manufacturing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process / Site Changes</td>
<td>Yes</td>
<td>Yes</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Previous Use</td>
<td>TBD</td>
<td>Greenfield - Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Site Dimensions - Height, Etc.</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>100 feet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulatory Controls</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permit / Required - Timing / Costs</td>
<td>3 months</td>
<td>3 months</td>
<td>3 months</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relocation of Utilities Infrastructure Required</td>
<td>Max, specify distance</td>
<td>Yes, on site</td>
<td>Yes, on site</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Property Taxes / Rates</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Tax Assessments</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### Utility Infrastructure

<table>
<thead>
<tr>
<th>Utility Infrastructure</th>
<th>Min/Max</th>
<th>RANGE</th>
<th>Requirements/Comments</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Annual Demand</td>
<td>65</td>
<td>85</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Load Factor</td>
<td>70%</td>
<td>80%</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Rating</td>
<td>TBD</td>
<td>TBD</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Voltage (kV)</td>
<td>Max/Max</td>
<td>Max/Max</td>
<td>1 kV</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Service Points</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity (kW)</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearest Primary Run Location</td>
<td>To site</td>
<td>To site</td>
<td>To site</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off-Site Extension Required</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off-Site Distance Required</td>
<td>Max, specify distance</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Height of Service Line</td>
<td>10 ft</td>
<td>10 ft</td>
<td>Yes, on site</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate per Circuit</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Water / Waste Water

<table>
<thead>
<tr>
<th>Water / Waste Water</th>
<th>Min/Max</th>
<th>RANGE</th>
<th>Requirements/Comments</th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Daily Flow</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum Rate per Minute Required</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Provider</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearest Multi-Location / Size</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity / Allowable</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate per Circuit</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connection Fees</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### Additional Notes

- **NR** - Not Required
- **GR** - Generally Required
I have attached:

1. The itinerary for tomorrow’s meeting. The meeting starts at 10:20 in PTO’s boardroom. The CAM site discussion is scheduled to begin at 10:30, lunch at 11:45 and the Greensboro/Randolph site discussion at 12:15. Those would be the logical insertion times for Secretary Copeland.

2. The Gantt chart/project construction timeline in which Duke commits to moving the line within 22 months from now. Garrett spoke to Trevor Ragsdale at JLL and was told that that schedule would be acceptable – not ideal, but acceptable. By the way, the timeline for the electrical work on the CAM site is estimated at 24 months, two months longer than the Greensboro/Randolph site. Duke has not let us know yet who from Duke will be at the meeting. For now, I’m assuming it will be Geib.

I will be happy to drive/go with Secretary Copeland. Just let me know if he is planning on attending, and, if so, what time he wants to be there. I can pick him up or meet him somewhere – whatever he wants to do.

David Spratley  
VP, Business Recruitment  
Economic Development Partnership of North Carolina  
O 919-447-7738  M 919-703-5368  
david.spratley@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

Susan,

As promised, I'd asked our research team to pull any nuggets of background (i.e. beyond the usual corporate bios on the website) on Jim Lentz or Chris Nielsen for the meeting on 9/25 with the Governor. I'm presuming you'll run point on the meeting briefing like always, and hopefully the attached is helpful. Thanks,

Chris

Christopher Chung  Chief Executive Officer  
Economic Development Partnership of North Carolina  
O 919.447.7788  M 919.724.7943  
christopher.chung@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

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See attached.

GW

From: Stone, Evan [mailto:evan.stone@edpnc.com]
Sent: Tuesday, September 12, 2017 11:51 AM
To: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Fleetwood, Susan <sfleetwood@nccommerce.com>
Subject: RE: Itinerary for Project New World

Susan,

We will have a very nice “mini-bus” that will be transporting the team throughout the visit. You or Will can hop on the bus or follow.

Evan Stone Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919.447.7786 M 919.275.2322
Evan.Stone@edpnc.com   edpnc.com
Twitter  Facebook  LinkedIn

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Subject: RE: Itinerary for Project New World

Susan,

Please see the attached for P. New World. We would welcome either your or Will’s participation in this visit if it works with your schedules.

Thanks,
Garrett
Project New World
North Carolina Site Visit #3 - Itinerary
Thursday, September 21st, 2017

10:15 AM  Pick Up Consultant/Client Team at Piedmont Triad International (GSO)

10:20 AM  P. New World Site Overview Meeting Convenes
- Garrett Wyckoff, EDPNC
  - Welcome & Review of Agenda
- Location: Executive Conference Room at PTI

10:30 AM  CAM/Siler City Presentation & Technical Q&A
- Kyle Touchstone, President – Chatham EDC
- Location: Executive Conference Room at PTI
- Topics:
  - Real Estate – Kyle Touchstone
  - Site Engineering – Stimmel & Assoc.
  - Permitting - NCDEQ
  - Water and Wastewater – Town of Siler City & Chatham County
  - Electricity – Duke Power
  - Natural Gas – PSNC Energy
  - Logistics & Transportation – NCDOT/NCRR/Norfolk Southern

11:45 AM  Lunch with Greensboro-Randolph Megasite Team
- Location: Executive Conference Room at PTI

12:15 PM  Greensboro-Randolph Megasite Presentation & Technical Q&A
- Brent Christensen, President & CEO – Greensboro Chamber of Commerce
- Location: Executive Conference Room at PTI
- Topics:
  - Real Estate – Brent Christensen
  - Site Engineering – HDR/SEPI/Timmons
  - Permitting – NCDEQ
  - Water & Wastewater – City of Greensboro
  - Electricity – Duke Energy
  - Natural Gas – Piedmont Natural Gas
  - Logistics & Transportation – NCDOT/NCRR/Norfolk Southern
1:15 PM  Team departs for Greensboro-Randolph Megasite Field Visit
- Location: 5888 Browns Meadow Road
  Liberty, NC

3:45 PM  Conclude visit and depart for GSO/PTI
- Location: 1000 Ted Johnson Parkway
  Greensboro, NC

4:30 PM  Team arrives at GSO/PTI for scheduled flights.

Contact Numbers:
Garrett Wyckoff, EDPNC  919.703.5374
Evan Stone, EDPNC  919.275.2322
David Ramsey, GPED  336.701.3052
Kyle Touchstone, Chatham EDC  919.548.4879
Susan,

Please see the attached for P. New World. We would welcome either your or Will’s participation in this visit if it works with your schedules.

Thanks,
Garrett
Project New World
North Carolina Site Visit - Itinerary
Thursday, September 14th, 2017

7:30a  Meeting Start
       Proximity Hotel
       704 Green Valley Road
       Greensboro, NC 27408

7:35a  Greensboro – Randolph Site Overview Presentation
       • Brent Christianson, President & CEO – Greensboro Chamber of Commerce
       • Bonnie Renfro, Special Assistant – Randolph County

8:45a  Community Tour
       City of Greensboro & surrounding area

10:00a Greensboro-Randolph Site Tour
       5888 Browns Meadow Road
       Liberty, NC

11:15a Questions/Next steps

11:30a Team departs for Chatham – Siler City Advanced Manufacturing Site (CAM)

12:00p Welcome and Introductions from Chatham EDC
       Chatham Medical Park
       163 Medical Park Drive
       Siler City, NC
       • Kyle Touchstone, President – Chatham EDC

12:05p CAM Site Overview Presentation
       • Kyle Touchstone, President – Chatham EDC
       • Luke Dickey, Stimmel & Assoc.

1:15p  Community Tour Presentation
       Siler City, NC & surrounding area

NORTH CAROLINA
Economic Development Partnership of North Carolina
15000 Weston Parkway | Cary, NC 27513
2:30p  CAM Site Tour
      321 JC Teague Road
      Staley, NC 27355

3:30p  Conclude visit and depart for Piedmont Triad International Airport (PTI)
      1000 Ted Johnson Parkway
      Greensboro, NC

4:15p  Client Team arrive at PTI

Contact Numbers:
Garrett Wyckoff, EDPNC     919.703.5374
Evan Stone, EDPNC          919.275.2322
Katy Parker, EDPNC         984.364.0058
Susan,

Attached is the workforce and training letter from Maureen for your proposal. I will upload it to SF momentarily.

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919.447.7785 M 919.275.2322
EvansStone@edpnc.com edpnc.com
Twitter Facebook Linkedin

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From: Jerrie Farmer [mailto:farmer@nccommunitycolleges.edu]
Sent: Friday, September 8, 2017 10:57 AM
To: Stone, Evan <evan.stone@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>
Cc: Maureen Little <littlem@nccommunitycolleges.edu>
Subject: Project New World

Good Morning Evan and Garrett,

Attached is a letter from Maureen Little regarding Project New World. Please feel free to contact Maureen if you have any questions.

Thanks...have a great weekend!

Sincerely,
Jerrie

Jerrie Farmer

NC Community College System

Administrative Assistant for Economic Development

919-807-7183

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September 8, 2017

Mr. Evan Stone
Mr. Garrett Wyckoff
Economic Development Partnership of North Carolina
15000 Weston Parkway
Cary, NC 27513

Dear Evan and Garrett,

I am excited to learn that Project New World is considering locating a manufacturing operation in North Carolina. Counties being considered include Chatham, Guilford and Randolph. As I understand this project, the company plans to create 4,000 full-time positions within a five-year period. The average annual salary of all employees is estimated to be $50,000, and the capital investment is estimated to exceed $1.6 billion.

I am confident that given our extensive experience partnering with thousands of companies, both domestic and international, along with our resources and flexibility, that no other state offers accessibility to high quality workforce development as does North Carolina. The North Carolina Community College System is known worldwide for the quality and specific focus of our Customized Training Program and other programs that support business development in North Carolina.

Training may include pre-employment training, where candidates experience a short-term realistic job preview, as well as extensive post-employment training that will be customized for Project New World. A training plan is developed as a joint effort between representatives from the company, the local community college and the North Carolina Community College System. We are prepared to discuss technical training and soft skills training with your client. We look forward to partnering with Project New World to design and develop a customized plan to meet their specific workforce development requirements for a well-trained and productive workforce that is the equal of any in the world.

Although it is difficult to determine a dollar value of the training without knowing specific job skills and competencies, I estimate the value of our Customized Training Program support to range from $4,000 to $4,200 per eligible trainee. This does not include fixed costs of existing personnel resources, previous investments in curriculum development, facilities, etc. I also need to mention that this commitment is contingent upon availability of funding, which is based on annual legislative appropriations. However, no other state has as long a period of consistent funding for customized training as has North Carolina.
During the past year, we have worked with over 330 new, expanding, and existing industry clients across North Carolina to design and deliver focused and effective training programs that met their respective needs. Each year well over 96 percent of our clients ranked us as very good or excellent for meeting their training expectations, providing effective service, and for the impact of our training programs on their companies' productivity and performance. This year promises to be even busier and we hope to be able to start planning and implementing some of these activities for Project New World.

We are confident our Customized Training Program and the North Carolina Community College System have the fiscal resources and the expertise to provide assistance in developing a comprehensive and genuinely effective customized training program tailored to company needs.

Please know we are committed to a continued partnership with the company and the possibility of future expansion. If you have questions or need clarification on any of this information please feel free to contact me at 919-218-7133, or email me at littlem@nccommunitycolleges.edu at your convenience.

Sincerely,

Maureen Little
Vice President, Economic Development
See attached. This is what I have so far – not sure what the hold is from Greensboro-Randolph. Continue to push for these details.

Garrett

From: Wyckoff, Garrett [mailto:garrett.wyckoff@edpnc.com]
Sent: Wednesday, September 06, 2017 11:10 AM
To: Fleetwood, Susan <fleetwood@ncommerce.com>
Cc: Dickinson, Stewart J <sdickinson@ncommerce.com>
Subject: P. NEW WORLD BRIEFING MEMO

Susan,

Please see the attached in reference to the P. New World incentives proposal. These are fairly conservative assumptions on our part but should provide a good foundation for our initial response.

Also, I am still waiting on some of the costs associated with the Liberty Site (cost per acre, site prep, etc.) and as soon as I receive those I will forward on. I have received those details from both the CAM and Moncure sites already.

Thanks,
Garrett

Garrett Wyckoff
Senior Manager, Business Recruitment
Economic Development Partnership of North Carolina
O 919.447.7743 M 919.703.5374
garrett.wyckoff@edpnc.com | edpnc.com
Twitter | Facebook | LinkedIn
<table>
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<th>Chatham Co. - CAM</th>
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<td>Cost per acre</td>
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<td>Optioned acres</td>
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<td>Total land cost</td>
<td>$57,585,000</td>
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<tr>
<td>Locals to convey property?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Est. site prep cost</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>cover all site prep costs?</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Water cost</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Wastewater cost</td>
<td>$0</td>
<td>$0</td>
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|                                | $5.42M Need     | $0                   |

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<tr>
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<tr>
<td>NCDOT</td>
<td>Updated grant amount</td>
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<tr>
<td></td>
<td>requested</td>
<td>requested</td>
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<tr>
<td>NCCCS Training</td>
<td>Support ltr. Requested</td>
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<tr>
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<tr>
<td>Norfolk Southern</td>
<td>Support ltr. Requested</td>
<td>Support ltr. Requested</td>
</tr>
<tr>
<td>NCRR</td>
<td>Support ltr. Requested</td>
<td>Support ltr. Requested</td>
</tr>
</tbody>
</table>
Greensboro-Randolph

?
1500
?
Yes

?
Yes

?

Support ltr. Requested
Updated grant amount requested
Support ltr. Requested
Support ltr. Requested
Support ltr. Requested
Support ltr. Requested
FYI.

Garrett Wyckoff  
Senior Manager, Business Recruitment  
Economic Development Partnership of North Carolina  
O 919.447.7743 M 919.703.5374  
[garrett.wyckoff@edpnc.com](mailto:garrett.wyckoff@edpnc.com) [edpnc.com](http://www.edpnc.com)  
Twitter | Facebook | LinkedIn

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<td>Expectation that State will cover all site prep costs?</td>
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<td>Yes</td>
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<td>Water cost</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Wastewater cost</td>
<td>$5,420,000</td>
<td>$0</td>
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</table>

**NCDOT**
- Support ltr. Received
- Updated grant amount requested

**NCCCS Training**
- Support ltr. Requested

**Duke Energy**
- Support ltr. Requested
- Support ltr. Requested
- Support ltr. Received

**Natural Gas**
- Support ltr. Requested
- Support ltr. Requested
- Support ltr. Received

**Norfolk Southern**
- Support ltr. Requested
- Support ltr. Requested

**NCRR**
- Support ltr. Requested
- Support ltr. Requested
Greensboro-Randolph

<table>
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<th>$24,000/acre</th>
<th>1500</th>
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<tr>
<td>$36,000,000</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td></td>
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</tbody>
</table>

| $25,000,000 |      |
|            | Yes  |

| $20,000,000 | $9,800,000 |

*Support ltr. Received*

Updated grant amount requested
Support ltr. Requested
Support ltr. Requested
*Support ltr. Received*
Support ltr. Requested
Attached.

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919 447 7786  M 919 275 2322
Evan.Stone@edpnc.com  edpnc.com
Twitter  Facebook  LinkedIn

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# Project New World - North Carolina Incentive Summary

## Programs

### State Programs:

<table>
<thead>
<tr>
<th>Program</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Tax Exemption</strong></td>
<td>$54,000,000</td>
</tr>
<tr>
<td>Manufacturers, certain recyclers, research and development companies, and eligible datacenters are exempt from sales tax on purchases of machinery and equipment. Estimated value based on projected personal property investment.</td>
<td></td>
</tr>
<tr>
<td><strong>Job Development Investment Grant (JDIG)</strong></td>
<td>$170,000,000</td>
</tr>
<tr>
<td>A performance-based, discretionary incentive program that provides cash grants directly to new and expanding businesses to help offset the cost of locating or expanding a business facility in the state. These cash grants for &quot;high yield&quot; projects are disbursed annually, for up to 20 years, and can be used by the company for whatever purpose desired and are not tied to qualified expenses or other such requirements.</td>
<td></td>
</tr>
<tr>
<td><strong>One North Carolina Fund</strong></td>
<td>$68,800,000 - $86,000,000</td>
</tr>
<tr>
<td>The One North Carolina Fund is a discretionary program that provides direct cash reimbursements to new and expanding high-impact competitive projects that create new jobs. Awards are based on job creation, economic impact of the project, the importance of the project to the state, and quality of industry and environmental impact.</td>
<td></td>
</tr>
<tr>
<td><strong>Site Infrastructure Development Fund</strong></td>
<td>up to $50,000,000</td>
</tr>
<tr>
<td>Site infrastructure fund is an infrastructure and site readiness fund reserved for the most transformational projects. Funds go toward all site development and readiness expenses. Final value will be site dependent.</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal of State Programs:** $342,800,000 - $360,000,000

### Public Infrastructure Incentives

<table>
<thead>
<tr>
<th>Program</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Golden Leaf Foundation - Infrastructure Grant</strong></td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards infrastructure improvements. Final value will be site dependent.</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal of Public Infrastructure Incentives:** $25,000,000

### Workforce and Training Incentives

<table>
<thead>
<tr>
<th>Program</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NC Community Colleges</strong></td>
<td>up to $16,400,000</td>
</tr>
<tr>
<td>Customized Workforce Training helps attract and retain skilled workforce to new or expanding companies. No other states have more experience assisting companies with this crucial matter than North Carolina. The State of North Carolina pioneered this free, customized job training for new and expanding businesses in 1958, and continues to provide the nation’s most-recognized, cutting edge job training service. This program provides customized education, training, development of instructional materials, and supporting services at no cost to eligible companies.</td>
<td></td>
</tr>
<tr>
<td><strong>Talent Identification and Selection</strong></td>
<td>$2,000,000</td>
</tr>
<tr>
<td><em>Screening and Assessment</em> – In-kind services provided by NCWorks for employee screening based on job requirements and specifications developed by the company, ensuring the company only receives referrals who meet the job requirements.</td>
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<td><strong>Golden Leaf - Specialized Training Center</strong></td>
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Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards training-related assistance.

| Subtotal of Workforce and Training Incentives: | $43,400,000 |
| Local Incentives | |
| Property Tax Grant | up to $100,000,000 |
| Local property tax grant based on new jobs and/or capital investment. *Exact value will be determined by site location.* |
| Real Estate - Land Conveyance | $25,000,000 - $58,000,000 |
| Pending deed transfer by local Board of Commissioners. *Exact value will be determined by site location.* |
| Subtotal of Local Incentives: | $125,000,000 - $158,000,000 |
| Utility and Logistics Infrastructure Funding | |
| Rail Access and Infrastructure Improvements | TBD - All "on site" rail infrastructure will be provided |
| Norfolk Southern and/or CSX Transportation in conjunction with DOT and the North Carolina Railroad will provide "on site" rail infrastructure to the client company. *Exact value will be determined by site location.* |
| Road Access Improvements | TBD |
| Funds are available through the NC Department of Transportation (DOT) to construct roads to provide access to new or expanded industrial or manufacturing facilities, including mills, processing facilities and laboratories and other industrial research operations. *Exact value will be determined by site location.* |
| Energy Infrastructure Funding | |
| Natural Gas | TBD |
| Duke Energy | TBD |
| Subtotal of Utility and Logistics Infrastructure Funding: | estimated at $50,000,000 |
| Estimated Total Value: | $586,200,000 - $636,000,000 |

* Will require legislative approval
# Project New World - North Carolina Incentive Summary

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<td>The One North Carolina Fund is a discretionary program that provides direct cash reimbursements to new and expanding high-impact competitive projects that create new jobs over a three-year period. Awards are based on job creation, economic impact of the project, the importance of the project to the state, and quality of industry and environmental impact.</td>
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<tr>
<td><strong>Subtotal of State Programs:</strong></td>
<td>$306,000,000 - $310,000,000</td>
</tr>
<tr>
<td><strong>Public Infrastructure Incentives:</strong></td>
<td></td>
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<td>Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards infrastructure improvements and/or training related assistance. Final value will be site dependent.</td>
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<td><strong>Subtotal of Public Infrastructure Incentives:</strong></td>
<td>$25,000,000</td>
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<td></td>
</tr>
<tr>
<td>Local Workforce Development Board</td>
<td>TBD</td>
</tr>
<tr>
<td>Talent Recruitment Assistance – In-kind services, such as career fairs, providing customized assistance and resources to assist the Company with recruitment and hiring efforts. On-The-Job Training (OJT) – This program can be applied to offset the initial costs of training as the company builds productivity, and the employees learn job requirements. Typically, up to 50% of wage costs for the employees being trained are reimbursed back to the company over an estimated three months.</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal of Workforce and Training Incentives:</strong></td>
<td>$43,400,000</td>
</tr>
<tr>
<td><strong>Local Incentives:</strong></td>
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<tr>
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Tried you back - call when you're able

Fri, Oct 20, 9:36 AM

Brent shared with me some language for the pad/site letter — I think that it looks good. Maybe use that?

If there is any way we can get the letter today - the sooner we can get it to JLL - I think the better

Mon, Jan 22, 9:30 PM

All: I have a new cell number, **919-275-2322**. Please delete the 352 number. Some of you may already be using the new 919 number for work purposes.
This is Evan. You see my text from my work number? Found out this morning Fountain is coming Thursday. Would love to know what he's gonna say.

Sec: some more intel for you. There is a site coordination call/meeting on the Greensboro site at noon Monday in Greensboro. Where all the local engineers will meet to hammer out DEFINITIVE plans for Toyota. If Geib shows up with no plan and says the same stuff, it's going to be erupt.

The more I think about it... I do think you call Fountain. The
The more I think about it... I do think you call Fountain. The biggest issue is this: Duke needs to have written plan with a timeline of what needs to be done to move the line within the client timeline. 18-24 months max!

This is Evan. Sorry to text you more.

Duke should've had the internal wheels turning LONG AGO on a plane for how this would happen. Anyway, take care...

I'm not sure the Gov doesn't need to call Lynne Goode. The more I think about it - the more I'm worried Duke is going to tank this project. Ok, seeya
Sec. This is Evan. I think Meredith may be confused... high level execs including North American President Jim Lentz are coming back on Saturday 9/30 and Sunday 10/1. THAT is the visit you want to join.

This Thursday is only engineers.

I think we've got Duke in the right posture now. My fear is that if Duke says one thing and you or someone else were to step up and say "no we can do it cheaper and faster" ...it really spooks the engineering team and the Japanese. When Will did it last time - it got duke straightened out but the client team didn't believe him.
We will send you the itinerary and let you decide. Maybe talk to Brent Christensen as well - I'm sure he would be encouraged for you to be there.

She told me ought to try and get to a billion. Use that info however you like. Thanks for getting the other secretaries and good there. -Evan

Secretary. Please see email. Per Meredith just a bit ago, we have WAY too many people involved in the tour this afternoon. You do not need to make the trip unless you just
Secretary. Please see email. Per Meredith just a bit ago, we have WAY too many people involved in the tour this afternoon. You do not need to make the trip unless you just really want to! Please call me or Brent asap.

Chris, Garrett and I are dropping off the tour.

Heads up from Brent: Sen Berger is expected to be at a piedmont triad partnership breakfast tomorrow morning and Brent can't be there to manage. He expects Berger will hear about the project and/or needs from Jim Melvin or Stan Kelly ...and Brent wanted you to have a heads up in case you
breakfast tomorrow morning and Brent can't be there to manage. He expects Berger will hear about the project and/or needs from Jim Melvin or Stan Kelly...and Brent wanted you to have a heads up in case you needed to update Berger and/or Moore before tomorrow morning. Call Brent.

Perfect.

This is Evan. See my email. May need you to reach out to DEQ Secretary.
This is evan. See my email. May need you to reach out to DEQ Secretary.

Secretary. This is Evan. I need to chat with you for 5-10mins regarding the big project and permitting. Please call me when you can.

This Evan. In light of the Toyota articles that came out yesterday. Probably a good time to have the gov call Jim Lentz and check-in. Let me know if I need to brief
Meredith:
We are on it. Will be back in touch soon.

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

*Messages sent to and from this address are subject to North Carolina public records law

On Dec 14, 2017, at 1:06 PM, O'Connor, Meredith <Meredith.OConnor@am.jll.com> wrote:

Do you have the cell tower agreement as requested below?

Meredith O'Connor
312-523-8737
Sent from my iPhone

Begin forwarded message:

From: "Scott Young (TMNA)" <scott.a.young@toyota.com>
Date: December 14, 2017 at 10:59:02 AM CST
To: "O'Connor, Meredith" <Meredith.OConnor@am.jll.com>
Cc: "Megan Frutkin (TMNA)" <megan.frutkin@toyota.com>,
"Chandra Mitchell (TMNA)" <chandra.mitchell@toyota.com>
Subject: [EXTERNAL] RE: Exception 71a.pdf

Scott A. Young
Managing Counsel
Toyota Motor North America, Inc.
6565 Headquarters Drive  W1-5B  Plano  TX  75024
(469) 292-6043 Office  Scott.A.Young@Toyota.com

From: Scott Young (TMNA)
Sent: Thursday, December 14, 2017 10:50 AM
To: 'O'Connar, Meredith' <Meredith.OConnor@am.jil.com>
Cc: Megan Frutkin (TMNA) <megan.frutkin@toyota.com>; Chandra Mitchell (TMNA) <chandra.mitchell@toyota.com>
Subject: Exception 71a.pdf

Meredith,

I understand there have been discussions about the ROFR associated with the cell tower lease. Do you have, or can you obtain, a copy of the underlying cell tower agreement? I’ve attached a memorandum of that agreement which is reflected in the title commitment. Thank you.

Scott A. Young
Managing Counsel
Toyota Motor North America, Inc.
6565 Headquarters Drive | W1-5B | Plano | TX | 75024
(469) 292-6043 Office | Scott.A.Young@Toyota.com

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Attached are the two versions with the latest revisions.

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919 447 7780  M 919 275 2322
Evan.Stone@edpnc.com  edpnc.com
Twitter  Facebook  LinkedIn

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# Project New World - North Carolina Incentive Summary

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<tbody>
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<td>A performance-based, discretionary incentive program that provides cash grants directly to new and expanding businesses to help offset the cost of locating or expanding a business facility in the state. These cash grants for &quot;high-yield&quot; projects are dispersed annually, for up to 20 years, and can be used by the company for whatever purpose desired and are not tied to qualified expenses or other such requirements.</td>
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<td>One North Carolina Fund *</td>
<td>$86,800,000 - $86,000,000</td>
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<td>Golden Leaf Foundation - Infrastructure Grant</td>
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<td>Golden LEAF will consider applications to assist eligible state, regional and local economic development entities with grants to support permissible activities that lead to job creation in tobacco-dependent or economically distressed areas. Estimated value to be determined on best use of funds towards infrastructure improvements. Final value will be site dependent.</td>
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<td>Customized Workforce Training helps attract and retain skilled workforce to new or expanding companies. No other states have more experience assisting companies with this crucial matter than North Carolina. The State of North Carolina pioneered this free, customized job training for new and expanding businesses in 1958, and continues to provide the nation's most-recognized, cutting edge job training service. This program provides customized education, training, development of instructional materials, and supporting services at no cost to eligible companies.</td>
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Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
O 919.447.7786  M 919.275.2322  
Evans.Stone@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

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<td><strong>Subtotal</strong></td>
<td><strong>$374,400,000 - $382,400,000</strong></td>
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Evan Stone  
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MONCURE
MEGASITE
(Chatham County, North Carolina)
response to
Request for Proposal
Project New World
September 8, 2017
INSTRUCTIONS TO RESPONDENTS

REQUEST FOR PROPOSAL

Congratulations! Your state has been selected as a potential candidate location for a major manufacturing project in which we previously requested information under the name Project Mitt.

The identity and description of Project Mitt (now and hereafter re-named Project New World) has been disclosed and is more fully described in the following Toyota news release issued from Tokyo on August 4, 2017 which reads in part:

“Toyota and Mazda have agreed to explore establishing a joint venture plant in the U.S. with equal funding contributions. The plant would have an estimated annual production capacity of approximately 300,000 units. Pending approvals and authorization by relevant government agencies, the companies will begin to examine detailed plans with the goal to starting operations of the new plant in 2021. The plant will require a total investment of approximately 1.6 billion U.S. dollars, and will create up to 4,000 jobs.”

http://corporatenews.pressroom.toyota.com/releases/toyota+mazda+enter+business+capital+alliance.htm

Our client, hereafter “Project New World” and Jones Lang LaSalle Americas, Inc. (“JLL”) are pleased to include you in our Request for Proposal (“RFP”) process for Project New World. We recognize and appreciate the team effort that is involved in preparing an RFP response of this scope. By acceptance of this RFP, you agree to keep the existence of the RFP and all information and material associated therewith confidential.

The next step will be for your team to fully answer this RFP. Based on these responses, Project New World will complete an internal review of information submitted to narrow the candidate locations for future consideration. See the below Project Facts descriptions to assist your response.

Your RFP response must be provided electronically and the response topics and questions herein are to be answered and submitted to JLL in a MS Word document format and the provided MS Word or MS Excel format for the Site Information Request. Any supporting documents, i.e. maps, graphs or pictures may be submitted electronically in Adobe PDF format.

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MONCURE MEGASITE
(Chatham County, North Carolina)
response to
Request for Proposal
Project New World
September 8, 2017
Request For Proposal

To Be Returned By:
September 8, 2017
INSTRUCTIONS TO RESPONDENTS

REQUEST FOR PROPOSAL

Congratulations! Your state has been selected as a potential candidate location for a major manufacturing project in which we previously requested information under the name Project Mitt.

The identity and description of Project Mitt (now and hereafter re-named Project New World) has been disclosed and is more fully described in the following Toyota news release issued from Tokyo on August 4, 2017 which reads in part:

"Toyota and Mazda have agreed to explore establishing a joint venture plant in the U.S. with equal funding contributions. The plant would have an estimated annual production capacity of approximately 300,000 units. Pending approvals and authorization by relevant government agencies, the companies will begin to examine detailed plans with the goal to starting operations of the new plant in 2021. The plant will require a total investment of approximately 1.6 billion U.S. dollars, and will create up to 4,000 jobs."

http://corporatenews.pressroom.toyota.com/releases/toyota+mazda+enter+business+capital+alliance.htm

Our client, hereafter “Project New World” and Jones Lang LaSalle Americas, Inc. ("JLL") are pleased to include you in our Request for Proposal ("RFP") process for Project New World. We recognize and appreciate the team effort that is involved in preparing an RFP response of this scope. By acceptance of this RFP, you agree to keep the existence of the RFP and all information and material associated therewith confidential.

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PROPOSAL REQUIREMENTS

Please submit an electronic version of the responses to the email addresses listed below on or before the close of business on September 8, 2017. If you have any questions, please contact Meredith O’Connor at (312) 523-8737, Vineet Sahgal at (312) 228-2501 or Kenneth Gilkes at (312) 216-9532 for taxes and cost savings and Kris Bjorson at (312) 282-0511 for site information.

Meredith.oconnor@am.jll.com
Vineet.sahgal@am.jll.com
Kenneth.gilkes@am.jll.com
Kris.bjorson@am.jll.com
PROJECT FACTS TO ASSIST RESPONSE

A. SITE CRITERIA AND OPERATIONAL DESCRIPTION

Definition of Project New World: We are seeking a geographic area with greater than a 330,000 person workforce within a 60-mile radius to employ more than 4,000 people located on a minimum of 750 buildable acres, served by a minimum of one Class I railroad in close proximity to a major interstate. Project timing is being finalized but production capability could be required within 18-36 months. Anticipated investment is approximately $1.6B and production capacity could exceed approximately 300,000 automobiles per year. Additional search criteria could include consideration of the following:

1. **Speed to Market** – At this time, we will only consider industrial sites under single ownership (or written-executed options for single ownership) with appropriate zoning for heavy manufacturing, on-site rail, planned road infrastructure improvements, attainment zone for any pollutant, comprehensive due diligence reports, etc. or any complication/issues (environmental, wetlands, archeological, etc.) which can be resolved within 12 months from closing.

2. **Big Fish in Medium Pond** – Project New World will target a labor force density (not population) of 330,000 workers within a 60 mile radius with greater than 10% of the total manufacturing work force employed in metal fabrication.

3. **Transportation** – Project Mitt will require one Class I rail line (preferably two Class I rail lines), on-site to be located within 50 miles of a terminal, switch or intermodal yard. The project will seek to locate less than 5 miles from an interstate or 4-lane highway.

4. **Limited Competition and Wage Pressure** – Project New World will seek to avoid adjacency or close proximity to any competitive manufacturing employer (steel, auto, truck, rail, aerospace, etc.) with greater than 500 jobs.

5. **Operational Description Sample Values:** (See next page)
Project New World

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Investment</td>
<td>$1.6B (50% Plant, 50% Equipment)</td>
</tr>
<tr>
<td>Annual Raw Material Inventory Value</td>
<td>$45M</td>
</tr>
<tr>
<td>Annual Finished Goods Value</td>
<td>$13.4M</td>
</tr>
<tr>
<td>Average Work in Progress Value</td>
<td>$4.2M</td>
</tr>
<tr>
<td>Annual Total Inventory Value</td>
<td>$62.6M</td>
</tr>
<tr>
<td>Approximate Team Member Count</td>
<td>4000</td>
</tr>
<tr>
<td>Approximate Annual Payroll</td>
<td>$200M</td>
</tr>
<tr>
<td>Approximate Training Cost</td>
<td>$100M</td>
</tr>
</tbody>
</table>

Project New World Suppliers

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Job Count</td>
<td>500</td>
</tr>
<tr>
<td>Approximate Investment</td>
<td>$100M (50% Plant, 50% Equipment)</td>
</tr>
</tbody>
</table>

B. SITES UNDER CONSIDERATION

Whether or not your state has previously submitted sites for Project Mitt, please review the revised Exhibit A – Project New World Site Criteria Request in order to submit sites that meet the above Site Criteria and Operational Description as well as the minimum requirements outlined in Exhibit A (“Viable Sites”). For your Viable Sites, Exhibit A must be completed and submitted in the Excel format at the same time as the proposal. Upon submission of a Viable Site, please also work with the JLL team to set up a box link in order to upload all relevant documentation, such as ownership entities, real estate agreements, surveys, title policies, easements, land use and entitlements, all reports or studies concerning the site and its condition, including but not limited to environmental, geotechnical, archaeological, wetlands, etc.

C. COST SAVINGS OBJECTIVES

Economic and financial benefits are a key consideration when companies consider expansions or relocations and will be reviewed carefully for Project New World.

The depreciation from the capital investment as well as the expenses of additional training and the move will impact the “Project New World” profit and loss statement at the same time these assets will operate at their lowest efficiency.

M Oncure MEGASITE Chatham EDC’s response to Project New World RFP
Economic benefits that help offset these costs are a major factor for companies like Project New World who need to both grow their business and reinvest in new technologies to maintain their competitive position.

INFORMATION REQUEST

LABOR FORCE

As noted above, labor will be a major consideration for Project New World. Given the desire for workforce density within a 60 mile radius of the proposed site, please help us answer some of the following questions:

The 60-mile radius around the Moncure Megasite includes 22 counties in North Carolina.

- Describe the population growth/decline of the subject area

The current population of the 60-mile radius is 3,525,271, while the 2010 census determined the population to be 3,236,914. Population has grown at an annual rate of 2.07% per year between 2000
and 2010 while households grew at an annual rate of 2.18% during the same period. The American Community Survey (ACS) estimates that from 2010 to 2016, the same area has grown at an annual rate of 1.37% while the projected annual rate of growth from 2016 to 2021 is estimated to be 1.45%.

According to ACS, the workforce within a 60 mile radius is greater than 1.5 million with approximately 148,800 people (9.4% of workforce) employed in manufacturing.

- List the top 10 manufacturing companies, including type of business, number of employees, location and description of activities

<table>
<thead>
<tr>
<th>Company</th>
<th>Type of Business</th>
<th>Employees</th>
<th>Location</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>AW Corporation</td>
<td>Automotive</td>
<td>1000+</td>
<td>Durham</td>
<td>Transmissions</td>
</tr>
<tr>
<td>Biogen Idec</td>
<td>Biotech</td>
<td>1000+</td>
<td>Durham</td>
<td>Pharmaceuticals</td>
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<td>GlaxoSmithKline</td>
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<td>Durham</td>
<td>Pharmaceuticals</td>
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<tr>
<td>Cree Research</td>
<td>Semiconductors</td>
<td>1000+</td>
<td>Durham</td>
<td>LEDs</td>
</tr>
<tr>
<td>Qorvo</td>
<td>Communications</td>
<td>1000+</td>
<td>Greensboro</td>
<td>Radio Frequency Systems</td>
</tr>
<tr>
<td>Thomas Built Buses</td>
<td>Automotive</td>
<td>1000+</td>
<td>High Point</td>
<td>School Buses</td>
</tr>
<tr>
<td>Gilbarco</td>
<td>Retail</td>
<td>1000+</td>
<td>Greensboro</td>
<td>Fuel Systems</td>
</tr>
<tr>
<td>Technimark</td>
<td>Plastics</td>
<td>500-999</td>
<td>Asheboro</td>
<td>Injection Molding</td>
</tr>
<tr>
<td>Klaussner Furniture</td>
<td>Furniture</td>
<td>500-999</td>
<td>Asheboro</td>
<td>Furniture</td>
</tr>
<tr>
<td>Mountaire Farms*</td>
<td>Food Processing</td>
<td>500-999</td>
<td>Siler City</td>
<td>Poultry</td>
</tr>
</tbody>
</table>

*Mountaire Farms announced plans in May 2016 to open a new poultry processing facility in Siler City. The facility is planned to be completed in Q1 2019.

- Please describe potential assistance for recruitment, training, etc.

Among the most significant questions a company new to North Carolina or expanding in the state must address is how to attract and retain a qualified workforce. No state has greater long-term experience with successful workforce solutions than North Carolina. Its world-class educational system of colleges and universities ensures a robust pipeline of candidates in fields ranging from finance to nanotechnology. Its award-winning community college system provides state-of-the-art training customized to meet an employer’s specific needs. North Carolina’s workforce development system—one of the most comprehensive in the nation—brings employer and employees together by managing recruiting, screening and other necessary pre-employment assessments.

Talent acquisition and development in North Carolina is coordinated by a network of nationally recognized economic, education and workforce development organizations, including the state’s
Department of Commerce, public community college and university systems and a large cadre of private colleges and universities. On behalf of a company new to the state or expanding its existing footprint, this team can manage a customized plan for initial recruitment, personalized screening, pre-employment training and, ultimately, client-specific training. In Chatham County, Central Carolina Community College will be your local service provider with the community college system.

Coordinating closely with the state’s world-class research institutions and Central Carolina Community College (CCCC), North Carolina’s workforce development program is well positioned to keep pace with new and advancing technologies. Its educational institutions produce a pipeline of graduates with a strong work ethic, high technical skills and knowledge and motivation guaranteed to ensure a company’s success and ability to compete in a global economy.

**Recruiting**

At no charge, NCWorks Career Center located at CCCC’s Pittsboro Campus provide companies with an extensive network of recruiters and recruiting tools. These experienced specialists leverage resources to more efficiently and effectively identify qualified applicants.

*Job awareness and outreach strategy*

Representatives work with a company to develop a coordinated communications and outreach strategy, crafting job opportunity public announcements and press releases and identifying target media outlets.

*Online job postings*

Company job openings can be posted online, making them available at over 100 NCWorks Career Centers across the state. These vacancy announcements are also automatically sent to community college and university career centers, ensuring the broadest possible qualified labor pool.

*Recruitment training video*

The North Carolina Community College System’s Learning Solutions Center can produce an orientation and process overview video to be used during various recruitment activities. The video can also be uploaded to a company’s website. The NCWorks website, which draws nearly 3 million visitors a month, can also feature the video.

*Job fairs and on-campus recruiting*
Special events, including job fairs and on-campus recruiting, provide excellent access to targeted talent pools and offer the opportunity to preview the quality of that potential workforce.

Additional services

Other talent acquisition services available include basic community orientation for those moving to the state and diversity and campus recruitment proposals.

NCWorks Career Centers

Primarily at no charge, NCWorks Career Center at CCCC can offer a variety of employment services that help companies find employees with the required skills.

Services available at NCWorks Career Centers:

- Computer Access
- Job opening postings
- Job applicant screening
- Qualified candidate referrals
- Space for applicants interviews
- Job fair arrangement
- Reference library for use by companies
- Information on local labor market, prevailing wages, etc.
- Employer workshops on a variety of topics

Screening

Available screening services can trim considerable time from the staffing process. Screening services provided at no charge include:

Application screening

NCWorks Career Centers can manage applicant flow through web-based screening, using candidate questionnaires or telephone/face-to-face interviews with candidates.

Employment consultants
Using job requirements developed by the company, professional employment consultants can screen applicants to ensure that the company talks only to those individuals who meet the company’s qualifications.

Facilities and equipment

Community college and university career centers, as well as NCWorks Career Centers, can provide facilities and office equipment to conduct job fairs, applicant interviews, group orientation and training.

Testing

Experienced staff can make a variety of recommendations regarding test selection and implementation, including: employment testing issues, test locators, medical exams, achievement tests, aptitude tests, personality tests, selection of non-biased and reliable tests, drug tests, polygraph testing and criminal background checks.

Customized Training

Assessments

Working with a company’s human resources team, certified job profilers use nationally recognized work classification programs to create task lists, perform skills analysis and develop customized position descriptions.

Pre-employment Training

The overall focus of preemployment training is to provide both the candidate and the company an opportunity to assess each other and determine if there is a good match for a long-term relationship. Participating with the knowledge that there is neither a guarantee of a job offer nor an obligation to accept a job offer, candidates are afforded a realistic job preview. For a company, this program provides the opportunity to articulate its philosophy to potential candidates and observe them during structured working scenarios.

North Carolina Community College Customized Training Program

North Carolina pioneered free and customized job training for companies new to the state and those already established here that are experiencing job growth. Sponsored by the state’s 58-campus community colleges, the Customized Training Program can support any full-time production,
technology support or direct customer service positions created in North Carolina. Services provided include training assessment, coursework design, training delivery and related instructional costs. The Customized Training Program is designed to support three key aspects of a company’s well-being: job growth, technology investment, and productivity enhancement.

Companies eligible for this program include manufacturers, technology-intensive operations, i.e., information technology, life sciences, etc., regional or national warehousing and distribution centers, customer support centers, air courier services or national headquarters with operations outside North Carolina. Civil service employees providing technical support to U.S. military installations in the state are also eligible to receive customized training assistance.

To receive assistance, eligible companies must meet two or more of the following conditions:

- The company is creating jobs, expanding an existing workforce, or enhancing the productivity and profitability of its operations within the state;
- The company is making an appreciable capital investment;
- The company is deploying new technology, or
- The assistance will enhance the skills of workers

The Customized Training Program serves any full-time probationary employees of a qualifying company who will be paid for hours in a training status. Program advantages include the following features:

- Development of a training plan in collaboration with the company;
- Instructors from the North Carolina Community College System or the statewide network of technical training experts, and
- Company trainers can be reimbursed for participating in training activities that are consistent with the training plan and delivery schedules. Subject to a designated instructional period, the community college responsible for providing customized training may reimburse a company for the actual hourly wages of a defined number of trainers for up to $30 per hour.

*On-the-Job Training (OJT)*

On-the-job training enables state workforce development professionals to provide the resources for training and retraining of local workers in partnership with the private sector. Training resources combined with employment opportunities provide a more highly skilled, competitive workforce, while responding to the human resource needs of new, expanding and existing companies. Via local workforce development boards, companies are compensated on a cost-reimbursement basis for up to 50 percent of an eligible new employee’s wages paid during on-the-job training for a set period of time.
NCWorks Apprenticeship Program

The NCWorks Apprenticeship Program is uniquely advantageous for participating companies. Using a time-honored model for industrial training, employers mentor entry-level employees in company-specific skills. Through apprenticeship, a company more effectively controls its human resource pipeline and reduces turnover.

Working on an employer-determined schedule, apprentices will be trained both in the classroom and on the job.

To establish an apprenticeship program, a company works with the North Carolina Department of Commerce to develop an approved written agreement. This document specifies the length of the training, the related technical instruction, an outline of the skills to be learned and the wages that an apprentice will earn.

NCWorks Incumbent Worker Training Grants

In addition to customized training, North Carolina resources support on-the-job training. The Incumbent Worker Training Grant reimburses companies for the cost of training their workers, helping to improve the skills of employees and the company’s competitiveness. Employers can receive up $10,000 per grant and up to a total of $60,000 from this program over the course of the company’s lifetime.

Incumbent Worker Training Grants cover the costs of the following training-related expenses:

- Instructional costs for training courses
- Classes for certification exams
- Online training
- Skills assessments related to requested training
- Textbooks and manuals
- Computer software for training purposes
- Instructor travel (if the training location is not within a reasonable distance of the company)

Continuing Education Program

The North Carolina Community College System Continuing Education Program is among the best in the world, enrolling and training more than 546,000 people each year. More than 1,400 affordable, short-term occupational skill training courses are offered across the state to train, retrain and
upgrade workers for current or future job skill requirements or certifications. Continuing education opportunities are offered at the request of employers as well as individuals.

TAXES

In the next round of this process, JLL will be preparing a comprehensive 20-year cash flow analysis for each site which will include consideration of all factors related to viability of Project New World in each location including the following:

1. Infrastructure costs where improvements or additions are required
2. 20-year tax impact including corporate income/franchise, sales, property and employment taxes
3. Utility costs
4. Cost savings opportunities and incentives

In order to accurately evaluate the site(s) in your state/region the remainder of the RFP will ask for information required to prepare this analysis.

1 - TAXES

Please outline and detail the following—please specify where the information relates to specific Viable Sites submitted to Project New World:

Property Tax

We understand that property taxes are locally driven and very site specific. To the extent possible, please provide a representative millage rate that would best apply to this market and Project.

| 1. Ad Valorem Tax Rates (per $100 or $1,000) for both real and personal property by taxing entity | • Chatham County -- .6281 / $100 of assessed value  
| 2. Assessment Ratio for both real and personal property | • Moncure Fire District -- .1250 / $100 of assessed value  
| | This applies to both real and personal property  
| | State will respond |

MONCURE MEGASITE Chatham EDC's response to Project New World RFP
3. What is the assessor's basis for the initial assessment of both real and personal property?  
   State will respond

4. Please provide county depreciation schedules.  
   State will respond

**Income/Franchise Tax**

1. Income/Franchise Tax Rates (Corporate and Personal)  
   State will respond

2. Apportionment formula(s)  
   State will respond

3. Provide tax rates for any local gross receipts or income taxes.  
   State will respond

**Sales/Use Tax**

1. Sales/Use Tax Rate for equipment by taxing entity  
   State will respond

2. Sales/Use Tax Rate for construction and contractors (if different)  
   State will respond

3. Does the state tax utilities purchased by manufacturers?  
   State will respond

**Employment Based Taxes**

4. Unemployment Tax Rate  
   State will respond

5. Workers’ Compensation Tax Rate  
   State will respond

Please also describe:

- Any other applicable taxes and corresponding rates, including local gross receipts tax or payroll taxes, if applicable
Not applicable

- Describe any proposed legislation that may have a positive impact on the business community. For example, lower tax rates, relaxed regulatory environment, tort reform, new economic development incentives, etc.

**State will respond**

**COST SAVINGS**

**II - COST SAVINGS**

The proposed location for Project New World represents a key effort related to strategic planning focused on continued future growth and maintenance of the financial strength of the companies associated with Project New World. At the same time, it is imperative to choose a conservative cost effective option for its ongoing operations and explore all cost savings opportunities. Please describe the cost savings programs available for Project New World utilizing all data available in this RFP, including specific reference to data supplied under the Operational Description above as well as any Graphs or Charts illustrating the exact calculation of cost savings associated with each item.

**Programs to consider as part of this RFP response include:**

- Grants

*Chatham County Incentive Program for Transformational Projects*

  a. **Description** – Chatham County can provide a grant based on a percentage of the tax revenue generated from the company. The percentage depends on a number of factors including jobs, wages and total investment. The Transformational Projects incentive can run for up to 20 years and can be granted in place of the traditional incentive program for those industries that qualify. Companies that may qualify for the Transformational Project Incentive are typically creating more than 1,000 jobs and investing more than $250 million in machinery and equipment with high wages and excellent employee benefits. The county has an option to alter the agreement if land is provided in addition to or in lieu of an incentive in accordance with Project New World’s desires. Please refer to enclosed incentive policy for full details.
b. **Type of incentive** – Performance based grant

c. **Granting/Administering authority** – Chatham County Board of Commissioners

d. **Eligibility requirements (including average wage requirements)** – A point based formula is used to determine eligibility and the amount of the grant. See attached form for transformational incentive policy.

e. **Method of calculating value** – A percentage of the taxes paid by the company.

f. **Estimated value to the Project** – Please note that the County may offer to provide land free of cost in lieu of or in addition to a performance based incentive.

g. **Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)** – None that we are currently aware of

- Any programs pertaining to attracting, retaining and reducing the costs associated with a large, heavy manufacturing plant

**Workforce Recruiting, Screening and Training Programs** – As discussed above

- Tax programs – Corporate income, franchise tax, property tax, local gross receipts tax, etc. (Abatements, Reductions, Exemptions, Credits)
- Forgivable Loans
- Recruitment & Training

**Workforce Recruiting, Screening and Training Programs** – As discussed above

- Infrastructure and Utilities

**NC DOT Road Access Funds**

a. **Description** – NC Department of Transportation can provide transportation improvements and infrastructure that will expedite industrial/commercial growth and provide new jobs or retain existing ones.

b. **Type of incentive** – Budget Relieving – NC DOT will do the agreed upon necessary work at the request of the company.

c. **Granting/Administering Authority** – NC Department of Transportation

d. **Eligibility requirements (including average wage requirements)** – Creation of new jobs and investment.

e. **Method of calculating value** -- Funds can be awarded up to $2,500 per job. NC DOT will assess the specific needs of the project and determine what work is necessary and can be completed by DOT.
f. Estimated value to the Project – TBD, depending on need of project.

g. Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval) --

NC Rail Road Rail Access Funds

a. Description – NC Rail Road can provide funding necessary to perform upgrades and improvements to rail infrastructure

b. Type of incentive – Budget Relieving

c. Granting/Administering Authority – NC Rail Road Company Board of Directors

d. Eligibility requirements (including average wage requirements) – Commitment to a NC site

e. Method of calculating value – Necessary improvements

f. Estimated value to the Project – TBD, depending on need of project.

g. Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval) --

- Special zones, such as Enterprise Zones, etc.
- Other (Permitting fee waivers, expedited permit, etc.)
- Low or no interest financing or areas within your community that are eligible for programs such as New Markets Tax Credits
- Other creative or customized cost saving strategies that may be available in your community that are not enumerated in this RFP as part of the RFP response

For each program identified, please respond with the following information:

- Program name
- Description
- Type of incentive
- Granting/Administering authority
- Eligibility requirements (including average wage requirements)
- Method of calculating value
- Estimated value to the Project
• Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)

**OTHER CREATIVE METHODS**
Discuss any other ideas your team may have to offset upfront capital costs, expenses, and ongoing operating expenses.

The Chatham County Board of Commissioners will consider – at the request of Project New World -- opportunities to provide land at reduced/no cost – in lieu of or a portion of a performance based cash grant.

The Chatham County Board of Commissioners will consider – at the request of Project New World -- a reduction in the cost of permitting/application fees and committing to a faster than normal response to permit/application requests.
CHATHAM-SILER CITY
ADVANCED MANUFACTURING SITE

(Siler City-Chatham County, NC)

response to

Request for Proposal

Project New World

September 8, 2017
INSTRUCTIONS TO RESPONDENTS

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4. Limited Competition and Wage Pressure – Project New World will seek to avoid adjacency or close proximity to any competitive manufacturing employer (steel, auto, truck, rail, aerospace, etc.) with greater than 500 jobs.

5. Operational Description Sample Values: (See next page)
Project New World

<table>
<thead>
<tr>
<th></th>
<th>Approximate Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approximate Investment</td>
<td>$1.6B (50% Plant, 50% Equipment)</td>
</tr>
<tr>
<td>Annual Raw Material Inventory Value</td>
<td>$45M</td>
</tr>
<tr>
<td>Annual Finished Goods Value</td>
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</tr>
<tr>
<td>Average Work in Progress Value</td>
<td>$4.2M</td>
</tr>
<tr>
<td>Annual Total Inventory Value</td>
<td>$62.6M</td>
</tr>
<tr>
<td>Approximate Team Member Count</td>
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<tr>
<td>Approximate Annual Payroll</td>
<td>$200M</td>
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<tr>
<td>Approximate Training Cost</td>
<td>$100M</td>
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</table>

Project New World Suppliers

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<tr>
<th></th>
<th>Approximate Job Count</th>
<th>Approximate Investment</th>
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</thead>
<tbody>
<tr>
<td>Approximate Job Count</td>
<td>500</td>
<td>$100M (50% Plant, 50% Equipment)</td>
</tr>
<tr>
<td>Approximate Investment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B. SITES UNDER CONSIDERATION

Whether or not your state has previously submitted sites for Project Mitt, please review the revised Exhibit A – Project New World Site Criteria Request in order to submit sites that meet the above Site Criteria and Operational Description as well as the minimum requirements outlined in Exhibit A (“Viable Sites”). For your Viable Sites, Exhibit A must be completed and submitted in the Excel format at the same time as the proposal. Upon submission of a Viable Site, please also work with the JLL team to set up a box link in order to upload all relevant documentation, such as ownership entities, real estate agreements, surveys, title policies, easements, land use and entitlements, all reports or studies concerning the site and its condition, including but not limited to environmental, geotechnical, archaeological, wetlands, etc.

C. COST SAVINGS OBJECTIVES

Economic and financial benefits are a key consideration when companies consider expansions or relocations and will be reviewed carefully for Project New World.

The depreciation from the capital investment as well as the expenses of additional training and the move will impact the “Project New World” profit and loss statement at the same time these assets will operate at their lowest efficiency.
Economic benefits that help offset these costs are a major factor for companies like Project New World who need to both grow their business and reinvest in new technologies to maintain their competitive position.

INFORMATION REQUEST

LABOR FORCE

As noted above, labor will be a major consideration for Project New World. Given the desire for workforce density within a 60 mile radius of the proposed site, please help us answer some of the following questions:

The 60-mile radius around CAM includes 18 counties in North Carolina.

- Describe the population growth/decline of the subject area

The current population of the 60-mile radius is 3,956,549, while the 2010 census determined the population to be 3,677,581. Population has grown at an annual rate of 1.76% per year between 2000 and 2010 while households grew at an annual rate of 1.87% during the same period. The American
Community Survey (ACS) estimates that from 2010 to 2016, the same area has grown at an annual rate of 1.18% while the projected annual rate of growth from 2016 to 2021 is estimated to be 1.27%. According to ACS, the workforce within a 60 mile radius is greater than 1.7 million with approximately 180,100 people (9.8% of workforce) employed in manufacturing.

- List the top 10 manufacturing companies, including type of business, number of employees, location and description of activities

<table>
<thead>
<tr>
<th>Company</th>
<th>Type of Business</th>
<th>Employees</th>
<th>Location</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>AW Corporation</td>
<td>Automotive</td>
<td>1000+</td>
<td>Durham</td>
<td>Transmissions</td>
</tr>
<tr>
<td>Biogen Idec</td>
<td>Biotech</td>
<td>1000+</td>
<td>Durham</td>
<td>Pharmaceuticals</td>
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<td>GlaxoSmithKline</td>
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<td>1000+</td>
<td>Durham</td>
<td>Pharmaceuticals</td>
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<tr>
<td>Cree Research</td>
<td>Semiconductors</td>
<td>1000+</td>
<td>Durham</td>
<td>LEDs</td>
</tr>
<tr>
<td>Qorvo</td>
<td>Communications</td>
<td>1000+</td>
<td>Greensboro</td>
<td>Radio Frequency Systems</td>
</tr>
<tr>
<td>Thomas Built Buses</td>
<td>Automotive</td>
<td>1000+</td>
<td>High Point</td>
<td>School Busses</td>
</tr>
<tr>
<td>Gilbarco</td>
<td>Retail</td>
<td>1000+</td>
<td>Greensboro</td>
<td>Fuel Systems</td>
</tr>
<tr>
<td>Technimark</td>
<td>Plastics</td>
<td>500-999</td>
<td>Asheboro</td>
<td>Injection Molding</td>
</tr>
<tr>
<td>Klaussner Furniture</td>
<td>Furniture</td>
<td>500-999</td>
<td>Asheboro</td>
<td>Furniture</td>
</tr>
<tr>
<td>Mountaire Farms*</td>
<td>Food Processing</td>
<td>500-999</td>
<td>Siler City</td>
<td>Poultry</td>
</tr>
</tbody>
</table>

- Please describe potential assistance for recruitment, training, etc.

Among the most significant questions a company new to North Carolina or expanding in the state must address is how to attract and retain a qualified workforce. No state has greater long-term experience with successful workforce solutions than North Carolina. Its world-class educational system of colleges and universities ensures a robust pipeline of candidates in fields ranging from finance to nanotechnology. Its award-winning community college system provides state-of-the-art training customized to meet an employer’s specific needs. North Carolina’s workforce development system—one of the most comprehensive in the nation—brings employer and employees together by managing recruiting, screening and other necessary pre-employment assessments.

Talent acquisition and development in North Carolina is coordinated by a network of nationally recognized economic, education and workforce development organizations, including the state’s Department of Commerce, public community college and university systems and a large cadre of private colleges and universities. On behalf of a company new to the state or expanding its existing footprint, this team can manage a customized plan for initial recruitment, personalized screening,
pre-employment training and, ultimately, client-specific training. In Chatham County, Central Carolina Community College will be your local service provider with the community college system.

Coordinating closely with the state’s world-class research institutions and Central Carolina Community College (CCCC), North Carolina’s workforce development program is well positioned to keep pace with new and advancing technologies. Its educational institutions produce a pipeline of graduates with a strong work ethic, high technical skills and knowledge and motivation guaranteed to ensure a company’s success and ability to compete in a global economy.

**Recruiting**

At no charge, NCWorks Career Center located at CCCC’s Pittsboro Campus provide companies with an extensive network of recruiters and recruiting tools. These experienced specialists leverage resources to more efficiently and effectively identify qualified applicants.

*Job awareness and outreach strategy*

Representatives work with a company to develop a coordinated communications and outreach strategy, crafting job opportunity public announcements and press releases and identifying target media outlets.

*Online job postings*

Company job openings can be posted online, making them available at over 100 NCWorks Career Centers across the state. These vacancy announcements are also automatically sent to community college and university career centers, ensuring the broadest possible qualified labor pool.

*Recruitment training video*

The North Carolina Community College System’s Learning Solutions Center can produce an orientation and process overview video to be used during various recruitment activities. The video can also be uploaded to a company’s website. The NCWorks website, which draws nearly 3 million visitors a month, can also feature the video.

*Job fairs and on-campus recruiting*

Special events, including job fairs and on-campus recruiting, provide excellent access to targeted talent pools and offer the opportunity to preview the quality of that potential workforce.
**Additional services**

Other talent acquisition services available include basic community orientation for those moving to the state and diversity and campus recruitment proposals.

**NCWorks Career Centers**

Primarily at no charge, NCWorks Career Center at CCCC can offer a variety of employment services that help companies find employees with the required skills.

**Services available at NCWorks Career Centers:**

- Computer Access
- Job opening postings
- Job applicant screening
- Qualified candidate referrals
- Space for applicants interviews
- Job fair arrangement
- Reference library for use by companies
- Information on local labor market, prevailing wages, etc.
- Employer workshops on a variety of topics

**Screening**

Available screening services can trim considerable time from the staffing process. Screening services provided at no charge include:

**Application screening**

NCWorks Career Centers can manage applicant flow through web-based screening, using candidate questionnaires or telephone/face-to-face interviews with candidates.

**Employment consultants**

Using job requirements developed by the company, professional employment consultants can screen applicants to ensure that the company talks only to those individuals who meet the company’s qualifications.

**Facilities and equipment**
Community college and university career centers, as well as NCWorks Career Centers, can provide facilities and office equipment to conduct job fairs, applicant interviews, group orientation and training.

Testing

Experienced staff can make a variety of recommendations regarding test selection and implementation, including: employment testing issues, test locators, medical exams, achievement tests, aptitude tests, personality tests, selection of non-biased and reliable tests, drug tests, polygraph testing and criminal background checks.

Customized Training

Assessments

Working with a company’s human resources team, certified job profilers use nationally recognized work classification programs to create task lists, perform skills analysis and develop customized position descriptions.

Pre-employment Training

The overall focus of preemployment training is to provide both the candidate and the company an opportunity to assess each other and determine if there is a good match for a long-term relationship. Participating with the knowledge that there is neither a guarantee of a job offer nor an obligation to accept a job offer, candidates are afforded a realistic job preview. For a company, this program provides the opportunity to articulate its philosophy to potential candidates and observe them during structured working scenarios.

North Carolina Community College Customized Training Program

North Carolina pioneered free and customized job training for companies new to the state and those already established here that are experiencing job growth. Sponsored by the state’s 58-campus community colleges, the Customized Training Program can support any full-time production, technology support or direct customer service positions created in North Carolina. Services provided include training assessment, coursework design, training delivery and related instructional costs. The Customized Training Program is designed to support three key aspects of a company’s well-being: job growth, technology investment, and productivity enhancement.
Companies eligible for this program include manufacturers, technology-intensive operations, i.e., information technology, life sciences, etc., regional or national warehousing and distribution centers, customer support centers, air courier services or national headquarters with operations outside North Carolina. Civil service employees providing technical support to U.S. military installations in the state are also eligible to receive customized training assistance.

To receive assistance, eligible companies must meet two or more of the following conditions:

- The company is creating jobs, expanding an existing workforce, or enhancing the productivity and profitability of its operations within the state;
- The company is making an appreciable capital investment;
- The company is deploying new technology, or
- The assistance will enhance the skills of workers

The Customized Training Program serves any full-time probationary employees of a qualifying company who will be paid for hours in a training status. Program advantages include the following features:

- Development of a training plan in collaboration with the company;
- Instructors from the North Carolina Community College System or the statewide network of technical training experts, and
- Company trainers can be reimbursed for participating in training activities that are consistent with the training plan and delivery schedules. Subject to a designated instructional period, the community college responsible for providing customized training may reimburse a company for the actual hourly wages of a defined number of trainers for up to $30 per hour.

On-the-Job Training (OJT)

On-the-job training enables state workforce development professionals to provide the resources for training and retraining of local workers in partnership with the private sector. Training resources combined with employment opportunities provide a more highly skilled, competitive workforce, while responding to the human resource needs of new, expanding and existing companies. Via local workforce development boards, companies are compensated on a cost-reimbursement basis for up to 50 percent of an eligible new employee’s wages paid during on-the-job training for a set period of time.

NCWorks Apprenticeship Program
The NCWorks Apprenticeship Program is uniquely advantageous for participating companies. Using a time-honored model for industrial training, employers mentor entry-level employees in company-specific skills. Through apprenticeship, a company more effectively controls its human resource pipeline and reduces turnover.

Working on an employer-determined schedule, apprentices will be trained both in the classroom and on the job.

To establish an apprenticeship program, a company works with the North Carolina Department of Commerce to develop an approved written agreement. This document specifies the length of the training, the related technical instruction, an outline of the skills to be learned and the wages that an apprentice will earn.

**NCWorks Incumbent Worker Training Grants**

In addition to customized training, North Carolina resources support on-the-job training. The Incumbent Worker Training Grant reimburses companies for the cost of training their workers, helping to improve the skills of employees and the company's competitiveness. Employers can receive up $40,000 per grant and up to a total of $60,000 from this program over the course of the company's lifetime.

Incumbent Worker Training Grants cover the costs of the following training-related expenses:

- Instructional costs for training courses
- Classes for certification exams
- Online training
- Skills assessments related to requested training
- Textbooks and manuals
- Computer software for training purposes
- Instructor travel (if the training location is not within a reasonable distance of the company)

**Continuing Education Program**

The North Carolina Community College System Continuing Education Program is among the best in the world, enrolling and training more than 546,000 people each year. More than 1,400 affordable, short-term occupational skill training courses are offered across the state to train, retrain and upgrade workers for current or future job skill requirements or certifications. Continuing education opportunities are offered at the request of employers as well as individuals.
Taxes

In the next round of this process, JLL will be preparing a comprehensive 20-year cash flow analysis for each site which will include consideration of all factors related to viability of Project New World in each location including the following:

1. Infrastructure costs where improvements or additions are required
2. 20-year tax impact including corporate income/franchise, sales, property and employment taxes
3. Utility costs
4. Cost savings opportunities and incentives

In order to accurately evaluate the site(s) in your state/region the remainder of the RFP will ask for information required to prepare this analysis.

I - T A X E S

Please outline and detail the following—please specify where the information relates to specific Viable Sites submitted to Project New World:

Property Tax

We understand that property taxes are locally driven and very site specific. To the extent possible, please provide a representative millage rate that would best apply to this market and Project.

| 1. Ad Valorem Tax Rates (per $100 or $1,000) for both real and personal property by taxing entity | Chatham County -- .6281 / $100 of assessed value  
Town of Siler City -- .5100 / $100 of assessed value  
This applies to both real and personal property |
<table>
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<tbody>
<tr>
<td>2. Assessment Ratio for both real and personal property</td>
<td></td>
</tr>
<tr>
<td>3. What is the assessor's basis for the initial assessment of both real and personal property?</td>
<td></td>
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<tr>
<td>4. Please provide county depreciation schedules.</td>
<td></td>
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</tbody>
</table>
### Income/Franchise Tax

<p>| | |</p>
<table>
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<tbody>
<tr>
<td>1.</td>
<td>Income/Franchise Tax Rates (Corporate and Personal)</td>
</tr>
<tr>
<td>2.</td>
<td>Apportionment formula(s)</td>
</tr>
<tr>
<td>3.</td>
<td>Provide tax rates for any local gross receipts or income taxes.</td>
</tr>
</tbody>
</table>

### Sales/Use Tax

<p>| | |</p>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sales/Use Tax Rate for equipment by taxing entity</td>
</tr>
<tr>
<td>2.</td>
<td>Sales/Use Tax Rate for construction and contractors (if different)</td>
</tr>
<tr>
<td>3.</td>
<td>Does the state tax utilities purchased by manufacturers?</td>
</tr>
</tbody>
</table>

### Employment Based Taxes

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<tbody>
<tr>
<td>4.</td>
<td>Unemployment Tax Rate</td>
</tr>
<tr>
<td>5.</td>
<td>Workers’ Compensation Tax Rate</td>
</tr>
</tbody>
</table>

Please also describe:
- Any other applicable taxes and corresponding rates, including local gross receipts tax or payroll taxes, if applicable

Not applicable
• Describe any proposed legislation that may have a positive impact on the business community. For example, lower tax rates, relaxed regulatory environment, tort reform, new economic development incentives, etc.

**COST SAVINGS**

**II - COST SAVINGS**

The proposed location for Project New World represents a key effort related to strategic planning focused on continued future growth and maintenance of the financial strength of the companies associated with Project New World. At the same time, it is imperative to choose a conservative cost effective option for its ongoing operations and explore all cost savings opportunities. Please describe the cost savings programs available for Project New World utilizing all data available in this RFP, including specific reference to data supplied under the Operational Description above as well as any Graphs or Charts illustrating the exact calculation of cost savings associated with each item.

**Programs to consider as part of this RFP response include:**

• Grants

**Chatham County Incentive Program for Transformational Projects**

a. **Description** – Chatham County can provide a grant based on a percentage of the tax revenue generated from the company. The percentage depends on a number of factors including jobs, wages and total investment. The Transformational Projects incentive can run for up to 20 years and can be granted in place of the traditional incentive program for those industries that qualify. Companies that may qualify for the Transformational Project Incentive are typically creating more than 1,000 jobs and investing more than $250 million in machinery and equipment with high wages and excellent employee benefits. The county has an option to alter the agreement if land is provided in addition to or in lieu of an incentive in accordance with Project New World’s desires. Please refer to enclosed incentive policy for full details.

b. **Type of incentive** – Performance based grant

c. **Granting/Administering authority** – Chatham County Board of Commissioners
d. **Eligibility requirements (including average wage requirements)** – A point based formula is used to determine eligibility and the amount of the grant. See attached form for transformational incentive policy.

e. **Method of calculating value** – A percentage of the taxes paid by the company.

f. **Estimated value to the Project** – Please note that the County may offer to provide land free of cost in lieu of or in addition to a performance based incentive.

g. **Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)** – None that we are currently aware of

**Town of Siler City Incentive Program**

a. **Description** – The Town of Siler City can provide a grant based on a percentage of the tax revenue generated from the company that ranges between 55% and 80% of the additional tax revenue generated by the company. The agreed upon percentage depends upon new jobs created and total investment.

b. **Type of incentive** – Performance based grant

c. **Granting/Administering authority** – Town of Siler City Board of Commissioners

d. **Eligibility requirements (including average wage requirements)** – Only jobs that pay above the average Chatham County wage – currently $33,879 annually. See attached form for full incentive policy.

e. **Method of calculating value** – A percentage of the additional tax revenue generated from the company.

h. **Estimated value to the Project** – Approximately $6 million per year depending on approval by Town Commissioners and final tax assessments.

f. **Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)** – None that we are currently aware of

- Any programs pertaining to attracting, retaining and reducing the costs associated with a large, heavy manufacturing plant

**Workforce Recruiting, Screening and Training Programs** – As discussed above

- Tax programs – Corporate income, franchise tax, property tax, local gross receipts tax, etc. (Abatements, Reductions, Exemptions, Credits)
- Forgivable Loans
• Recruitment & Training

Workforce Recruiting, Screening and Training Programs – As discussed above

• Infrastructure and Utilities

NC DOT Road Access Funds

a. Description – NC Department of Transportation can provide transportation improvements and infrastructure that will expedite industrial/commercial growth and provide new jobs or retain existing ones.

b. Type of incentive – Budget Relieving – NC DOT will do the agreed upon necessary work at the request of the company.

c. Granting/Administering Authority – NC Department of Transportation

d. Eligibility requirements (including average wage requirements) – Creation of new jobs and investment.

e. Method of calculating value -- Funds can be awarded up to $2,500 per job. NC DOT will assess the specific needs of the project and determine what work is necessary and can be completed by DOT.

f. Estimated value to the Project – TBD, depending on need of project. NC DOT has indicated that they will use these fund to construct the 421 connector road proposed to connect the site with US 421 north of the site. Total project is estimated to cost between $25 - $30 million.

g. Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval) --

NC Rail Road Rail Access Funds

a. Description – NC Rail Road can provide funding necessary to perform upgrades and improvements to rail infrastructure

b. Type of incentive – Budget Relieving

c. Granting/Administering Authority – NC Rail Road Company Board of Directors

d. Eligibility requirements (including average wage requirements) – Commitment to a NC site

e. Method of calculating value – Necessary improvements

f. Estimated value to the Project – TBD, depending on need of project. NC Rail Road has indicated that they plan to pay for necessary upgrades to the existing rail
infrastructure as well as the necessary rail spur on site to meet the needs of Project New World.

**g. Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the timeframe for approval)**

- Special zones, such as Enterprise Zones, etc.
- Other (Permitting fee waivers, expedited permit, etc.)
- Low or no interest financing or areas within your community that are eligible for programs such as New Markets Tax Credits

The Chatham-Siler City Advanced Manufacturing Site is located in an area designated as eligible for New Market Tax Credits.

- Other creative or customized cost saving strategies that may be available in your community that are not enumerated in this RFP as part of the RFP response

**OTHER CREATIVE METHODS**
Discuss any other ideas your team may have to offset upfront capital costs, expenses, and ongoing operating expenses.

The Chatham County Board of Commissioners will consider – at the request of Project New World – opportunities to provide land at reduced cost – in lieu of a portion of the a performance based cash grant.

The Town of Siler City Board of Commissioners will consider – at the request of Project New World – a reduction in the cost of permitting/application fees and committing to a faster than normal response to permit/application requests.

Duke Energy Progress will need to move power lines that run across the southern half of the site to make an appropriate building for Project New World. This cost is estimated to be approximately $5 million and are hoping to be able to do this at no cost to the client. Note that appropriate right of way on the parcel to relocate these lines to will be necessary to expedite this effort.

PSNC Energy will need to run approximately 10 miles of pipe to provide appropriate service levels for Project New World at a cost estimated to be between $7.5 and $10 million. PSNC has proposed to do this at no cost to the company.
Request for Proposal

Project New World

August 29, 2017

CONFIDENTIAL & PROPRIETARY

INSTRUCTIONS TO RESPONDENTS

REQUEST FOR PROPOSAL

Congratulations! Your state has been selected as a potential candidate location for a major manufacturing project in which we previously requested information under the name Project Mitt.

The identity and description of Project Mitt (now and
hereafter re-named Project New World) has been disclosed and is more fully described in the following Toyota news release issued from Tokyo on August 4, 2017 which reads in part:

"Toyota and Mazda have agreed to explore establishing a joint venture plant in the U.S. with equal funding contributions. The plant would have an estimated annual production capacity of approximately 300,000 units. Pending approvals and authorization by relevant government agencies, the companies will begin to examine detailed plans with the goal to starting operations of the new plant in 2021. The plant will require a total investment of approximately 1.6 billion U.S. dollars, and will create up to 4,000 jobs."

http://corporatene.ws.pressroom.toyota.com/releases/toyota+mazda+enter+business+capital+alliance.htm

Our client, hereafter “Project New World” and Jones Lang LaSalle Americas, Inc. (“JLL”) are pleased to include you in our Request for Proposal (“RFP”) process for Project New World. We recognize and appreciate the team effort that is involved in preparing an RFP response of this scope. **By acceptance of this RFP, you agree to keep the existence of the RFP and all information and material associated therewith confidential.**

The next step will be for your team to fully answer this RFP. Based on these responses, Project New World will complete an internal review of information submitted to narrow the candidate locations for future consideration. See the below Project Facts descriptions to assist your response.

**Your RFP response must be provided electronically and the response topics and questions herein are to be answered and submitted to JLL in a MS Word document format and the provided MS Word or MS Excel format for the Site Information Request.** Any supporting documents, i.e. maps, graphs or pictures may be submitted electronically in Adobe PDF format.

It is important to reiterate the requirement for confidentiality of this RFP and that all communications between and among your project team members and representatives of the proposed site, JLL and Project New World are deemed proprietary and not part of any public domain; notwithstanding any disclosures required or subject to applicable laws.
PROPOSAL REQUIREMENTS

Please submit an electronic version of the responses to the email addresses listed below on or before the close of business on September 8, 2017. If you have any questions, please contact Meredith O’Connor at (312) 523-8737, Vineet Sahgal at (312) 228-2501 or Kenneth Gilkes at (312) 216-9532 for taxes and cost savings and Kris Bjorson at (312) 282-0511 for site information.

Meredith.oconnor@am.jll.com
Vineet.sahgal@am.jll.com
Kenneth.gilkes@am.jll.com
Kris.bjorson@am.jll.com

PROJECT FACTS TO ASSIST RESPONSE
A. SITE CRITERIA AND OPERATIONAL DESCRIPTION

Definition of Project New World: We are seeking a geographic area with greater than a 330,000 person workforce within a 60-mile radius to employ more than 4,000 people located on a minimum of 750 buildable acres, served by a minimum of one Class I railroad in close proximity to a major interstate. Project timing is being finalized but production capability could be required within 18-36 months. Anticipated investment is approximately $1.6B and production capacity could exceed approximately 300,000 automobiles per year. Additional search criteria could include consideration of the following:

1. **Speed to Market** – At this time, we will only consider industrial sites under single ownership (or written-executed options for single ownership) with appropriate zoning for heavy manufacturing, on-site rail, planned road infrastructure improvements, attainment zone for any pollutant, comprehensive due diligence reports, etc. or any complication/issues (environmental, wetlands, archeological, etc.) which can be resolved within 12 months from closing.

2. **Big Fish in Medium Pond** – Project New World will target a labor force density (not population) of 330,000 workers within a 60 mile radius with greater than 10% of the total manufacturing work force employed in metal fabrication.

3. **Transportation** – Project Mitt will require one Class I rail line (preferably two Class I rail lines), on-site to be located within 50 miles of a terminal, switch or intermodal yard. The project will seek to locate less than 5 miles from an interstate or 4-lane highway.

4. **Limited Competition and Wage Pressure** – Project New World will seek to avoid adjacency or close proximity to any competitive manufacturing employer (steel, auto, truck, rail, aerospace, etc.) with greater than 500 jobs.

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<td><strong>Annual Total Inventory Value</strong></td>
<td>$62.6M</td>
</tr>
<tr>
<td><strong>Approximate Team Member Count</strong></td>
<td>4000</td>
</tr>
<tr>
<td><strong>Approximate Annual Payroll</strong></td>
<td>$200M</td>
</tr>
<tr>
<td><strong>Approximate Training Cost</strong></td>
<td>$100M</td>
</tr>
</tbody>
</table>

**Project New World Suppliers**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Approximate Job Count</strong></td>
<td>500</td>
</tr>
<tr>
<td><strong>Approximate Investment</strong></td>
<td>$100M (50% Plant, 50% Equipment)</td>
</tr>
</tbody>
</table>

**B. SITES UNDER CONSIDERATION**

Whether or not your state has previously submitted sites for Project Mitt, please review the revised **Exhibit A – Project New World Site Criteria Request** in order to submit sites that meet the above Site Criteria and Operational Description as well as the minimum requirements outlined in Exhibit A ("Viable Sites"). For your Viable Sites, Exhibit A must be completed and submitted in the Excel format at the same time as the proposal. Upon submission of a Viable Site, please also work with the JLL team to set up a box link in order to upload all relevant documentation, such as ownership entities, real estate agreements, surveys, title policies, easements, land use and entitlements, all reports or studies concerning the site and its condition, including but not limited to environmental, geotechnical, archaeological, wetlands, etc.

**C. COST SAVINGS OBJECTIVES**

Economic and financial benefits are a key consideration when companies consider expansions or relocations and will be reviewed carefully for Project New World.

The depreciation from the capital investment as well as the expenses of additional training and the move will impact the “Project New World” profit and loss statement at the same time these assets will operate at their lowest efficiency.

Economic benefits that help offset these costs are a major factor for companies like Project New World who need to both grow their business and reinvest in new technologies to maintain their competitive position.
INFORMATION REQUEST

LABOR FORCE

As noted above, labor will be a major consideration for Project New World. Given the desire for workforce density within a 60 mile radius of the proposed site, please help us answer some of the following questions:

- Describe the population growth/decline of the subject area
  - Randolph County’s population change from the 2000 census to the 2010 census was an 8.7% growth in population. It continues to grow each year. The 2020 population growth projection is 160,000 and for the region the projected growth is 1,700,000.

- List the top 10 manufacturing companies, including type of business, number of employees, location and description of activities

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>TYPE OF BUSINESS</th>
<th>NUMBER OF EMPLOYEES</th>
<th>LOCATION</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>VF CORPORATION</td>
<td>APPAREL &amp; BRAND MANAGEMENT</td>
<td>1,810</td>
<td>GREENSBORO NC</td>
<td>GLOBAL HQ</td>
</tr>
<tr>
<td>HAECO AMERICAS</td>
<td>AEROSPACE</td>
<td>1,800</td>
<td>GREENSBORO NC</td>
<td>AIRCRAFT MAINTENANCE, REPAIR AND OVERHAUL (MRO) SERVICES AND AEROSPACE MANUFACTURED PRODUCTS</td>
</tr>
<tr>
<td>HONDA AIRCRAFT COMPANY</td>
<td>AIRCRAFT MANUFACTURER</td>
<td>1,800</td>
<td>GREENSBORO NC</td>
<td>WORLD HQ, HONDAJET MANUFACTURING, R&amp;D, CUSTOMER SERVICE</td>
</tr>
<tr>
<td>QORVO</td>
<td>MICROCHIPS &amp; INTERGRATED CIRCUITS</td>
<td>1,700</td>
<td>GREENSBORO NC</td>
<td>GLOBAL PROVIDERS OF RADIO</td>
</tr>
<tr>
<td>Company</td>
<td>Industry</td>
<td>Location</td>
<td>Products/Services</td>
<td></td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------------------</td>
<td>--------------</td>
<td>----------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>INTERNATIONAL TEXTILE GROUP</td>
<td>TEXTILE MANUFACTURER</td>
<td>1,100</td>
<td>GREENSBORO NC TEXTILE MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>PROCTER &amp; GAMBLE</td>
<td>HOUSEHOLD PRODUCTS</td>
<td>1,100</td>
<td>GREENSBORO NC OVER-THE-COUNTER DRUG AND CONSUMER PRODUCTS</td>
<td></td>
</tr>
<tr>
<td>KLAUSSNER HOME FURNISHINGS</td>
<td>FURNITURE</td>
<td>1,001</td>
<td>ASHEBORO NC FURNITURE MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>TE CONNECTIVITY</td>
<td>CONNECTORS AND SENSORS</td>
<td>1,000</td>
<td>GREENSBORO NC/HIGH POINT/Winston-Salem ELECTRONIC COMPONENTS FOR AUTOMOTIVE, COMMERCIAL VEHICLE, COMMUNICATION &amp; INDUSTRIAL SOLUTIONS &amp; PRODUCTS FOR ENTERPRISE NETWORKS</td>
<td></td>
</tr>
<tr>
<td>TECHNIMARK</td>
<td>INJECTION MOLDED PARTS</td>
<td>985</td>
<td>ASHEBORO NC LEADING MANUFACTURER OF PLASTIC INJECTION MOLDING</td>
<td></td>
</tr>
<tr>
<td>HUGHES FURNITURE</td>
<td>FURNITURE</td>
<td>820</td>
<td>RANDLEMAN NC FURNITURE MANUFACTURERS</td>
<td></td>
</tr>
</tbody>
</table>
• Please describe potential assistance for recruitment, training, etc
  o State funded workforce training is customized for Project New World and lead by Randolph Community College in collaboration with Guildford Technical Community College. The training program and budget are developed to meet a client’s specific training needs and can include reimbursement to the client company. Both pre-employment and post-hire training are available.

Key elements may include the following:

  o Consultation and assistance to develop the program
  o Job analysis and employee assessment services as part of pre-employment assistance
  o Instruction provided by a network of qualified and skilled professionals with industry based experience OR
  o Qualified company employee with skill and expertise needed for specific job skills (company will be reimbursed for services of skilled employees).
  o Train the Trainer services provided to develop instructional skill if needed.
  o Trainee to trainer ratio normally 6:1
  o Where company personnel or contractors are used as instructors, they will be reimbursed their normal rate of pay, not to exceed $30.00 per hour
  o Financial assistance available to provide training facilities if not available on site
  o Most training materials are provided at no cost and assistance is available to develop materials.
  o Travel and per-diem expense reimbursement is provided, in accordance to current policies and guidelines, for company personnel not living in the area who are used as instructors.
  o Training is available in a multi-language environment.
  o Other project specific training needs may be supported following client consultation.

**TAXES**

In the next round of this process, JLL will be preparing a comprehensive 20-year cash flow analysis for each site which will include consideration of all factors related to viability of Project New World in each location including the following:
1. Infrastructure costs where improvements or additions are required
2. 20-year tax impact including corporate income/franchise, sales, property and employment taxes
3. Utility costs
4. Cost savings opportunities and incentives

In order to accurately evaluate the site(s) in your state/region the remainder of the RFP will ask for information required to prepare this analysis.

I - TAXES

Please outline and detail the following—please specify where the information relates to specific Viable Sites submitted to Project New World:

**Property Tax**

We understand that property taxes are locally driven and very site specific. To the extent possible, please provide a representative millage rate that would best apply to this market and Project.

<table>
<thead>
<tr>
<th></th>
<th>Ad Valorem Tax Rates (per $100 or $1,000) for both real and personal property by taxing entity</th>
<th>$6.525 per $1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Assessment Ratio for both real and personal property</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>What is the assessor’s basis for the initial assessment of both real and personal property?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Please provide county depreciation schedules</td>
<td></td>
</tr>
</tbody>
</table>

**Income/Franchise Tax**

<table>
<thead>
<tr>
<th></th>
<th>Income/Franchise Tax Rates (Corporate and Personal)</th>
<th></th>
</tr>
</thead>
</table>
2. Apportionment formula(s)  

3. Provide tax rates for any local gross receipts or income taxes.

Sales/Use Tax

1. Sales/Use Tax Rate for equipment by taxing entity  

2. Sales/Use Tax Rate for construction and contractors (if different)  

3. Does the state tax utilities purchased by manufacturers?

Employment Based Taxes

4. Unemployment Tax Rate  

5. Workers’ Compensation Tax Rate

Please also describe:

- Any other applicable taxes and corresponding rates, including local gross receipts tax or payroll taxes, if applicable. The site is located in an unincorporated area of Randolph County and is thus also subject to a rural fire district tax of $1.10 per $1,000 valuation. This fire tax rate could be negotiable based on client usage.

- Describe any proposed legislation that may have a positive impact on the business community. For example, lower tax rates, relaxed regulatory environment, tort reform, new economic development incentives, etc.

**Cost Savings**
II - COST SAVINGS

The proposed location for Project New World represents a key effort related to strategic planning focused on continued future growth and maintenance of the financial strength of the companies associated with Project New World. At the same time, it is imperative to choose a conservative cost effective option for its ongoing operations and explore all cost savings opportunities. Please describe the cost savings programs available for Project New World utilizing all data available in this RFP, including specific reference to data supplied under the Operational Description above as well as any Graphs or Charts illustrating the exact calculation of cost savings associated with each item.

Programs to consider as part of this RFP response include:

- Grants - Randolph County NC offers annual performance based cash grants to advanced manufacturing companies that create quality jobs. Value is estimated at 70% of property tax revenues generated by the project. Grant program may be extended up to 20 years under current state statute.

- Any programs pertaining to attracting, retaining and reducing the costs associated with a large, heavy manufacturing plant - The owners of the Greensboro Randolph Megasite will considering conveying the site to a qualifying advanced manufacturing project that meets the state definition of a high yield project - 1,750 jobs and $500 million investment. The current investment in the property exceeds $35 million. The owners are Randolph County, North Carolina Railroad, and the Greensboro Randolph Megasite Foundation.

- Tax programs – Corporate income, franchise tax, property tax, local gross receipts tax, etc. (Abatements, Reductions, Exemptions, Credits) -

- Forgivable Loans

- Recruitment & Training - State funded workforce training is customized for Project New World and lead by Randolph Community College in collaboration with Guildford Technical Community College. The training program and budget are developed to meet a client’s specific training needs and can include reimbursement to the client company. Both pre-employment and post-hire training are available.

- Infrastructure and Utilities - The Greensboro Randolph Megasite will be eligible for the following infrastructure improvements at no anticipated cost to the client:

- NCDOT funded roadway improvements that include one or more interchanges on US 421, a four-lane, divided, limited access highway adjacent to the site, as warranted by the economic impact and traffic safety requirements of the project.
• Extension of public water & sewer by the City of Greensboro to serve the site.

• Extension of power line(s) by Duke Energy to serve the electrical power needs of this client.

• Extension of natural gas lines by Piedmont Natural Gas to service the gas needs of this client.

• Grant funds from various state and federal sources for the construction of rail spur tracks on the site to serve the customer.

• Special zones, such as Enterprise Zones, etc.

• Other (Permitting fee waivers, expedited permit, etc.) - North Carolina offers expedited permitting services for state required permits. Randolph County has a centralized permitting process to expedite and coordinate locally required permits.

• Low or no interest financing or areas within your community that are eligible for programs such as New Markets Tax Credits - The Greensboro Randolph megasite is not eligible for the federal New Markets Tax Credit program.

• Other creative or customized cost saving strategies that may be available in your community that are not enumerated in this RFP as part of the RFP response - The Golden Leaf Foundation, a NC based foundation focused on economic development, has stated their intent to fund the construction and equipping of a training center on or near the site of a qualifying advanced manufacturing project that will provide specialized training on an ongoing basis as part of the NC Community College system.

For each program identified, please respond with the following information:

• Program name - Randolph County incentive program

• Description - Performance based cash grants on annual basis up to 20 years

• Type of incentive - Cash payment

• Granting/Administering authority - Randolph County NC

• Eligibility requirements (including average wage requirements) - Based on jobs created, maintained, and taxable capital investment in real and personal property. Jobs must meet or exceed average manufacturing wage for Randolph County.

• Method of calculating value - Will consider up to 70% of property tax revenues per annum

• Estimated value to the Project - Based on capital investment and job commitment
• Administrative requirements that are not currently in place for the site locations outlined (please provide information on the process to create special zoning including the **timeframe for approval**) - Requires public hearing by county commission. Advertised publicly 10 days in advance.

**OTHER CREATIVE METHODS**

Discuss any other ideas your team may have to offset upfront capital costs, expenses, and ongoing operating expenses.

The Golden Leaf Foundation, a NC based foundation focused on economic development, has stated their intent to fund the construction and equipping of a training center on or near the site of a qualifying advanced manufacturing project that will provide specialized training on an ongoing basis as part of the NC Community College System.

The Greensboro Randolph Megasite partners will provide suitable office space for the project during the construction and training ramp up at no cost to the client company.

Conversations are ongoing regarding special incentive programs for Project New World key suppliers should OEM site location occur at the Greensboro-Randolph Megasite. In addition, local officials will partner with the state of North Carolina in expanding a Japanese Saturday School to the Greensboro/Randolph, NC, area in order to accommodate our growing Japanese population.
<table>
<thead>
<tr>
<th>PROGRAM NAME</th>
<th>DESCRIPTION</th>
<th>TYPE OF INCENTIVE</th>
<th>GRANTING / ADMINISTERING AUTHORITY</th>
<th>ELIGIBILITY REQUIREMENTS</th>
<th>METHOD OF CALCULATING VALUE</th>
<th>ESTIMATED VALUE TO THE PROJECT</th>
<th>ADMINISTRATIVE REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Incentive Grant</td>
<td>Annual performance based grant based on taxable capital investment &amp; quality job creation</td>
<td>Cash payment</td>
<td>Randolph County Board of Commissioners</td>
<td>Advanced manufacturing company commitment to capital investment &amp; quality job creation</td>
<td>Value estimated up to 70% of anticipated property tax revenues directly generated by the project for 20 years. Will follow state determined depreciation ratios for machinery &amp; equipment that are industry sector specific. (Used 10 year depreciation calculation for equipment.)</td>
<td>Refined estimate available with additional project information such as schedule of investment &amp; industry sector. Using the limited information provided, grant may range to $100 million over 20 years (preliminary estimate).</td>
<td>Public hearing required with at least 10 days published public notice. Annual administration requires certified documentation of capital investment + job creation quarterly reports submitted to the state.</td>
</tr>
<tr>
<td>Land Grant</td>
<td>Conveyance of site at no cost to the client</td>
<td>Industrial site</td>
<td>Randolph County, NC Railroad Company, &amp; Greensboro Randolph Megasite Foundation (GRMF)</td>
<td>Qualified project will meet state definition of high-yield manufacturing project</td>
<td>Actual capitalized investment in the acquisition of the 1600 acre tract.</td>
<td>Current investment to purchase the site exceeds $35 million.</td>
<td>Multi-party agreement in place to facilitate conveyance. Public hearing required with no less than 10 days published public notice plus Board approvals.</td>
</tr>
<tr>
<td>Public infrastructure</td>
<td>Extension of public water &amp; sewer service to the site</td>
<td>Infrastructure</td>
<td>City of Greensboro/Greensboro City Council</td>
<td>Qualified project will meet state definition of high-yield manufacturing project</td>
<td>Engineered cost estimate for water &amp; sewer based on submitted utility requirements</td>
<td>Cost estimate for extension for client's preferred volume is $37.5 million.</td>
<td>City of Greensboro will follow state and local ordinance for construction of the utility lines. Will seek state &amp; federal available grants to</td>
</tr>
<tr>
<td>Public infrastructure</td>
<td>Roadway improvements / Construction of interchange on US 421 to provide controlled access to site</td>
<td>Infrastructure</td>
<td>Greensboro Randolph Megasite Foundation</td>
<td>Qualified project will meet state definition of high-yield manufacturing project</td>
<td>Contract cost for engineering, design, environmental &amp; pre-permitting for interchange</td>
<td>GRMF has made investment of $800,000 for preliminary interchange planning. Interchange estimated at $19-$22 million will be funded by NCDOT &amp; the Federal Highway Administration/Preliminary funded planning accelerates roadway construction schedule to meet project needs.</td>
<td>Roadway planning has followed NCDOT guidelines, review and approval.</td>
</tr>
</tbody>
</table>
Attached

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

*Messages sent to and from this address are subject to North Carolina public records law

Begin forwarded message:

From: "Parrish, David" <David.Parrish@greensboro-nc.gov>
Date: October 6, 2017 at 8:05:05 AM EDT
To: "Stone, Evan" <evan.stone@edpnc.com>
Cc: "garrett.wyckoff@edpnc.com" <garrett.wyckoff@edpnc.com>, David Ramsey <DRamsey@greensboro.org>, "Drew, Steve" <Steve.Drew@greensboro-nc.gov>, "Spillman, Virginia" <Claudia.Spillman@greensboro-nc.gov>
Subject: RE: Project New World: Incentive Deliverable / DUE: Friday 10/6 10am

Evan and Garrett,

Attached please find the City of Greensboro summary of costs. Let us know if you have any questions.

David

David Parrish, Assistant City Manager
Office of the City Manager
City of Greensboro
Phone: (336) 373-2002
PO Box 3136
Greensboro, NC 27402-3136
www.greensboro-nc.gov

Facebook
Twitter
YouTube
From: Stone, Evan [mailto:evan.stone@edpnc.com]
Sent: Wednesday, October 04, 2017 10:57 AM
To: Brent Christensen <BChristensen@greensboro.org>; David Ramsey
    <DRamsey@greensboro.org>; Parrish, David <David.Parrish@greensboro-nc.gov>
    ; Wendee Smith <wsmith@sepengineering.com>; Geib, John C <John.Geib@duke-
    energy.com>; Barbara West <BWest@greensboro.org>; Jones, Brandon H
    <bjones@ncdot.gov>; Richard Wiley <cwiley@ncrr.com>; Kevin Franklin
    <kfranklin@rcedc.com>; Drew, Steve <Steve.Drew@greensboro-nc.gov>; Cline, F. Jeff
    <jeff.cline@nscorp.com>; "brenfro@rcedc.com" <brenfro@rcedc.com>; Briggs, Jason K
    <jason.briggs@piedmontng.com>; Anna Moore <AnnaMoore@ncrr.com>; Akers, Troy
    J. <Troy.Akers@nscorp.com>; Randazzo, Tracy <Tracy.Randazzo@hdrinc.com>; Sam
    Simpson <sam@simpsoncre.com>; David Joseph <david@rdjoseph.com>; Wyckoff,
    Garrett <garrett wyckoff@edpnc.com>; Ron Mays <ron.mays@piedmontng.com>; Joe Hines
    <Joe.Hines@timmons.com>; Scott Saylor <scott saylor@ncrr.com>; Miller, Vickie M.
    (Raleigh) <Vickie.Miller@hdrinc.com>
Cc: Spillman, Virginia <Claudia.Spillman@greensboro-nc.gov>; Wyckoff, Garrett
    <garrett wyckoff@edpnc.com>
Subject: Project Incentive Deliverable / DUE: Friday 10/6 10am

DUE Friday 10/6 at 10am

GRMS Team:
I apologize for any earlier confusion as it relates to this process.
As discussed on the call this morning, we expect an additional Incentive RFI from JLL
this Wednesday and will be expected to respond by Wednesday 10/11. In light of that,
we need to get updated costs and values for each of the many pieces of infrastructure,
land and utilities associated with delivering the site. So, if you are responsible for one of
these deliverables, we need you to provide updated value to Garrett and Me by
10am this Friday, 10/6.

Attached:
Attached you will find a spreadsheet of preliminary infrastructure, land and utility
values that can be used as a reference point. They are only a reference point, and if
they are not accurate, this process will help correct that. If I missed any partner group
below that has associated costs, please let us know and then forward your costs to us.

Assignments:
Land
Anna Lea Moore – NCRR
Sam Simpson – Simpson Commercial
-We need an aggregate total cost of the land and the value placed on conveying the
land to the client “free and clear” from the three owner groups, preferably presented
as one total.
Power
John Geib – we need a full cost estimate of all activity associated with moving the line and any other associated power infrastructure.

Natural Gas
Ron Mays – Piedmont Natural Gas
*Need costs estimates and values for delivering natural gas to site, regardless of any future cost recoup via utility fee or the like.

Water / Wastewater
David Parrish – City of Greensboro
Steve Drew – City of Greensboro
*need costs and cost estimates of infrastructure improvements to serve the site, regardless of any future cost recoup via utility fee or the like.

Road
Brandon Jones – DOT
-Updated cost of any road infrastructure improvements and needed pre-construction studies

Rail
Troy Akers – NS
Jeff Cline – NS
Anna Lea Moore – NCRR
*Need best estimate for rail infrastructure costs and/or “up to” amount for all on-site rail.

How to respond:
1. You may send cost estimates or executive summary letters if available, but at a minimum we need an email with a simple overview of the related costs/values and then the sum total number.
2. Make sure and copy both Garrett Wyckoff and Me on your responses.

DUE Friday 10/6 at 10am

Evan Stone Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919.447.7788 M 919.275.2322
Evan.Stone@edpnc.com edpnc.com
Twitter | Facebook | LinkedIn

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Greensboro – Randolph Mega Site

Water Availability / Service
- Projected construction cost for water service is $20M
- Projected construction cost for sewer service is $11.8M

Design / Permitting
- Design / Permitting Fee of $2.452M
  - Environmental Assessment / Permitting - $398,000
  - Design - $1,167,000
  - Survey - $549,000
  - Geotechnical - $133,000
  - Project Contingency - $50,000
  - Strategic Communications - $155,000 (separate contract)

Property / Easements
- Budget $2.0M

Construction Administration / Bidding Services
- $1.0M

Total Cost
- $37.252M
- Funding not secured $24.658

*Grants / Additional Funding
- Golden LEAF Foundation Grant $7.0M December 2017
- Department of Commerce Grant $1.418M

<table>
<thead>
<tr>
<th>Greensboro Randolph MegaSite Water and Sewer</th>
<th>Cost</th>
<th>Funding Comments</th>
<th>To be Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected construction cost for water service</td>
<td>$20,000,000</td>
<td></td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Projected construction cost for sewer service</td>
<td>$11,800,000</td>
<td>$8.148 M from Grants *</td>
<td>$3,658,200</td>
</tr>
<tr>
<td>Design and Permitting</td>
<td>$2,452,000</td>
<td>Funded</td>
<td></td>
</tr>
<tr>
<td>Property Easements</td>
<td>$2,000,000</td>
<td>Budgeted</td>
<td></td>
</tr>
<tr>
<td>Construction Administration / Bidding Services</td>
<td>$1,000,000</td>
<td></td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>$37,252,000</td>
<td></td>
<td>$24,658,200</td>
</tr>
</tbody>
</table>
Just received – have not yet digested.

Evan Stone  Business Recruitment Manager  Economic Development Partnership of North Carolina  0  919 447 7786  M  919 275 2322  Evan.Stone@edpnc.com  edpnc.com  Twitter  Facebook  LinkedIn

E-mail correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: O'Connor, Meredith [mailto:Meredith.OConnor@am.jll.com]  
Sent: Thursday, October 5, 2017 6:28 PM  
To: Chung, Christopher <christopher.chung@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>  
Cc: Ragsdale, Trevor <Trevor.Ragsdale@am.jll.com>; Bjorson, Kris <Kris.Bjorson@am.jll.com>; Sahgal, Vineet <vineet.sahgal@am.jll.com>; Beaudoin, Christian <Christian.Beaudoin@am.jll.com>; Marsh, Paul <Paul.Marsh@am.jll.com>; Gilkes, Kenneth <Kenneth.Gilkes@am.jll.com>  
Subject: FW: Project New World RFP

Team NC:

Attached please find the attached RFP for Project New World. Please let us know if you have any questions. We truly appreciate your continued support.

All the best,  
The JLL Team

Meredith L. O'Connor
This email is for the use of the intended recipient(s) only. If you have received this email in error, please notify the sender immediately and then delete it. If you are not the intended recipient, you must not keep, use, disclose, copy or distribute this email without the author's prior permission. We have taken precautions to minimize the risk of transmitting software viruses, but we advise you to carry out your own virus checks on any attachment to this message. We cannot accept liability for any loss or damage caused by software viruses. The information contained in this communication may be confidential and may be subject to the attorney-client privilege. If you are the intended recipient and you do not wish to receive similar electronic messages from us in the future then please respond to the sender to this effect.

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<table>
<thead>
<tr>
<th>Constituent</th>
<th>Maximum Concentration (ppm)</th>
<th>Maximum Concentration Instantaneous (ppm)</th>
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</thead>
<tbody>
<tr>
<td>Aluminum</td>
<td>0.40</td>
<td>2.00††</td>
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<tr>
<td>Barium</td>
<td>0.40</td>
<td></td>
</tr>
<tr>
<td>Cadmium</td>
<td>0.10 1.00</td>
<td></td>
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<tr>
<td>Chlorides</td>
<td>0.10</td>
<td></td>
</tr>
<tr>
<td>Chromium (Total)</td>
<td>0.50</td>
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</tr>
<tr>
<td>Chromium (Hexavalent)</td>
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*To be established by the director
††Two times the current drinking water standards.
†††Current drinking water standards on Pico Guadalupe.
SECTION 02200
EARTHWORK

1. PART 1 - GENERAL

1.1 RELATED DOCUMENTS

1.1.1 Requirements of the contract documents.
1.1.2 Requirements of the following sections apply to the work of this section:

A. Section 02222, "Construction Best Management Practices and Sediment and Erosion Control Measures."

1.1.3 All soil erosion control measures shall be done in accordance with state handbook for Erosion Control, Sediment Control and Storm water Management on construction sites and urban areas for materials, timing, and location specific details. The contractor has the responsibility to be in compliance with these standards. The Soil Erosion and Sediment Control plan is under separate cover.

1.1.4 Reference Standards


C. American Association of State Highway and Transportation Officials (AASHTO).


1.1.5 Refer to Specification 01999 "Quality Confirmation and Equipment Handover Procedures" and 01999 attachment "Punchlist and Kanban Procedures," for the Toyota Quality Confirmation Process.

1.2 DESCRIPTION OF WORK

1.2.1 Provide labor, material, and equipment to perform earthwork required by drawings and/or as specified.
1.2.2 Work includes, but is not limited to, the following:

A. Site layout, cut, and fill
B. Soil Erosion and sediment control plans
C. Stripping of topsoil
D. Excavation and trenching
E. Pavement removal
F. Sheetin, shoring, and bracing
G. Suitable site fills including partial undercutting
H. Compaction
I. Grading
J. Proofrolling
K. Seeding
L. Cleanup

1.3 ELECTRONIC SUBMITTALS

1.3.1 Product Data: Each type of detectable plastic warning tape.

1.3.2 Test Reports for Record Purposes: From a qualified geotechnical testing agency approved by the Owner; submit in duplicate tests, investigations, findings, and recommendations to the Contractor and the Owner's Representative, as soon as each report has been completed.

1.4 SITE LAYOUT, CUT, AND FILL

1.4.1 Determine that site benchmark(s) are the actual intended marks and are still at proper elevation and location. Submit verification of benchmark(s), with licensed Land Surveyor stamp, to Owner's Representative.

1.4.2 Site drawing indicates existing and new finished grades required for construction. Contractor shall stake ditches, drains, pond work, building pads, etc., establish elevations and locations, and do other such layout work required.

1.4.3 Although the Geotechnical Engineering Report indicates subsurface conditions at specific locations on specific dates, it is not intended as a representation or warranty of the continuity of such conditions. It is expressly understood that the Owner will not be responsible for interpretations or conclusions drawn therefrom by the Contractor. The reports and data are included as an Appendix to these specifications for the convenience of the Contractor.
1.4.4 Quantities of cut and fill material are the sole responsibility of the Contractor. Any conflict in verification of existing grades must be brought to Owner's Representative's attention before work is started in order to receive consideration.

1.4.5 Project Specifications shall be considered minimum requirements and shall be supplemented by additional work on the part of the Contractor, if necessary, in accordance with state codes. It is the requirement of these specifications to produce stable fills and embankments.

1.4.6 In addition to complying with requirements contained herein and elsewhere in the contract documents, the Contractor shall reconstruct fills, grades, embankments, etc., that are displaced by any cause whatsoever during construction at no expense to Owner.

1.4.7 It shall be understood that, should minor (movement of less than 10 cubic yards of materials per occurrence) deviations from finished grades established on drawings be required by Owner's Representative, such shall be done by the Contractor at no additional cost, providing such instructions are given to Contractor prior to when affected work is started. No deviations or changes shall be made without written instructions from Owner's Representative.

1.5 WATER AND PUMPING

1.5.1 Contractor shall remove all water, including rainwater, spring water, and subsurface water, encountered during the course of excavations. Removal shall be by pumps, drains, or other approved methods, and shall keep excavation, fills, and other work free from water until construction is completed. Water shall be discharged to locations designated by Owner's Representative. Sediment-laden water shall be drained or pumped through an approved sediment filtering device prior to exiting the site. Above shall be in accordance with Section 02222, Construction Best Management Practices and Sediment and Erosion Control Measures.

1.6 MAINTENANCE OF SUBGRADES

1.6.1 Areas of completed fill which are to receive slabs, pavement, structures, etc., shall be kept free of standing water or otherwise protected from any loss of compaction density. Areas under topsoil and structural fill shall be graded to plus or minus 1 inch under a 10-foot straightedge. Subgrade shall be fine-graded to within 3/8 inch tolerance under a 10-foot straightedge.

1.7 DISPOSITION OF UTILITIES

1.7.1 Rules and regulations governing the respective utilities shall be observed in executing work.
1.7.2 Active utilities shown on drawings shall be adequately protected from damage, and moved or relocated only as indicated or specified.

1.7.3 Active utilities not shown on the drawings shall be protected or relocated according to written instructions of the Owner's Representative.

1.7.4 If inactive utilities are found, the Contractor shall notify Owner's Representative prior to any work being completed.

1.8 PROTECTION

1.8.1 Provide and maintain suitable temporary fences, railings, barricades, and necessary lights, signs, and warnings for protection of public, Owner's employees, and others having access to the site, as directed by Owner's Representative, OSHA, KYTC and/or the State of Kentucky statutes.

1.8.2 Work shall be carried on in a manner that will ensure protection of adjoining property against damages.

1.8.3 Provide adequate protection against damage for all light poles, PIV's, fire hydrants, etc.

1.8.4 When temporary protective structures are no longer needed, and when Owner's Representative so directs, such shall be removed, with salvage becoming property of the Owner, and disposed of in Owner-supplied containers. Damage to adjoining work must be repaired at no additional cost to the Owner.

1.8.5 Contractor to provide dust control measures as directed by Owner's Representative and Specification Section 02222, Item 3.1.4.

1.8.6 Contractor to provide truck wash areas as directed by Owner's Representative and Specification Section 02222, Item 3.1.9.

1.9 DAMAGES TO PROPERTY

1.9.1 Contractor shall keep clean and adequately protect perimeter public roads, access drives, roads on Owner's property, curbing, and sidewalks from damage due to trucking, and be responsible for damages sustained to same as a result of operations herein. All public roads and access roads to the project site will be continuously swept and washed to ensure they are kept completely clean and free of mud and dirt.

2. PART 2 - PRODUCTS

2.1 SHEETING, SHORING, AND BRACING

2.1.1 Provide sheeting, shoring, and bracing required for installation and/or protection of work.
2.1.2 Sheet ing and shoring shall be made of suitable structural materials accurately placed and securely braced to maintain proper position. Safety of the work shall be the direct responsibility of the Contractor. The Contractor shall make good any damage resulting from failure of supports.

2.1.3 Material used for this work shall be withdrawn and removed from site when no damage to work is possible.

2.2 SUITABLE SITE FILLS

2.2.1 General

A. Fill shall be accomplished using material properly placed in uniform layers and compacted as specified in articles hereinafter.

B. Fill material required in addition to that resulting from site work shall be furnished at Contractor’s expense from off-site borrow. Additional fill material shall be approved by an Owner-approved testing laboratory. Soil sample results shall be provided to ORO verifying no contamination before fill dirt is brought on site. Costs required for testing shall be at Contractor’s expense.

2.2.2 Structural Fill

A. Fills within building lines are in accordance with the requirements of these specifications section 02201.

B. Subgrade for pavement shall be prepared in accordance with state current specification and practices.

C. Fill material shall be spread in uniform layers not to exceed 8 inches (loose measure) in thickness when compacted by heavy equipment and not to exceed 4 inches (loose measure) in thickness when compacted by hand equipment, and approximately parallel to finish grades. Spreading of materials shall follow dumping as closely as practicable. Each layer shall be compacted to required density before next layer is placed.

D. Provide sufficient equipment capable of maintaining the actual moisture content of the soil material at the time of compaction, to within the moisture range as approved by the Geotechnical Engineer.
E. If fill material is too dry, sprinkle with water to provide proper moisture content for maximum compaction. Flooding or inundating will not be permitted. Wet material shall be allowed to dry to proper moisture content before placement or compaction. Existing on-site water sources may be available with a prior request to ORO. Soil material that is removed because it is too wet to permit compaction may be stockpiled or spread on the surface at an approved area within the construction boundaries of this project and permitted to dry. There are no areas on site except those within the construction boundaries of this project that are available for stockpiling and drying. Drying may be accelerated by disk, harrowing, or pulverizing until the moisture content is reduced to a value within the specified range. The dried soil may then be used as a fill when accepted by the Geotechnical Engineer.

2.2.3 Nonstructural Fills

A. Fills other than structural fill are considered nonstructural fills. Material for nonstructural fills may be suitable material resulting from excavations on-site and approved by the testing laboratory.

B. Fill material shall be spread in uniform layers not to exceed 8 inches (loose measure) in thickness when compacted by heavy equipment and not to exceed 4 inches (loose measure) in thickness when compacted by hand equipment, and approximately parallel to finish grades. Spreading of materials shall follow dumping as closely as practicable. Each layer shall be compacted to required density before next layer is placed.

2.2.4 Unsatisfactory Soil Materials

A. Those soils classified as GC, ML, MH, CH, OL, OH, and PT, in accordance with ASTM D 2487.

2.3 ACCESSORIES

2.3.1 Warning tape, unless otherwise specified:

A. Warning tape is required above all underground utilities.

B. Marking tape shall consist of one layer of aluminum foil 0.35-mil thick, laminated between two layers of inert plastic film with a scrim reinforcement, with a total thickness of 5 mil.

C. It shall be resistant to alkalies, acids, and other destructive agents commonly found in soil.

D. The lamination bond shall be strong enough that the layers cannot be separated by hand or by exposure to boiling water for a period of 3 hours.

E. The foil core shall be visible to ensure continuity.
F. The tape shall be 6 inches wide.

G. Tape shall be imprinted with a continuous warning message, repeated every 16 to 36 inches of the utility, colored as follows:
   1. Red: Electric
   2. Yellow: Gas, oil, steam, and dangerous materials
   3. Orange: Telephone and other communications
   4. Blue: Water systems
   5. Green: Sewer systems

H. It shall be inductively locatable and conductively traceable using standard pipe- and cable-locating devices.

I. Tape shall be provided with manufacturer’s clipping system to electrically connect rolls of tape.

J. Install warning tape directly above utilities, in accordance with manufacturer’s requirements.

2.4 GRASS SEED

2.4.1 Grass seed shall be fresh, clean, new crop seed composed of varieties specified and mixed in proportions and testing minimum percentages of purity and germination in accordance with state.

2.5 FERTILIZER

2.5.1 Commercial fertilizer shall be a complete fertilizer, part of the elements of which are derived from organic sources. It shall contain the following percentages by weight:
   - 12 percent nitrogen
   - 12 percent phosphoric acid
   - 12 percent potash

2.5.2 Fertilizer shall be delivered, mixed as specified, in standard size bags showing weight, analysis, and name of manufacturer. Store fertilizer in a weatherproof storage place so it will be kept dry and its effectiveness will not be impaired.

2.6 MULCH

2.6.1 Straw for mulching seeded areas shall be clean, new shredded straw, free from weed seeds and debris, with no disease or mold, and in accordance with state.
2.6.2 Wood cellulose fiber mulch for seeded areas shall have the property of dispersing readily in water and shall have no toxic effect when combined with seed or other materials. The homogeneous slurry shall be capable of application with proper spray equipment. A green-colored dye which is non-injurious to plant growth shall be required. Wood cellulose fiber shall be packaged in new labeled containers in an air-dry condition and have a pH of 4.5 to 10 in distilled water.

3. PART 3 - EXECUTION

3.1 CLEARING AND GRUBBING

3.1.1 Remove obstructions, trees, and shrubs to permit installation of new construction. Removal includes digging out stumps and obstructions and grubbing roots.

A. Completely remove stumps, roots, obstructions, and debris extending to a depth of 3 feet below exposed subgrade.

3.1.2 Weeds, grass, and other vegetation shall be removed by mowing, raking, or other approved means. Short stubble and vegetation roots remaining shall be stripped with a minimum amount of soil and be disposed of on-site as directed by the Owner's Representative.

3.1.3 Fill depressions caused by clearing and grubbing operations with satisfactory soil material, unless further excavation or earthwork is indicated.

A. Place fill material in horizontal layers not exceeding 8-inch loose depth, and compact each layer to a density equal to adjacent original ground.

3.2 DISPOSAL OF MATERIALS

3.2.1 All merchantable timber shall become the property of the Contractor for his disposal unless otherwise noted.

3.2.2 Burying of stumps, trees, logs, snags, or other vegetative materials will not be permissible within the project site limits, unless otherwise approved in writing by the Owner's Representative.

3.2.3 No open burning of waste material shall be permitted on the site. Perishable material shall be completely removed from Owner's property to disposal areas provided by the Contractor and approved by the Owner's Representative.

3.2.4 Materials which are stripped from the project site which are not suitable for reuse shall be disposed of by the Contractor at a location provided by him and approved by the Owner's Representative.
3.2.5 The cost of hauling, stockpiling, and disposal of material shall be included in the Contract Price Bid for clearing and grubbing.

3.2.6 Existing trailer yard concrete pavement shall be mechanically crushed by Contractor to a size not exceeding 6" in any direction. Crushed concrete shall be transported by Contractor to the Construction Laydown Area and compacted in lifts to create the pad as shown on the Construction Drawings. Crushed concrete shall be placed in maximum 18 inch lifts and shall not be larger than 6 inches in any direction 18 inches below grade. Maximum stone size up to 4 inches below grade shall be 2 inches or less in any direction. The Construction Laydown Area shall be capped with 4 inches of compacted DGA. Excess concrete pavement shall become the property of the Contractor and Contractor shall be responsible for disposal. On-site crusher units must meet all Federal, State, Local and Toyota Requirements, including providing an air permit for the crusher unit to the ORO before work begins and ensure spill prevention control and countermeasures including having a spill kit available near the unit.

3.2.7 Excess topsoil shall be utilized to construct the berm at the Construction Laydown Area. Any topsoil that cannot be utilized in the berm shall become the property of the Contractor and the Contractor shall be responsible for disposal. The Contractor may adjust the Construction Laydown Area to waste extra material. The CDD shall not be utilized by the Contractor. The Contractor shall be responsible for removal all excess material from the project site and ensure proper disposal of material. Material shall be removed from site to a Toyota approved landfill.

3.3 STRIPPING OF TOPSOIL

3.3.1 Remove topsoil from areas to be filled and graded and all areas of construction shown on the site drawings. Remove full depth of topsoil and avoid mixture of subsoil, demolition debris, or other contaminants.

3.3.2 Stripped topsoil shall be used at the Construction Laydown Area to construct the berms as shown on the Construction Drawings. Any excess topsoil not required for berm construction shall become the property of the Contractor and the Contractor shall be responsible for disposal.

3.3.3 Topsoil shall be removed for the Construction Laydown Area and compacted into berms for the berms at the Construction Laydown Area as shown on the Construction Drawings.

3.4 EXCAVATION

3.4.1 Excavations shall be performed as required by drawings and so that requirements of succeeding work can be met. Excavation shall include removal of soil and other material found.
3.4.2 Subgrade for pavement/floor slabs shall be prepared in accordance with state.

3.4.3 Excavated material of suitable consistency for nonstructural fills, as approved by testing laboratory, may be spread in fill areas in 8-inch beds, compacted as specified, and graded. Material may be stockpiled prior to spreading.

3.5 BACKFILLING

3.5.1 Backfilling shall be done immediately after work has been inspected and approved. No backfill material shall be placed on or against debris or other deleterious matter not conducive to proper compaction. Backfill shall be material specified for suitable site fills.

3.5.2 Contractor shall take necessary precautionary measures during compaction of fill adjacent to drains, etc., that such items are not displaced from their proper location or damaged by compacting equipment. In the event damage or displacement occurs during or resulting from compaction of fill as specified above, Contractor shall be responsible for correction of same, to approval of Owner’s Representative, and at no expense to the Owner.

3.6 COMPACTATION

3.6.1 Equipment

A. Fills shall be compacted with sheepsfoot roller and/or other appropriate equipment having contact pressure of 750 psi based on contact area of one row of feet. In areas where sheepsfoot roller cannot be used, provide mechanical vibratory units of adequate size to fulfill compaction requirements.

B. Stone base course under pavements and floor slabs shall be compacted with vibratory rollers.

3.6.2 Structural Fills

A. Just before commencing construction of structural fills, existing earth surface shall be scarified and sprinkled with water, if necessary, to provide for bonding of fill material to existing surfaces.

B. In preparing existing subgrade on which stone base course, concrete paving, or asphalt paving is to be placed, Contractor shall test such subgrade for minimum 100 percent maximum density at optimum moisture content in accordance with ASTM D698 (standard proctor). Conduct minimum of one test per 2,500 square feet for testing laboratory’s approval before proceeding further. If test proves unacceptable, Contractor shall recompact to achieve required density stated above.
C. Ensure that a Blue Top inspection is performed by ORO prior to any concrete or asphalt placement.

3.6.3 Nonstructural Fills

A. Fill material placed in areas other than that defined as structural fill shall be compacted to 90 percent maximum density at optimum moisture content in accordance with ASTM D 698, and graded as specified hereinafter.

3.6.4 Testing

A. Compaction tests and excavation observations shall be conducted by a third party testing laboratory agency employed by the Owner.

3.7 GRADING

3.7.1 Determine subgrade depth below finished grade to allow for depth of topsoil, floor slab, structural fills, pavement, etc.

3.7.2 Provide grade stakes at building corners, where spot elevations are shown, at breaks in grade, along drainage swales, and as otherwise required to grade areas according to elevations shown on drawings.

3.7.3 Provide positive drainage throughout construction.

A. Slope earth away from building walls.

B. Provide uniform levels or slopes between given points or between given points and existing grades for finish grades not otherwise shown.

C. Provide rounding or smooth transitions at top and bottom of slopes and at other breaks in grades to prevent abrupt changes in grade or unnatural slopes.

D. Rough grade to within 0.1 foot; finish grade to within 0.05 foot of required slopes, grades, and elevations.

3.7.4 Provide temporary positive drainage to maintain stabilized or finished areas; keep excavations free from water until the permanent construction is in place, backfilling is completed, and building and surface drains are operating and capable of maintaining drainage.

A. Submit proposed method of dewatering that includes the points of discharge to the Owner or Designated Representative for approval before implementation.
B. Provide systems as required by the site conditions. Operate pumps and other water moving systems to accomplish the above on a 24-hour basis.

C. Repair any damage from surface water drainage generated by construction that is the result of not providing or providing insufficient drainage systems.

3.8 PROOFROLLING

3.8.1 Proofroll exposed subgrade in the building area and in the paved areas shortly before the placement of fill, base course, slabs, or pavement to detect soft or unsuitable soil conditions as noted in the Geotechnical Engineering Report.

A. Grade to allow surface storm water to quickly drain off of the proofrolled areas and prevent any ponding of water on the proofrolled area.

B. Proofroll after a suitable period of dry weather to avoid degrading and otherwise acceptable subgrade.

C. Perform proofrolling with a rubber-tired, loaded dump truck that has a minimum gross weight of at least 35,000 pounds, but not exceeding 50,000 pounds, or as directed by the Owner or Designated Representative's recommendation prior to beginning proofrolling operations.

D. Proofroll a minimum of two complete passes with one pass being in a direction perpendicular to the initial pass.

3.8.2 Remove to the depth recommended by the Owner or Designated Representative any areas that deflect, rut or pump excessively during proofrolling, as determined by the Owner or Designated Representative, or that fail to demonstrate consolidation (or tightening) during, or subsequent to, proofrolling. Replace as directed by the Owner or Designated Representative with either approved compacted fill or a layer of geotextile stabilization fabric and/or geogrid with a crushed stone or gravel layer over the fabric/geogrid. Payment for undercutting and replacement of unacceptable material will be made in accordance with contract provisions for changes in work. Changes shall be measured by the Contractor and verified and approved by the Owner or Designated Representative.

3.8.3 Successfully proofrolled areas that are allowed to be exposed to periods of significant rainfall, or to freezing and thawing cycles before the next overlying operation can be commenced, must be proofrolled again to look for newly-developed unstable areas.
3.8.4 Once an area has been successfully proofrolled and any unstable areas rededicated, the area shall be maintained in that condition until time for the next overlying operation. Use of any construction equipment/vehicles over a successfully proofrolled area shall be limited to light, low contact pressure equipment as determined by Owner.

3.8.5 Rework of any previously successfully proofrolled areas for any reason is Contractor's responsibility.

3.9 TOPSOIL REPLACEMENT AND FINISH GRADING

3.9.1 When other site work has been substantially completed, Contractor shall replace topsoil, 4-inch-thick minimum, within areas of property noted on drawings to be seeded and sodded. Topsoil shall also be used to construct mounds where shown on drawings.

3.9.2 Topsoil stored on-site shall be used. If additional topsoil is required for finish grading, it shall be provided by the Contractor. Material shall be approved by testing laboratory and be in accordance with state.

3.9.3 Finish grading shall bring grades to smooth, true, and even surfaces with use of motor power graders, supplemented by handwork, and raking as required. Finish grades, in areas of topsoil placement, are elevations as shown on drawings, and shall be finished to meet existing grades without abrupt changes in slope, or as directed by Owner's Representative.

3.9.4 Before seeding and sodding, surfaces shall be cleared of construction debris, including brush, wire, grade stakes, stones, etc. Lumps shall be broken and spread.

3.9.5 Excess topsoil shall be utilized to construct the berm at the Construction Laydown Area. Any topsoil that cannot be utilized in the berm shall become the property of the Contractor and the Contractor shall be responsible for disposal. The Contractor may adjust the Construction Laydown Area to waste extra material. The CDD shall not be utilized by the Contractor.

3.10 SEEDING OPERATIONS

3.10.1 Preparation of grass areas seeding operations shall be in accordance with state.
3.10.2 Seeding maintenance shall begin immediately after each portion of lawn is planted and shall continue in accordance with state and the following requirements:

A. Lawns planted during spring planting season shall be maintained for at least 60 days from end of planting season, and as long as necessary to establish, over the entire lawn, a close stand of grass of varieties specified, free of weeds and undesirable coarse, native grasses. Lawns planted during fall planting season shall be maintained in same manner as specified for spring planting, but shall not be accepted until the following June 1, providing a lawn of a close stand of grass of varieties specified is established and free of weeds and undesirable coarse, native grasses.

B. Maintain lawns by watering, fertilizing, weeding, reseeding, rolling, sowing, and other operations required, including mowing, as follows:

1. Grass shall be mowed three times during maintenance period. Mowing will be completed as directed by the Owner’s Representative. Minimum height after cutting shall be 3 inches.

2. Lawns shall be kept watered with sprinklers or other approved methods during dry weather or when necessary for proper growth.

3.10.3 Seed required in reseeding shall be same as mixture specified herein before.

3.10.4 At conclusion of maintenance period, lawns shall have close stand of grasses specified and be free of weeds. If not, maintenance period shall be continued until these requirements are met. Bare patches shall be scratched, reseeded, rolled, fertilized, and watered as often as necessary to obtain a close stand of grass over entire lawn areas. Scattered bare spots not exceeding 1 square foot will be allowed on 3 percent of area.

3.11 CLEANUP

3.11.1 Complete work herein with removal of excess material and grading. Legally dispose of debris off-site.

END OF SECTION

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I have attached:

1. The itinerary for tomorrow’s meeting. The meeting starts at 10:20 in PTO’s boardroom. The CAM site discussion is scheduled to begin at 10:30, lunch at 11:45 and the Greensboro/Randolph site discussion at 12:15. Those would be the logical insertion times for Secretary Copeland.

2. The Gantt chart/project construction timeline in which Duke commits to moving the line within 22 months from now. Garrett spoke to Trevor Ragsdale at JLL and was told that that schedule would be acceptable – not ideal, but acceptable. By the way, the timeline for the electrical work on the CAM site is estimated at 24 months, two months longer than the Greensboro/Randolph site. Duke has not let us know yet who from Duke will be at the meeting. For now, I’m assuming it will be Geib.

I will be happy to drive/go with Secretary Copeland. Just let me know if he is planning on attending, and, if so, what time he wants to be there. I can pick him up or meet him somewhere – whatever he wants to do.

David Spratley  
VP, Business Recruitment  
Economic Development Partnership of North Carolina  
O 919.447.7738  M 919.703.5368  
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Project New World
North Carolina Site Visit #3 - Itinerary
Thursday, September 21st, 2017

10:15 AM  Pick Up Consultant/Client Team at Piedmont Triad International (GSO)

10:20 AM  P. New World Site Overview Meeting Convenes
  • Garrett Wyckoff, EDPNC
    o Welcome & Review of Agenda
  • Location: Executive Conference Room at PTI

10:30 AM  CAM/Siler City Presentation & Technical Q&A
  • Kyle Touchstone, President – Chatham EDC
  • Location: Executive Conference Room at PTI
  Topics:
    o Real Estate – Kyle Touchstone
    o Site Engineering – Stimmel & Assoc.
    o Permitting - NCDEQ
    o Water and Wastewater – Town of Siler City & Chatham County
    o Electricity – Duke Power
    o Natural Gas – PSNC Energy
    o Logistics & Transportation – NCDOT/NCRR/Norfolk Southern

11:45 AM  Lunch with Greensboro-Randolph Megasite Team
  • Location: Executive Conference Room at PTI

12:15 PM  Greensboro-Randolph Megasite Presentation & Technical Q&A
  • Brent Christensen, President & CEO – Greensboro Chamber of Commerce
  • Location: Executive Conference Room at PTI
  Topics:
    o Real Estate – Brent Christensen
    o Site Engineering – HDR/SEPI/Timmons
    o Permitting – NCDEQ
    o Water & Wastewater – City of Greensboro
    o Electricity – Duke Energy
    o Natural Gas – Piedmont Natural Gas
    o Logistics & Transportation – NCDOT/NCRR/Norfolk Southern
1:15 PM  Team departs for Greensboro-Randolph Megasite Field Visit
- Location: 5888 Browns Meadow Road
  Liberty, NC

3:45 PM  Conclude visit and depart for GSO/PTI
- Location: 1000 Ted Johnson Parkway
  Greensboro, NC

4:30 PM  Team arrives at GSO/PTI for scheduled flights.

Contact Numbers:
Garrett Wyckoff, EDPNC  919.703.5374
Evan Stone, EDPNC  919.275.2322
David Ramsey, GPED  336.701.3052
Kyle Touchstone, Chatham EDC  919.548.4879
<table>
<thead>
<tr>
<th>ID</th>
<th>% Compl</th>
<th>Task Name</th>
<th>Duration</th>
<th>Start</th>
<th>Finish</th>
<th>Predecessors</th>
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<tbody>
<tr>
<td>1</td>
<td>2%</td>
<td>Greensboro Randolph Mega Site Preparation</td>
<td>1185 days</td>
<td>Mon 6/1/15</td>
<td>Fri 12/13/19</td>
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<tr>
<td>2</td>
<td>0%</td>
<td>Anticipated Client Decision</td>
<td>0 days</td>
<td>Mon 1/1/18</td>
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<td>3</td>
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<td>Meet with DMS</td>
<td>0 days</td>
<td>Fri 9/8/17</td>
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<tr>
<td>4</td>
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<td>Corps Meetings/ DWR/ USFWS</td>
<td>75 days</td>
<td>Tue 9/26/17</td>
<td>Mon 1/8/18</td>
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<tr>
<td>5</td>
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<td>Jurisdictional Determination</td>
<td>2 days</td>
<td>Tue 9/26/17</td>
<td>Wed 9/27/17</td>
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</tr>
<tr>
<td>6</td>
<td>0%</td>
<td>Meet w/ Agencies - 1</td>
<td>0 days</td>
<td>Mon 10/16/17</td>
<td>Mon 10/16/17</td>
<td>SFS + 13 days</td>
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<tr>
<td>7</td>
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<td>Meet w/ Agencies - 2</td>
<td>0 days</td>
<td>Mon 1/8/18</td>
<td>Mon 1/8/18</td>
<td>6FS + 60 days</td>
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<tr>
<td>8</td>
<td>21%</td>
<td>Develop Mitigation Strategy</td>
<td>241 days</td>
<td>Fri 7/21/17</td>
<td>Fri 6/22/18</td>
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<tr>
<td>9</td>
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<td>Draft Mitigation Strategy Recommendation Memo</td>
<td>41 days</td>
<td>Fri 7/21/17</td>
<td>Fri 9/15/17</td>
<td>25S + 1 wk</td>
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<tr>
<td>10</td>
<td>2%</td>
<td>Final Mitigation Strategy Recommendation Memo</td>
<td>15 days</td>
<td>Mon 9/18/17</td>
<td>Fri 10/6/17</td>
<td>9</td>
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<tr>
<td>11</td>
<td>0%</td>
<td>Choose Strategy</td>
<td>10 days</td>
<td>Mon 10/9/17</td>
<td>Fri 10/20/17</td>
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<tr>
<td>12</td>
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<td>Draft Mitigation Plan for Agency Review</td>
<td>90 days</td>
<td>Mon 10/23/17</td>
<td>Fri 2/23/18</td>
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<td>13</td>
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<td>Agency Comments Back to HDR</td>
<td>0 days</td>
<td>Fri 3/23/18</td>
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<td>Final Mitigation Plan</td>
<td>45 days</td>
<td>Mon 3/26/18</td>
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<td>15</td>
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<td>Agency Approval of Final Mitigation Plan</td>
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<td>Fri 6/22/18</td>
<td>Fri 6/22/18</td>
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<td>16</td>
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<td>Interchanges</td>
<td>635 days</td>
<td>Mon 7/10/17</td>
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<tr>
<td>17</td>
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<td>Comments from NCDOT (A&amp;C)</td>
<td>0 days</td>
<td>Mon 9/11/17</td>
<td>Mon 9/11/17</td>
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Project: GIRMS Schedule Update
Date: Wed 9/20/17

Page 1
<table>
<thead>
<tr>
<th>ID</th>
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<th>Start</th>
<th>Finish</th>
<th>Predecessors</th>
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<td>18</td>
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<td>Comments from NCDOT (R&amp;D)</td>
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<td>Fri 9/15/17</td>
<td>Fri 9/15/17</td>
<td>17F5+1 wk</td>
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<tr>
<td>19</td>
<td>50%</td>
<td>Resubmit 25% Interchange - C</td>
<td>0 days</td>
<td>Wed 11/15/17</td>
<td>Wed 11/15/17</td>
<td>18F5+43 days</td>
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<td>20</td>
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<td>Meet with FHWA to Determine Document Need</td>
<td>0 days</td>
<td>Mon 7/10/17</td>
<td>Mon 7/10/17</td>
<td>/10</td>
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<td>21</td>
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<td>Cape Fear Shiner Survey</td>
<td>22 days</td>
<td>Mon 10/2/17</td>
<td>Tue 10/31/17</td>
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<tr>
<td>22</td>
<td>0%</td>
<td>Cultural Resources</td>
<td>4 wks</td>
<td>Mon 7/10/17</td>
<td>Fri 8/4/17</td>
<td>20</td>
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<tr>
<td>23</td>
<td>0%</td>
<td>Archaeological</td>
<td>4 wks</td>
<td>Mon 7/10/17</td>
<td>Fri 8/4/17</td>
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<tr>
<td>24</td>
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<td>Final Roadway Coordination</td>
<td>4 mons</td>
<td>Mon 1/1/18</td>
<td>Fri 4/20/18</td>
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<tr>
<td>25</td>
<td>0%</td>
<td>Final Hydro, Structure Design, Utility, RR Coordination</td>
<td>4 mons</td>
<td>Mon 1/1/18</td>
<td>Fri 4/20/18</td>
<td>2</td>
</tr>
<tr>
<td>26</td>
<td>0%</td>
<td>Right-of-Way Acquisition</td>
<td>4 mons</td>
<td>Mon 1/1/18</td>
<td>Fri 4/20/18</td>
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<tr>
<td>27</td>
<td>0%</td>
<td>Advertise and Award</td>
<td>10 wks</td>
<td>Mon 4/23/18</td>
<td>Fri 6/29/18</td>
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<tr>
<td>28</td>
<td>0%</td>
<td>Construction</td>
<td>19 mons</td>
<td>Mon 7/2/18</td>
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<td>27</td>
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<td>Public Outreach</td>
<td>53 days</td>
<td>Thu 11/16/17</td>
<td>Mon 1/29/18</td>
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<td>Public Meeting</td>
<td>0 days</td>
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<td>11/16</td>
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<td>32</td>
<td>50%</td>
<td>Applicant Pre-EA Scoping</td>
<td>130.2 wks</td>
<td>Fri 7/14/17</td>
<td>Fri 1/12/18</td>
<td>11/15</td>
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<td>33</td>
<td>80%</td>
<td>Develop Study Area</td>
<td>46 days</td>
<td>Fri 7/14/17</td>
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<td>34</td>
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<td>Maps from USACE</td>
<td>0 days</td>
<td>Wed 11/15/17</td>
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<tr>
<td>35</td>
<td>0%</td>
<td>Scoping Letter</td>
<td>6 days</td>
<td>Fri 9/8/17</td>
<td>Fri 9/15/17</td>
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## Greensboro-Randolph Mega Site Preparation Master Program Schedule

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<tr>
<th>ID</th>
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<th>Duration</th>
<th>Start</th>
<th>Finish</th>
<th>Predecessors</th>
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<tr>
<td>54</td>
<td>Bidding</td>
<td>24 days</td>
<td>Thu 12/13/18</td>
<td>Tue 1/15/19</td>
<td>525 + 43 wks</td>
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<td>55</td>
<td>Construction</td>
<td>130 days</td>
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<td>54</td>
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<tr>
<td>56</td>
<td>Electric Power</td>
<td>400 days</td>
<td>Mon 1/1/18</td>
<td>Fri 7/12/19</td>
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<tr>
<td>57</td>
<td>Relocate 525kV Transmission Line</td>
<td>400 days</td>
<td>Mon 1/1/18</td>
<td>Fri 7/12/19</td>
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<tr>
<td>58</td>
<td>Project Development, Funding, Resourcing 11 wks Team, and Initiation</td>
<td>11 wks</td>
<td>Mon 1/1/18</td>
<td>Fri 3/16/18</td>
<td>2</td>
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<tr>
<td>59</td>
<td>Preliminary surveying</td>
<td>6 wks</td>
<td>Mon 1/1/18</td>
<td>Fri 2/9/18</td>
<td>2</td>
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<tr>
<td>60</td>
<td>Conceptual Design</td>
<td>5 wks</td>
<td>Mon 2/12/18</td>
<td>Fri 3/16/18</td>
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<td>61</td>
<td>Project Commit, Full Funding, Baseline, Evaluation of Conceptual Design</td>
<td>11 wks</td>
<td>Mon 3/19/18</td>
<td>Fri 6/1/18</td>
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<tr>
<td>62</td>
<td>Engineering line design</td>
<td>21 wks</td>
<td>Mon 6/4/18</td>
<td>Fri 10/26/18</td>
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<tr>
<td>63</td>
<td>Erosion Control and Access Design; Construction Permitting</td>
<td>16 wks</td>
<td>Mon 9/3/18</td>
<td>Fri 12/21/18</td>
<td>625 - 8 wks</td>
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<td>64</td>
<td>CPCN Executed</td>
<td>12 wks</td>
<td>Mon 10/29/18</td>
<td>Fri 1/18/19</td>
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<td>65</td>
<td>FERC / NERC Approvals for line transfer</td>
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<td>Mon 10/29/18</td>
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<td>66</td>
<td>Material Procurement</td>
<td>10 wks</td>
<td>Mon 9/3/18</td>
<td>Fri 11/9/18</td>
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<td>Engineering JobPacks required for Construction Procurement</td>
<td>4 wks</td>
<td>Mon 9/3/18</td>
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<td>82</td>
<td>Easement Map Prep</td>
<td>10 months</td>
<td>Mon 3/6/17</td>
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<td>83</td>
<td>Acquisition</td>
<td>9 months</td>
<td>Mon 9/18/17</td>
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<td>81+5+7 months</td>
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<td>84</td>
<td>Construction</td>
<td>19 months</td>
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<td>Fri 6/14/19</td>
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<td>85</td>
<td>Rail Line</td>
<td>540 days</td>
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<td>86</td>
<td>Preliminary Design</td>
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<td>Mon 10/9/17</td>
<td>Fri 2/23/18</td>
<td>875+3 months</td>
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<td>87</td>
<td>Final Design/ Grading</td>
<td>6 months</td>
<td>Mon 1/1/18</td>
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<tr>
<td>88</td>
<td>Construction</td>
<td>18 months</td>
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<td>Fri 11/1/19</td>
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<tr>
<td>89</td>
<td>Site/ Civil</td>
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<td>90</td>
<td>Conceptual Site Layouts</td>
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<tr>
<td>91</td>
<td>Selection/ Approval Site</td>
<td>5 days</td>
<td>Mon 10/9/17</td>
<td>Fri 10/13/17</td>
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<tr>
<td>92</td>
<td>Grading/ Stormwater Mgmt</td>
<td>24 days</td>
<td>Mon 10/16/17</td>
<td>Thu 11/16/17</td>
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<tr>
<td>93</td>
<td>Stormwater Conveyance</td>
<td>20 days</td>
<td>Fri 11/17/17</td>
<td>Thu 12/14/17</td>
<td>92</td>
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<tr>
<td></td>
<td>and Utility Design</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>94</td>
<td>Erosion Control Layout</td>
<td>23 days</td>
<td>Fri 12/15/17</td>
<td>Tue 1/16/18</td>
<td>93</td>
</tr>
<tr>
<td>95</td>
<td>Internal QC</td>
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<td>Wed 1/17/18</td>
<td>Tue 1/23/18</td>
<td>94</td>
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<tr>
<td>96</td>
<td>Final Edits &amp; Exhibits</td>
<td>20 days</td>
<td>Wed 1/24/18</td>
<td>Tue 2/20/18</td>
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<td>for EA/ Submittal/ Permit</td>
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<td></td>
<td></td>
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<td>97</td>
<td>E&amp;S/ Stormwater Permit</td>
<td>30 days</td>
<td>Wed 6/27/17</td>
<td>Tue 8/7/18</td>
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<td>Review/ Obtain</td>
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<td>98</td>
<td>Air Quality Permit</td>
<td>12 months</td>
<td>Mon 1/15/18</td>
<td>Fri 12/14/18</td>
<td>42+5+2 months</td>
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<td>Environmental Assessment</td>
<td>148 days</td>
<td>Fri 12/1/17</td>
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<td>Submittal</td>
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</tbody>
</table>

Project: GRMS Schedule Update
Date: Wed 9/20/17

Page 6
Susan,

I just noticed that Erik Kirkhorn’s name contains a slight misspelling in the briefing (no “c” in Erik).

Just wanted to give a heads-up in case someone at the Residence needs to edit name tents (if any are being set out for the meeting).

Thanks,
Chris
This email has been scanned for email related threats and delivered safely by Mimecast. For more information please visit http://www.mimecast.com
Awesome. Thanks very much.

Chris
Susan,

Just received confirmation of the names involved in the meeting with the Governor on Monday.

Jim Lentz, President – Toyota North America
Chris Nielsen, Executive VP – Toyota North America
Robin Haugen, General Manager – Toyota Engineering & Manufacturing North America
Tim Ingle, VP of Strategic Planning – Toyota North America
Erik Kirkhorn, Director of State Government & Industry Affairs – Toyota North America

Meredith O’Connor, International Director – JLL
Christian Beaudoin, Director of Research – JLL

Couple notes:
- Robin is part of the team visiting the sites on Thursday; she is very involved in Toyota’s engineering issues, including as they pertain to construction and new facilities.
- Tim Ingle and I had been in correspondence early on in the search; Dennis Cuneo had teed up an intro for me with him and indicated Tim would be key to any decision.

Below for your reference is the travel itinerary that JLL sent over a short while ago. Thanks, and let me know if you need anything else for the Governor’s preparations.

Chris

From: Reagan, Megan [mailto:Megan.Reagan@am.jll.com]
Sent: Tuesday, September 19, 2017 3:44 PM
To: Chung, Christopher <christopher.chung@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Cc: O’Connor, Meredith <Meredith.OConnor@am.jll.com>
Subject: RE: Meeting between Toyota and Governor on Mon. 9/25...

There is not an expectation – it can be removed from the itinerary!

From: Chung, Christopher [mailto:christopher.chung@edpnc.com]
Sent: Tuesday, September 19, 2017 1:32 PM
To: Reagan, Megan <Megan.Reagan@am.jll.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Thanks, Megan – Appreciate the info.

We hadn’t inquired about the First Lady’s availability. If this is something your client would like, we are happy to do so, though. Please just let us know if there’s an expectation on this issue.

Thank you,
Chris

From: Reagan, Megan [mailto:Megan.Reagan@am.jll.com]
Sent: Tuesday, September 19, 2017 2:29 PM
To: Chung, Christopher <christopher.chung@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Cc: O’Connor, Meredith <Meredith.OConnor@am.jll.com>
Subject: RE: Meeting between Toyota and Governor on Mon. 9/25...

Chris –

Below are details about the upcoming trip. Please let me know if you have any questions or need additional information. Thank you in advance for your help coordinating logistics.

<table>
<thead>
<tr>
<th>Attendees</th>
<th>Jim Lentz, Chris Nielsen, Tim Ingle, Robin Haugen, Erik Kirkhorn, Meredith O’Connor, Christian Beaudoin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrivals</td>
<td>Passengers - Jim Lentz, Chris Nielsen, Tim Ingle, Robin Haugen RDU via N803TM 10:15 AM Signature Flight Support (919) 840 2200</td>
</tr>
<tr>
<td></td>
<td>Erik Kirkhorn, Meredith O’Connor, and Christian Beaudoin will meet Project New World Team at airport</td>
</tr>
<tr>
<td>Transportation Logistics</td>
<td>Christopher Chung will provide transportation from airport to Governor’s Meeting</td>
</tr>
<tr>
<td></td>
<td>Christopher Chung North Carolina Economic Development Corporation (919) 724 7943</td>
</tr>
<tr>
<td>Governor’s Meeting</td>
<td>Governor Roy Cooper (and possibly First Lady Kristin Cooper) 200 North Blount Street Raleigh, NC</td>
</tr>
<tr>
<td>(Proposed Agenda)</td>
<td>11:00 AM</td>
</tr>
<tr>
<td>Departures</td>
<td>Transportation will be provided to the New World Team Members by</td>
</tr>
</tbody>
</table>
Happy to get on a call to discuss. Also, if anything changes, then I will let you know.

Thank you!
Megan Reagan
Operations Manager
JLL
tel +1 773 458 1410 cell +1 773 414 4842
megan.reagan@am.jll.com
www.jll.com

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For more information please visit http://www.mimecast.com
Mr. Secretary,

We (Garrett, Evan, David, and I) had a call with Meredith O’Connor this afternoon to go through any additional guidance for the Governor’s meeting on Monday. We also started sketching out what needs to be done for the following weekend’s executive tour on Saturday 9/30 and Sunday 10/1.

As promised, we wanted to get you additional information from the call to help with the Governor’s preparation for Monday’s meeting. Toyota does not request interaction with the Governor on 9/30 and 10/1, so Monday’s meeting is the main opportunity for the Governor to engage with the North American executives.

I will send a separate briefing on the 9/30-10/1 visit.

Thanks,

Chris

For the meeting on Monday 9/25...

- We are awaiting the names of additional attendees besides Jim Lentz (President – Toyota North America), Chris Nielsen (Executive VP – Toyota North America), and Meredith.
  - Meredith will confirm, but the names she mentioned today are Robin Haugen (General Manager – Toyota Engineering & Manufacturing of America); Lori McMahon (Government Relations); and Christian Beaudoin (Director of Research for JLL).
  - Again, we should have that confirmed shortly.
- Meredith is checking on the ability of the client team to stay a little past noon for lunch.
  - She thinks it would be valuable and allow for more interaction between the Governor and the Toyota executives.
  - Probably best if you go ahead and ask the Governor’s Residence to tee up those preparations for this possibility.
- We will handle transporting the client team from their FBO to the Governor’s Residence.
  - As discussed this morning, if you are able to persuade the Governor to personally greet the top two Toyota executives at the FBO and ride with them (in a Toyota) to the Residence, this would allow for even more time spent together.
- Here are key messaging points that Meredith mentioned that should come up during
the meeting:

- Again, she emphasized how important it is for the Toyota folks to clearly "feel the
  love" about how important this project is to North Carolina.
  - This needs to come across loud and clear in language, tone, verbal and non-
    verbal communication.
- At the same time, for the Mazda folks, they are wary about going into a state
  that's too dominated by Toyota already (e.g. Texas, where Toyota has their North
  American HQs and pick-up truck plant in San Antonio).
  - It's very important to the Toyota folks if the Governor references Mazda's
    involvement in this joint project, so that this isn't just about Toyota. (There
    will not be any Mazda representatives at the meeting.)
  - That way, the Toyota folks can confidently assure their Mazda counterparts
    that the state wants both companies to call it home.
- Jim Lentz is fond of asking Governors the question: "Does this type of project fit
  into your overall economic development strategy? Is advanced manufacturing
  part of your strategy and why?"
  - Besides answering these questions, it would be great for the Governor and
    team to assure Toyota's execs that this is the project North Carolina has
    been dreaming about coming here for a very long time.
- Somehow the Toyota folks are under the impression there are individuals in
  Greensboro who are opposed to an auto plant at the megasite (e.g. NIMBY-type
  concerns).
  - We have no idea where that is coming from.
  - That said, the question may come up in conversation.
- Jim Lentz is also likely to ask about incentives.
  - Although Toyota has never made incentives the singular reason why they
    pick a state, because Mazda is involved with this newest plant, Toyota
    needs to demonstrate to Mazda that they are trying to win the best deal for
    this joint-venture facility.
  - Toyota would benefit from hearing that the Governor and Secretary have
    been discussing the potential for special incentives legislation; Toyota
    doesn't need to hear the details, but will be assured to know that the
    conversations are taking place and that there's the potential for something.
  - Seeing as other states may have a higher face-value to their incentive
    package, someone (maybe the Secretary) should emphasize the lower total
    cost of doing business in North Carolina (i.e. our incentives may not be as
    much as other states, but our taxes are also much lower than other states
    like SC)
- At this point, there's probably no value to having the Congressional delegation
  physically engage with Toyota or Mazda. A couple states have been allowed to
  convene something, but it isn't something they're needing from North Carolina.
- However, the Governor should (1) state that the entire Congressional delegation – both sides of the aisle – has been keenly interested in this opportunity and looking to support it however possible; (2) ask Toyota how he as Governor can best leverage the Congressional delegation for anything that Toyota needs.
  - Jim Lentz is also likely to ask about incentives.
  - Although Toyota has never made incentives the singular reason why they pick a state, because Mazda is involved with this newest plant, Toyota needs to demonstrate to Mazda that they are trying to win the best deal for this joint-venture facility.

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If it’s the name I heard today, that would be even better than David Fountain. Either way, the Duke folks know what needs to be done on Thursday to keep the Liberty site in play.

Chris

On Sep 18, 2017, at 8:15 PM, Chung, Christopher <christopher.chung@edpnc.com> wrote:

Wasn’t able to connect with him. Sounds like they may be sending someone higher up in Duke corporate (one of senior leadership companywide) for Thursday’s meeting; either way, we got internal confirmation during our planning meeting today that Duke will commit to relocating the line within the 18 to 24 month window that they require. I plan to call Stu tomorrow to confirm our understanding.

Chris

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From: Chung, Christopher <christopher.chung@edpnc.com>
Sent: Monday, September 18, 2017 12:34:37 PM
To: Miller, William M
Subject: RE: Recommended messaging points for Governor's meeting with P. New World executives with Monday 9/25...

Will,
Good hearing from you just now and appreciate you sharing your insights from last Thursday’s site visits. Should’ve cc’d you on the below that I sent over to the Secretary and Susan a short while ago, just so that you’re in the loop on the latest. Thanks,

Chris
From: Chung, Christopher  
Sent: Monday, September 18, 2017 11:23 AM  
To: Tony Copeland - North Carolina Department of Commerce  
(acopeland@nncommerce.com) <acopeland@nncommerce.com>  
Cc: Susan Fleetwood (sfleetwood@nncommerce.com); Spratley, David <david.spratley@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>  
Subject: Recommended messaging points for Governor’s meeting with P. New World executives with Monday 9/25...  

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We’ve asked Meredith for some time this week to cover any other relevant guidance she can offer ahead of this meeting.  

Happy to stick around on Tuesday after the Amazon meeting to cover anything new on the Toyota front.  

(Susan – I’m no longer joining Emily’s family on their trip overseas next week, so I will be here on the 25th and ready to assist however possible during the meeting.)  

Thanks,  
Chris  

From Meredith  
- Toyota really wants to see their relationship with a state “as a partnership” and wants to hear the Governor describe it as such; again, that relationship concept cannot be overstated from Toyota’s perspective  
- Toyota wants “someone who wants us as badly as we want them” – this should also be very evident from the conversation they have with the Governor; they want to hear from the Governor – loudly, clearly, and with passion – that this project “is [his] Number 1 priority” as Governor; apparently (hard to believe), they haven’t gotten that strong vibe in other states where they’ve already met with the Governor  
- Toyota is proud of being a major corporate giver in the communities where
they do business; this is something we should recognize and show appreciation for in the discussion with their executives

- Toyota also values the relationship with Congressional delegations; this would be a helpful relationship to facilitate sometime shortly after the meeting with the Governor

From one of my contacts within Toyota

- Toyota is big on the “zero waste to landfill” concept; if we can talk about how this fits with our environmental sustainability aims for the state, that would show alignment of values between Toyota and NC
- Toyota is really starting to characterize themselves as a “mobility company” rather than just a company that makes and sells cars; mobility is in the context of both physical (helping people get from Point A to Point B) but also how that availability of mobility solutions helps people be more socially and economically mobile
- With some of the recent weather issues in the headlines (e.g. Harvey, Irma, etc.), talking about NC’s “risk-mitigation” strategy would be well-received; at the least, this shows we understand that Toyota is seeking to minimize operational disruptions wherever it goes, and that NC has a plan for how to quickly and effectively respond when we deal with the kinds of weather issues that could impact a company’s business
- Toyota is proactively talking about its role in the “American story” (i.e. about how the company is a major employer and contributor to the U.S. economy, and how it remains committed to growing its footprint in the U.S.)
- Toyota is proud of employing U.S. veterans, so if we can work that into our discussion (along with our stats on veterans entering civilian life each year in NC), that would be another opportunity for alignment

Christopher Chung  Chief Executive Officer
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Cc: Susan Fleetwood (sfleetwood@nccommerce.com) <sfleetwood@nccommerce.com>; Spratley, David <david.spratley@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Subject: Recommended messaging points for Governor’s meeting with P. New World executives with Monday 9/25...

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Susan,
We were told back in August that this would be:

Jim Lentz, President - Toyota NA
Chris Nielsen, Exec VP - Toyota NA

I was told last week by Meredith from JLL that she would also be joining on the 25th.

Likely just those three folks.

Thanks,
Chris

Christopher Chung
Economic Development Partnership of North Carolina

Sent from my iPhone

On Sep 18, 2017, at 9:50 AM, Stone, Evan <evan.stone@edpnc.com> wrote:

No we do not. I have asked again.

**Evan Stone** Business Recruitment Manager
Economic Development Partnership of North Carolina
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Evan.Stone@edpnc.com edpnc.com
Twitter Facebook LinkedIn

<image001.png>

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From: Chung, Christopher [mailto:christopher.chung@edpnc.com]
Sent: Friday, September 15, 2017 6:13 PM
To: Fleetwood, Susan <sfleetwood@nccommerce.com>
Cc: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan
<evan.stone@edpnc.com>
Subject: Info for P. New World meeting on 9/25...

Susan,
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Chris

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No we do not. I have asked again.

Evan Stone  Business Recruitment Manager
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Good morning, Will,
Sure thing. In meetings till 10:30 but free after that if that would work. Thanks,

Chris

Christopher Chung
Economic Development Partnership of North Carolina

Sent from my iPhone

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From: Chung, Christopher <christopher.chung@edpnc.com>
Sent: Friday, September 15, 2017 6:51:07 PM
To: Copeland, Anthony M
Cc: Miller, William M; Fleetwood, Susan; Spratley, David; Wyckoff, Garrett; Stone, Evan
Subject: FYI: Latest briefing on Project New World...

Dear Mr. Secretary,
Just wanted to get you the latest on Project New World – updating to include the latest intel received just this afternoon. Thanks again for asking Will to join for yesterday’s visit.

- **Recap of Thursday visits:** Thursday’s visits were generally productive. As you know, the client’s engineering team and JLL visited both the Siler City and Liberty megasites, with discussions at each focused on utilities, infrastructure, and general site-prep and construction-related issues.

- **Competitive standing of NC sites:** The client team was able to fit in quick windshield tours of the surrounding community. In doing so, the client now sees Liberty as having a slight edge of Siler City, due to proximity to Greensboro and the various amenities and quality of life attributes that would be available to plant management, engineering/technical talent, etc. That said, both sites were still in as of the end of Thursday’s visit. We have
been officially notified that Moncure is eliminated from consideration.

- **Site-specific issues**: Discussion at the Liberty site focused heavily on the relocation of the high-voltage transmission line bisecting the north and south halves of the site. This is clearly an issue that the client team highlighted as needing to be resolved within the required timeframe (18 to 24 months) and at minimum cost to the client. Duke Energy is aware of the need for this matter to be addressed and how critical it is to the Liberty site’s viability; they are reviewing what can be done.

- **Next steps**: Meredith O’Connor shared with us guidance ahead of the Governor’s meeting with the top client execs on 9/25. I will detail those in a separate email, along with some recommendations for messaging points that I received from a contact of mine inside Toyota. These pieces of advice can hopefully be incorporated into the Governor’s briefing so that the message is on-target. Speaking of which, I’ve sent to Susan some background that our research team pulled on the two client principals, so that she can utilize as needed for the meeting briefing. Meredith will be joining the client principals at this meeting on the 25th and will getting us some more details next week about the meeting (e.g. details on their private aircraft arrival, etc.).

As of late this afternoon...

- **Upcoming site visit**: The client will be returning for another visit on **Thursday 9/21**. This team will include one of the North American management (from the plant construction side) who participated in the first visit to the Siler City site last month, but who was not on the trip yesterday.

- **Outline of upcoming visit**: This visit will include a discussion of logistical issues for the Siler City site, along with a visit to and deeper dive technical/engineering discussion on the Liberty site (presumably in part for the North American plant-construction executive to see and discuss the site, since she has not done so yet). Again, a big emphasis for the Liberty site will be resolution of this transmission line relocation. We are in communication with the various partners on how best to address this issue; there may also be federal regulatory involvement due to this being a transmission line. We will also be conferring with our partners on Monday for a strategy call ahead of the Thursday visit.

- **Incentives**: JLL has shared with us that they will provide guidance this coming week on what gaps we should be prepared to address on the incentives front. It’s been implied that if we can get close to the target number they suggest, we will be in a strong position at least from an
incentives standpoint. That still assumes we can address any site viability issues.

It might be beneficial if we can all talk for a few minutes after the meeting on Tuesday to compare notes on New World, as we will likely have new intel on multiple fronts.

Thank you,
Chris

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Thanks, Tony – We should know more on the transmission line matter after the internal strategy meeting we have with the local partners on Monday.

Also, we will definitely let you know as soon as we get guidance from JLL on the incentives number they mentioned, as we know you’ve been leading the charge with the legislature on that. Appreciate all you’re doing and please have a restful weekend.

Chris

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Susan,

We will have a very nice "mini-bus" that will be transporting the team throughout the visit. You or Will can hop on the bus or follow.

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919.447.7786  M 919.275.2322
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From: Wyckoff, Garrett
Sent: Tuesday, September 12, 2017 11:50 AM
To: Fleetwood, Susan <sfleetwood@nccommerce.com>; Stone, Evan <evan.stone@edpnc.com>
Subject: RE: Itinerary for Project New World

Susan,

Please see the attached for P. New World. We would welcome either your or Will’s participation in this visit if it works with your schedules.

Thanks,
Garrett
Susan,

Please see below for numbers on the Greensboro-Randolph Megasite. As per Garrett’s email.

Price per acre is $24k
Total land cost is $36 million
  Cost to extend water is $20 million
  Cost to extend wastewater is $9.8 million
Site prep cost is $25 million

When do you foresee the commerce proposal coming over? Just trying to plan ahead.

Thank you for all your help!

---

Evan Stone  Business Recruitment Manager
Economic Development Partnership of North Carolina
O 919.447.7788  M 919.275.2322
Evan.Stone@edpnc.com / edpnc.com
Twitter / Facebook / LinkedIn

---

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---

From: Bonnie Renfro [mailto:brenfro@rcedc.com]
Sent: Thursday, September 7, 2017 12:54 PM
To: Stone, Evan <evan.stone@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; David Ramsey <dramsey@greensboro.org>; Kevin Franklin <kfranklin@rcedc.com>
Subject: Fwd: P. NEW WORLD BRIEFING MEMO

Sent from my iPhone

Begin forwarded message:
From: Bonnie Renfro <brenfro@rcedc.com>
Date: September 7, 2017 at 12:52:52 PM EDT
To: David Ramsey <dramsey@greensboro.org>
Cc: Kevin Franklin <kfranklin@rcedc.com>
Subject: Re: P. NEW WORLD BRIEFING MEMO

Evan,

Price per acre is $24k
Total land cost is $36 million
Cost to extend water is $20 million
Cost to extend wastewater is $9.8 million
Site prep cost is $25 million

Let me know if you have other questions.

Bonnie

Sent from my iPhone

On Sep 7, 2017, at 11:57 AM, David Ramsey <dramsey@greensboro.org> wrote:

Hi Kevin and Bonnie,

Do we have answers to these questions?

David Ramsey

Executive Vice President, Economic Development
Greensboro Chamber of Commerce
111 W. February One Place
Greensboro, NC 27401
Direct: +1 (336) 387-8310
Mobile: +1 (336) 701-3052

Begin forwarded message:

From: "Stone, Evan" <evan.stone@edpnc.com>
Date: September 7, 2017 at 11:05:08 AM EDT
To: David Ramsey <dramsey@greensboro.org>
Cc: Bonnie Renfro <brenfro@rcedc.com>, "Wyckoff, Garrett" <garrett.wyckoff@edpnc.com>
Subject: Fwd: P. NEW WORLD BRIEFING MEMO

David / Bonnie -
Please see the attached. We desperately need the data for
the fields marked in yellow.

Evan Stone
Business Recruitment Manager
Economic Development Partnership of NC
O. 919.447.7786
C. 919.275.2322

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<P. NEW WORLD - Site Cost Comparison - 090517.xlsx>
Good morning Susan,

Can David, Evan and I do a conference call with you this morning instead of coming downtown?

Thanks,
Garrett

Garrett Wyckoff
Senior Manager, Business Recruitment
Economic Development Partnership of North Carolina
O 919.447.7743 M 919.703.5374
garrett.wyckoff@edpnc.com edpnc.com
Twitter Facebook LinkedIn

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Thank you very much for your e-mail message.

Please note that our offices will be closed for the Labor Day holiday on Monday, September 4th, and will reopen on Tuesday, September 5th.

Chris

Christopher Chung
Chief Executive Officer
Economic Development Partnership of North Carolina

15000 Weston Parkway
Cary, NC 27513

919.447.7788 direct
919.447.7780 fax
919.724.7943 mobile
Christopher.Chung@edpnc.com

edpnc.com

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Susan,

Per our conversation earlier this week, here are a few follow-up notes from the update I provided earlier today to the Secretary, you, and the rest of the team. This should make it easier for you to share as needed internally.

- I spoke with Meredith O’Connor of JLL Chicago, who is leading Project New World, to understand the latest on this site-selection process now that JLL is confirmed to be managing it on behalf of the client.
- Meredith indicated that the company will be visiting North Carolina in the next several weeks, including to meet with the Governor; this is the previously scheduled visit for that was postponed indefinitely back in June. Turns out that the original visit was due to her client’s conversations with their joint-venture partner taking priority at the time.
- Her client will likely want to visit the Randolph County Megasite and Siler City Megasite; however, she indicated that the technical team from her client had concerns about the “irregular dimensions” of one of the sites – she seemed to recall that the Siler City site was the one that caused this concern.
- Meredith also indicated that the technical team was having a difficult time finding any ideal sites based on the current parameters.
- Her client is currently revising the search parameters in concert with the JV partner; part of the issue is that the client and the JV partner have very different facility layout designs based on their respective assembly plant operations.
- At a minimum, the new parameters are likely to increased in terms of acreage required; the new requirement is likely to be at least 1,000 acres, eliminating some of the smaller sites that surfaced during the original search.
- Meredith indicated it would be fine for the Governor to place a courtesy call to the US heads of both her client and the JV partner in the meanwhile, as other Governors have done.
- She should have another status update for us regarding the planned visit in the next day or two.

Thanks,

Chris

Christopher Chung  Chief Executive Officer
Economic Development Partnership of North Carolina
O 919.447.7788 M 919.724.7943
Yes

David Spratley
VP, Business Recruitment
EDPNC
(919) 447-7736 (office)
(919) 703-5368 (mobile)
david.spratley@edpnc.com

Sent from my mobile phone

-------- Original message --------

Can we discuss in the am?

Begin forwarded message:

Resent-From:
<SRS0=ViBN=BJ=ncleg.net=btv1==4568ab0faae==jonathan.tart@securrence.com>

From: "Jonathan Tart (Fiscal Research)" <Jonathan.Tart@ncleg.net>
Date: October 10, 2017 at 4:29:15 PM EDT
To: "Fleetwood, Susan" <sfleetwood@nccommerce.com>
Subject: RE: [External] P. New World - income tax savings in NC for proposal (attached)

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Thanks Susan,
Thanks for following up. Here are my thoughts.

I would make changes along the lines of what I mentioned at the meeting. Any number used for taxable income, and the percentages used for the property, payroll, and sales factors, are hypothetical due to lack of information available to do tax calculations. Just for a couple of examples, in the calculations used in the document to arrive at taxable income, it assumes 100% of property and payroll is located in NC. But under multi-state tax law, when a company has all of its property and payroll in one state, in most cases it can’t even qualify to apportion income among states and would have 100% of its income taxed in the home state under tax rules. Further, joint ventures will typically be formed under a structure that limits liability of the partners based on their respective levels of investment. Those are often treated as partnerships for tax purposes and the owners would combine the profit/loss and apportionment variables with profit/loss and apportionment variables from other operations and file separate NC tax returns. This pass-through treatment may result in much lower apportionment percentages but perhaps higher profits reported for tax purposes by the corporate owners. These are only a couple of unknowns about how the venture is structured, apportionment variables, income, etc.

So because this is so hypothetical, I would do something similar to the chart I provided yesterday:

- Highlight the rates and apportionment policy of each state, and then use hypothetical numbers for the taxable income, property factor, payroll factor, and sales factor without trying to reason through what those variables might be in the document.

- Use a larger number for taxable income, indicative of a company the size of Toyota and the growth it would expect to achieve over the course of 20 years. This highlights the advantage of the significant difference in tax rates more favorable for NC. I would not use 100% property and payroll factors, because I’m confident that they will not structure themselves to report all of payroll and property being in one state and risk the right to apportion due to the tax savings and planning opportunities that come with the nuances of apportionment.

- The draft document assumes that the competing states will always have a tax credit available that can offset 50% of tax liability every year. Would the credits in competing states always be enough to offset 50% of tax no matter how profitable the business and no matter how much profit increases over a 20 year period? I would not make that assumption. Also, differences in tax rates produce savings every year. But credits based on investment and jobs would likely end at some point and no longer be available. So I would not include any estimate of the impact of other states’ tax credits in the analysis. Tax liability is not technically changed by a tax credit anyway. Tax credits are like payments that satisfy tax liability. For the description, I would use something like this: “Reduced tax liability due to lower NC 2.5% corporate tax rate and single sales
factor apportionment"

These changes would present a much larger difference over the 20 year period more favorable to NC.

And then add a footnote on the chart showing the various tax rates and calculations something like this: “Since we do not have information to prepare calculations of tax liability, hypothetical numbers are used for taxable income, and for property, payroll, and sales factors.”

Regarding the final number used in the main document for the response, I don’t see an ideal way to do it really because of the format of the request being made to the State. I think instead of using a number that is aggregate based on comparing our state to the combined numbers of the competing states, I would use a number that shows the difference between NC and the average tax liability of the competing states, and include a footnote about it.

The main point for me is that because there is so much unknown, we should make assumptions that are more favorable to NC, highlighting the low NC tax rate combined with the single sales factor apportionment.

Hope this helps!

Jonathan
301-1219
Susan,
One other thought: If we're cataloging "in-kind" incentives in the revised proposal we send to JLL this week, one thing we would be prepared to do at EDPNC is to hold multiple "supplier support seminars" in Japan to help Mazda suppliers especially (since they don't have much of a footprint in the U.S.) understand tax, incentive, permitting, and other issues in NC.
Obviously we would do the same for Toyota suppliers, but I think this would help more with the Mazda folks.

Thanks,
Chris

Christopher Chung
Economic Development Partnership of North Carolina
Christopher.Chung@EDPNC.com

On Oct 8, 2017, at 4:51 PM, Chung, Christopher <christopher.chung@edpnc.com> wrote:

Susan,
As the team is working on the final incentives document for New World, I wanted to share the attached, which I finally tracked down in some (very) old files during my time in Ohio. The attached was developed when competing for Project Curveball, which was Honda's search a Civic assembly plant looking in the Midwest. The plant eventually ended up in Greensburg, Indiana.

(I wouldn't so much focus on the amounts themselves - there's a backstory to why they are what they are. Plus, the "price tag" for OEM plants 11 years ago was, I think, a little less than these days!)

Rather, there are some ideas in here that may be worth emulating (if they're not already included) in our proposal. These are in the section of the state letter titled "Other State Assistance" and include:

- Dedicated project coordinator
- Expedited permitting (environmental, construction, inspections, etc.)
- Joint-advertising grant (similar to what I emailed you with below)
- Visa assistance for expatriate employees
Construction material sales tax exemption (achieved thru public authority “owning” the project – not that we’d take this approach in NC but just an example of what we can expect other states to do to exempt this type of spending from tax if they don’t already have it in their statutes)

The final proposal had also included a letter from the Governor, the Lt. Governor (who doubled as essentially the state’s Secretary of Commerce), and the entire Congressional Delegation. While letters from the Governor and Congressional Delegation aren’t specifically being requested as part of the final response to JLL, they certainly could be a nice show of support if there’s sufficient time to get them included.

Lastly, there were some other tax analyses designed to show the comparatively lower pre-incentive tax burden in Ohio versus other finalist states. (The year before, Ohio had eliminated personal property tax, and replaced its corporate income tax with a gross-receipts tax.)

Anyway, I hope this helps. Obviously, anything any of us can to do help out with this part of the process, please just let us know!

Thanks,
Chris

From: Chung, Christopher
Sent: Friday, October 6, 2017 5:24 PM
To: Susan Fleetwood (sfleetwood@nccommerce.com)
<sfleetwood@nccommerce.com>
Cc: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Subject: Incentive thoughts for Project New World...

Susan,
Thanks for your help with this latest round of RFP requirements for Project New World. All of us really appreciate it.

Garrett, Evan, and I caught up earlier today, and I promised them I would send along a few thoughts as you all work on the incentives brief that JLL is requesting:

- **Corporate income tax savings**: Garrett and Evan mentioned the “tax savings model” they developed to compare our overall tax burden favorably to other finalist states based on our lower rate and soon-to-be-implemented single-factor apportionment – Great to know you’re also
wanting to include that in our final summary; this should really help the client understand the savings they realize from our much lower taxes.

- **Sales tax exemption for construction materials:** We also discussed the possibility of a special exemption of state (and possibly local) sales tax on construction materials for “qualified facilities” (i.e. OEM assembly plant), pending legislative approval. As you know, numerous states already offer this type of exemption on construction materials for various industry sectors. With $1.6 billion in cap-ex split 50-50 between real and personal property, and with roughly 60 percent of the real estate spending on building materials, you’re talking about exempting state/local sales tax on as much as $480 million in materials, resulting in roughly $34 million in upfront state/local sales tax savings. Evan shared that this may already be something you all are considering and discussing with the Legislature, which is fantastic. Hopefully we can quantify this in the final proposal.

- **Film incentives for commercial production:** Given that Toyota has sought to film commercials in NC previously, could we include mention – and maybe even an “up to” annual amount – of the Film Incentive Grant in the proposal? Obviously, it would be based on Toyota and Mazda each agreeing to shoot X number of commercials in the state each year. Happy to brainstorm verbiage, but I know they’re looking for us to be creative with our proposal, and this could be a way to do that while showing that we want them to be successful selling the products that will be manufactured here.

- **In-kind marketing support:** Along the lines of a creative proposal, can we also include some kind of in-kind marketing/advertising support? Here’s what I mean: EDPNC already does advertising to the business world; if we featured Toyota and Mazda in that advertising, this would not only help tell the North Carolina story, but it would also generate paid-media value for both companies. That’s paid-media value must be worth something, which is why I’ve seen states like Alabama include that in their OEM proposals previously. Happy to develop some language and estimated values for this, too, if you’d like.

Anyway, those are some of the additional ideas we talked about today. Thank you again for your help, and have a restful weekend!

Chris
From: Chung, Christopher
To: Fleetwood, Susan
Cc: Wyckoff, Garrett; Stone, Evan
Subject: [External] Incentive thoughts for Project New World...
Date: Friday, October 06, 2017 5:24:36 PM

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Susan,

Thanks for your help with this latest round of RFP requirements for Project New World. All of us really appreciate it.

Garrett, Evan, and I caught up earlier today, and I promised them I would send along a few thoughts as you all work on the incentives brief that JLL is requesting:

- **Corporate income tax savings:** Garrett and Evan mentioned the “tax savings model” they developed to compare our overall tax burden favorably to other finalist states based on our lower rate and soon-to-be-implemented single-factor apportionment – Great to know you’re also wanting to include that in our final summary; this should really help the client understand the savings they realize from our much lower taxes.

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Anyway, those are some of the additional ideas we talked about today. Thank you again for your help, and have a restful weekend!

Chris

Christopher Chung
Chief Executive Officer
Economic Development Partnership of North Carolina

O 919 447 7788 M 919 724 7943
chris.chung@edpnc.com edpnc.com
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That’s perfect – Appreciate the information.

Chris

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From: Chung, Christopher [mailto:christopher.chung@edpnc.com]
Sent: Thursday, September 21, 2017 10:32 AM
To: Fleetwood, Susan <sfleetwood@nccommerce.com>
Subject: Arrival details at Governor’s Residence for meeting on Monday 9/25?

Susan,

Since we are handling getting the Toyota team from the airport to the residence on Monday, could you please find out what we need to do once we arrive at the residence to pull into the main driveway inside the fence? (It will be a caravan of 3 or 4 vehicles.) I’ve never had to drive there before but obviously want everything to be as smooth as possible to get them to the meeting.

And if there’s a point of contact at the residence that we can alert once we’ve left the airport to give ETA, that would be great, too.

Thanks,
Chris

Christopher Chung  Chief Executive Officer
Economic Development Partnership of North Carolina
O 919.447.7788 M 919.724.7943
christopher.chung@edpnc.com  edpnc.com
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Susan,

Just received confirmation of the names involved in the meeting with the Governor on Monday.

*Jim Lentz, President – Toyota North America*
*Chris Nielsen, Executive VP – Toyota North America*
*Robin Haugen, General Manager – Toyota Engineering & Manufacturing North America*
*Tim Ingle, VP of Strategic Planning – Toyota North America*
*Erik Kirkhorn, Director of State Government & Industry Affairs – Toyota North America*

*Meredith O’Connor, International Director – JLL*
*Christian Beaudoin, Director of Research – JLL*

Couple notes:
- Robin is part of the team visiting the sites on Thursday; she is very involved in Toyota’s engineering issues, including as they pertain to construction and new facilities.
- Tim Ingle and I had been in correspondence early on in the search; Dennis Cuneo had teed up an intro for me with him and indicated Tim would be key to any decision.

Below for your reference is the travel itinerary that JLL sent over a short while ago. Thanks, and let me know if you need anything else for the Governor’s preparations.

Chris

---

There is not an expectation – it can be removed from the itinerary!
Thanks, Megan – Appreciate the info.

We hadn’t inquired about the First Lady’s availability. If this is something your client would like, we are happy to do so, though. Please just let us know if there’s an expectation on this issue.

Thank you,
Chris

From: Reagan, Megan [mailto:Megan.Reagan@am.jll.com]
Sent: Tuesday, September 19, 2017 2:29 PM
To: Chung, Christopher <christopher.chung@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Cc: O’Connor, Meredith <Meredith.OConnor@am.jll.com>
Subject: RE: Meeting between Toyota and Governor on Mon. 9/25...

Chris –

Below are details about the upcoming trip. Please let me know if you have any questions or need additional information. Thank you in advance for your help coordinating logistics.

<table>
<thead>
<tr>
<th>Attendees</th>
<th>Jim Lentz, Chris Nielsen, Tim Ingle, Robin Haugen, Erik Kirkhorn, Meredith O’Connor, Christian Beaudoin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arrivals</td>
<td>Passengers - Jim Lentz, Chris Nielsen, Tim Ingle, Robin Haugen RDU via N803TM 10:15 AM Signature Flight Support (919) 840 2200</td>
</tr>
<tr>
<td></td>
<td>Erik Kirkhorn, Meredith O’Connor, and Christian Beaudoin will meet Project New World Team at airport</td>
</tr>
<tr>
<td>Transportation Logistics</td>
<td>Christopher Chung will provide transportation from airport to Governor’s Meeting</td>
</tr>
<tr>
<td></td>
<td>Christopher Chung North Carolina Economic Development Corporation (919) 724 7943</td>
</tr>
<tr>
<td>Governor’s Meeting (Proposed Agenda)</td>
<td>Governor Roy Cooper (and possibly First Lady Kristin Cooper) 200 North Blount Street Raleigh, NC 11:00 AM</td>
</tr>
<tr>
<td>Departures</td>
<td>Transportation will be provided to the New World Team Members by</td>
</tr>
</tbody>
</table>
Happy to get on a call to discuss. Also, if anything changes, then I will let you know.

Thank you!
Megan Reagan
Operations Manager
JLL
tel +1 773 458 1410 cell +1 773 414 4642
megan.reagan@am.jll.com
www.jll.com

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Mr. Secretary,

We (Garrett, Evan, David, and I) had a call with Meredith O’Connor this afternoon to go through any additional guidance for the Governor’s meeting on Monday. We also started sketching out what needs to be done for the following weekend’s executive tour on Saturday 9/30 and Sunday 10/1.

As promised, we wanted to get you additional information from the call to help with the Governor’s preparation for Monday’s meeting. Toyota does not request interaction with the Governor on 9/30 and 10/1, so Monday’s meeting is the main opportunity for the Governor to engage with the North American executives.

I will send a separate briefing on the 9/30-10/1 visit.

Thanks,
Chris

For the meeting on Monday 9/25...

- We are awaiting the names of additional attendees besides Jim Lentz (President – Toyota North America), Chris Nielsen (Executive VP – Toyota North America), and Meredith.
  - Meredith will confirm, but the names she mentioned today are Robin Haugen (General Manager – Toyota Engineering & Manufacturing of America); Lori McMahon (Government Relations); and Christian Beaudoin (Director of Research for JLL).
  - Again, we should have that confirmed shortly.
- Meredith is checking on the ability of the client team to stay a little past noon for lunch.
  - She thinks it would be valuable and allow for more interaction between the Governor and the Toyota executives.
  - Probably best if you go ahead and ask the Governor’s Residence to tee up those preparations for this possibility.
- We will handle transporting the client team from their FBO to the Governor’s Residence.
  - As discussed this morning, if you are able to persuade the Governor to personally greet the top two Toyota executives at the FBO and ride with them (in a Toyota) to the Residence, this would allow for even more time spent together.
- Here are key messaging points that Meredith mentioned that should come up during
the meeting:

- Again, she emphasized how important it is for the Toyota folks to clearly “feel the love” about how important this project is to North Carolina.
  - This needs to come across loud and clear in language, tone, verbal and non-verbal communication.
- At the same time, for the Mazda folks, they are wary about going into a state that’s too dominated by Toyota already (e.g. Texas, where Toyota has their North American HQs and pick-up truck plant in San Antonio).
  - It’s very important to the Toyota folks if the Governor references Mazda’s involvement in this joint project, so that this isn’t just about Toyota. (There will not be any Mazda representatives at the meeting.)
  - That way, the Toyota folks can confidently assure their Mazda counterparts that the state wants both companies to call it home.
- Jim Lentz is fond of asking Governors the question: “Does this type of project fit into your overall economic development strategy? Is advanced manufacturing part of your strategy and why?”
  - Besides answering these questions, it would be great for the Governor and team to assure Toyota’s execs that this is the project North Carolina has been dreaming about coming here for a very long time.
- Somehow the Toyota folks are under the impression there are individuals in Greensboro who are opposed to an auto plant at the megasite (e.g. NIMBY-type concerns).
  - We have no idea where that is coming from.
  - That said, the question may come up in conversation.
- Jim Lentz is also likely to ask about incentives.
  - Although Toyota has never made incentives the singular reason why they pick a state, because Mazda is involved with this newest plant, Toyota needs to demonstrate to Mazda that they are trying to win the best deal for this joint-venture facility.
  - Toyota would benefit from hearing that the Governor and Secretary have been discussing the potential for special incentives legislation; Toyota doesn’t need to hear the details, but will be assured to know that the conversations are taking place and that there’s the potential for something.
  - Seeing as other states may have a higher face-value to their incentive package, someone (maybe the Secretary) should emphasize the lower total cost of doing business in North Carolina (i.e. our incentives may not be as much as other states, but our taxes are also much lower than other states like SC)
- At this point, there’s probably no value to having the Congressional delegation physically engage with Toyota or Mazda. A couple states have been allowed to convene something, but it isn’t something they’re needing from North Carolina.
• However, the Governor should (1) state that the entire Congressional delegation – both sides of the aisle – has been keenly interested in this opportunity and looking to support it however possible; (2) ask Toyota how he as Governor can best leverage the Congressional delegation for anything that Toyota needs
  ○ Jim Lentz is also likely to ask about incentives.
• Although Toyota has never made incentives the singular reason why they pick a state, because Mazda is involved with this newest plant, Toyota needs to demonstrate to Mazda that they are trying to win the best deal for this joint-venture facility.

Christopher Chung  Chief Executive Officer
Economic Development Partnership of North Carolina
O 919 447 7788 M 919 724 7943
christopher.chung@edpnc.com  edpnc.com
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Wasn’t able to connect with him. Sounds like they may be sending someone higher up in Duke corporate (one of senior leadership companywide) for Thursday’s meeting; either way, we got internal confirmation during our planning meeting today that Duke will commit to relocating the line within the 18 to 24 month window that they require. I plan to call Stu tomorrow to confirm our understanding.

Chris

Get Outlook for iOS

From: Chung, Christopher <christopher.chung@edpnc.com>
Sent: Monday, September 18, 2017 12:34:37 PM
To: Miller, William M
Subject: RE: Recommended messaging points for Governor’s meeting with P. New World executives with Monday 9/25...

Will,

Good hearing from you just now and appreciate you sharing your insights from last Thursday’s site visits. Should’ve cc’d you on the below that I sent over to the Secretary and Susan a short while ago, just so that you’re in the loop on the latest. Thanks,

Chris

From: Chung, Christopher
Sent: Monday, September 18, 2017 11:23 AM
To: Tony Copeland - North Carolina Department of Commerce (acopeland@nccommerce.com) <acopeland@nccommerce.com>
Cc: Susan Fleetwood (sfleetwood@nccommerce.com) <sfleetwood@nccommerce.com>; Spratley, David <david.spratley@edpnc.com>; Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Subject: Recommended messaging points for Governor’s meeting with P. New World executives
with Monday 9/25...

Good morning, Mr. Secretary,
As promised, below is information that is hopefully valuable as you and Susan work on helping prep the Governor for the meeting next Monday. We are still firming up who will be traveling here from the client team besides the top two Toyota North America executives (Jim Lentz, President, and Chris Nielsen, Executive VP) and Meredith from JLL.

We’ve asked Meredith for some time this week to cover any other relevant guidance she can offer ahead of this meeting.

Happy to stick around on Tuesday after the Amazon meeting to cover anything new on the Toyota front.

(Susan – I’m no longer joining Emily’s family on their trip overseas next week, so I will be here on the 25th and ready to assist however possible during the meeting.)

Thanks,
Chris

From Meredith
- Toyota really wants to see their relationship with a state “as a partnership” and wants to hear the Governor describe it as such; again, that relationship concept cannot be overstated from Toyota’s perspective
- Toyota wants “someone who wants us as badly as we want them” – this should also be very evident from the conversation they have with the Governor; they want to hear from the Governor – loudly, clearly, and with passion – that this project “is [his] Number 1 priority” as Governor; apparently (hard to believe), they haven’t gotten that strong vibe in other states where they’ve already met with the Governor
- Toyota is proud of being a major corporate giver in the communities where they do business; this is something we should recognize and show appreciation for in the discussion with their executives
- Toyota also values the relationship with Congressional delegations; this would be a helpful relationship to facilitate sometime shortly after the meeting with the Governor

From one of my contacts within Toyota
- Toyota is big on the “zero waste to landfill” concept; if we can talk about how this fits with our environmental sustainability aims for the state, that would show alignment of values between Toyota and NC
- Toyota is really starting to characterize themselves as a “mobility company” rather than just a company that makes and sells cars; mobility is in the context of both physical
(helping people get from Point A to Point B) but also how that availability of mobility solutions helps people be more socially and economically mobile

- With some of the recent weather issues in the headlines (e.g. Harvey, Irma, etc.), talking about NC’s “risk-mitigation” strategy would be well-received; at the least, this shows we understand that Toyota is seeking to minimize operational disruptions wherever it goes, and that NC has a plan for how to quickly and effectively respond when we deal with the kinds of weather issues that could impact a company’s business
- Toyota is proactively talking about its role in the “American story” (i.e. about how the company is a major employer and contributor to the U.S. economy, and how it remains committed to growing its footprint in the U.S.)
- Toyota is proud of employing U.S. veterans, so if we can work that into our discussion (along with our stats on veterans entering civilian life each year in NC), that would be another opportunity for alignment

Christopher Chung  Chief Executive Officer
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christopher.chung@edpnc.com  edpnc.com
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Susan,

Wanted to add a couple things to whatever you all discuss regarding the incentives portion of the RFP response for New World. These came up in our internal discussion yesterday and we thought they would be worthwhile recommendations for you all to consider:

1. Mention of some kind of preferential state procurement for the purchase of Toyota vehicles. I know this normally has to go through some kind of bid, but I think we would help our cause to the extent the state Office of Administration provides some assurances that Toyota would be a “preferred vendor” or similar if they build their factory here. We should expect other states in the running are likely to offer the same.

2. Mention our film-production incentives as part of our overall proposal. We know that Toyota approached us several months ago to film a string of TV commercials here, and we’d approved film grants for this work. They ultimately decided to shoot in California instead, but if we include film incentives in our proposal, I think it’s a good-faith gesture to partner with them on more than just the manufacturing of their vehicles but also the marketing of them, too.

3. I don’t have the frame of reference here in NC, but I know that in OH, one strategy that the state used in pursuing automakers was to convene a reception or meeting involving the client and the state’s congressional delegation. I think this would be especially impactful for a company like Toyota that strongly weighs the political support issue. If there’s even a way for the Governor to invite the two U.S. Senators to join the Sep. 25th meeting in support of NC’s bid, I could think of nothing more powerful in showing across-the-board, bipartisan political support at the state and federal levels. That would definitely be noticed by Toyota’s executives, and I think we have to suspect other states may be doing the same.

Thanks,

Chris
From: Wyckoff, Garrett [mailto:garrett.wyckoff@edpnc.com]
Sent: Thursday, August 31, 2017 2:22 PM
To: Fleetwood, Susan <fleetwood@nccommerce.com>
Cc: Chung, Christopher <christopher.chung@edpnc.com>; Spratley, David <david.spratley@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>
Subject: RE: New World

Susan,

Please see attached. It might be good for us to meet and discuss early next week – Tuesday at 9:30am??

Thanks
Garrett
Susan,
Did trying the 292 number work after all?

Chris

Christopher Chung
Economic Development Partnership of North Carolina

Sent from my iPhone

---

From: Chung, Christopher [mailto:christopher.chung@edpnc.com]
Sent: Monday, August 21, 2017 8:40 AM
To: Fleetwood, Susan <fleetwood@ncommerce.com>
Subject: Re: Additional "New World" update...

Susan,
I noticed that a lot of Toyota HQ phone numbers all have a 292 prefix as the first three numbers.

While I'm waiting from my contact, do you want to try 469-292-1006 instead?

Chris

Christopher Chung
Economic Development Partnership of North Carolina

Sent from my iPhone
Sent: Sunday, August 20, 2017 11:32 PM  
To: Fleetwood, Susan <sfleetwood@ncommerce.com>  
Cc: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>; Spratley, David <david.sprayley@edpnc.com>  
Subject: RE: Additional "New World" update...

Susan,  
Here's the latest on the New World efforts:

- The HR and production engineering team visits for the Siler City site have been scheduled for Wednesday, August 30th. Evan and Garrett are on top of hammering out the various arrangements and logistical details with the JLL folks. The local partners are also looped in and engaged.

- The Governor’s meeting with company executives is set for 11 a.m. on Monday, September 25th.

- I have asked Meredith with JLL to provide dates/times this week when she is available to connect with the Secretary by phone. I will let you and Kristin know as soon as we have some options to schedule around.

- I spoke late Friday with a former Toyota executive who’s been very involved in past assembly plant site-selection efforts. Received some good intel and guidance; will update you on this next time we talk in person.

Thanks,  
Chris

Christopher Chung  Chief Executive Officer  
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Thanks,
Chris

Christopher Chung  Chief Executive Officer
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From: Chung, Christopher
To: Fleetwood, Susan
Cc: Wyckoff, Garrett; Stone, Evan; Spratley, David
Subject: Re: Additional "New World" update...
Date: Monday, August 21, 2017 8:31:38 AM

Susan,
Not yet - My government affairs contact didn't know why that number wouldn't be working. She is checking. Thanks,

Chris
Christopher Chung
Economic Development Partnership of North Carolina

Sent from my iPhone

From: Chung, Christopher [mailto:christopher.chung@edpnc.com]
Sent: Sunday, August 20, 2017 11:32 PM
To: Fleetwood, Susan <s.fleetwood@ncommerce.com>
Cc: Wyckoff, Garrett <garrett.wyckoff@edpnc.com>; Stone, Evan <evan.stone@edpnc.com>; Spratley, David <david.spratley@edpnc.com>
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Mr. Secretary,

Thanks again for spending your evening with our consultant guests tonight. It was great that they could hear from and get the chance to network with you. I know our local partners also appreciated your engagement.

Thank you also for elevating the request for the Governor to put in courtesy calls to the US execs for Toyota and Mazda. While we will almost certainly have the shot at the RFP that JLL will be leading, it would be great for the Governor to contact both companies to express his strong desire to do all that he can to help them in North Carolina. Never know when these personal touches will yield something far greater down the road!

That said, the two recommended contacts are:

- **Jim Lentz, President**
  Toyota North America
  Executive assistant: Linda Coffee @ 469.293.1006
  Details on Jim: [http://toyotanews.pressroom.toyota.com/article_display.cfm?article_id=2333](http://toyotanews.pressroom.toyota.com/article_display.cfm?article_id=2333)
  Note: We’ve been advised by our Toyota contacts that Linda can work with the Governor’s scheduler on setting up a time that works for both parties.

- **Masahiro Moro, President**
  Mazda North America
  949.727.6808
  Mrmoro2@mazdausa.com
  Details on Mr. Moro: [https://insidemazda.mazdausa.com/newsroom/mnao-executives/masahiro-moro/](https://insidemazda.mazdausa.com/newsroom/mnao-executives/masahiro-moro/)
  Note: Korey Howard of our team, along with Brent Christensen of Greensboro, met with Mr. Moro in LA back in March. Korey also connected with Mr. Moro when news about the Toyota-Mazda plant broke last week. Mr. Moro is likely to say that Mazda Japan will be more involved, and that he will not be directly engaged in the site search. That said, he would still be open to a Governor’s call and would likely relay that conversation to Mazda execs in Japan.

If you have an idea of when the Governor will try to do either of these calls, we’ll be happy to give a heads-up to both organizations, so that they’re better prepared to receive the call.
Thank you.

Chris

Christopher Chung  Chief Executive Officer
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One other note: A lot of industry-watchers seemed surprised by this announcement, including the business-development types (utility companies, construction/engineering firms, etc.) who are always scouting for when an auto OEM plant might be planned.

I talked to BD folks from Duke Energy, Walbridge Construction (which does a lot of work for Toyota), and SSOE (a major engineering firm focused on automotive OEMs); none were aware this plant search was imminent (though that likely may be because of the confidential nature of the broader collaboration agreement between Toyota and Mazda).

Hopefully that means the site-selection process hasn’t yet begun in earnest and that there isn’t already some decision in mind about location.

Good morning, Mr. Secretary –
I wanted to update you on what our efforts have yielded in terms of finding out more about the Toyota-Mazda JV factory reported on Thursday night, since I would imagine the Governor’s Office is asking you for the latest.

Through Susan, we requested yesterday the Governor’s outreach to executives of both Toyota and Mazda as soon as possible – phone calls at a minimum, travel if possible.

Here is the latest:

1. Korey Howard of our team (who focuses on business-development work in the Japan market) had a conversation late on Friday with Masahiro Moro, president of Mazda North America in LA. Korey and Brent Christensen of Greensboro had met with Moro-san back in March as a courtesy visit to Japanese auto companies based on the West Coast.
Here are key highlights from Korey’s conversation with Moro-san (Korey is highly fluent in Japanese, so he was able to get a good amount of information directly from his conversation.):

- The announced project will be a JV, with Toyota and Mazda making decisions in a collaborative manner. As such, it is difficult for Moro-san, as a representative of Mazda, to commit to including North Carolina or not in their long list of potential sites.
- Mazda North American Operations is more of an R&D/sales organization, tasked with developing and marketing Mazda automobiles in the US market. As far as Moro-san is aware, the project itself will be managed Japan-side.
- In April, Moro-san had a business trip to Mazda HQ in Japan. He passed along all the information we provided to the Corporate Planning Department in Mazda HQ. He also received both Brent’s and Korey’s e-mails this morning, and has forwarded them to the same folks. He indicated that he would contact us in the event that there was a response.
- Notwithstanding the announcement, no one has been named from Toyota or Honda to head up the JV project. However, as indicated in some of the articles that were shared, the project start timeline is 2021, so Moro-san imagines it will have to move fairly rapidly.
- Regarding a potential call or meeting with the Governor, Moro-san expressed his gratitude for consideration, but right now, at least from his own personal perspective, he would hesitate to go forward with such a discussion, as he would not be able to commit to anything on behalf of Mazda.

2. I was able to connect with a member of Toyota’s U.S. government/community relations team whom I developed a relationship with during my time in Missouri. She is inquiring with Chris Nielsen, Executive VP of Toyota based in Plano, TX, who is one of the leads on site-selection, about how open the Toyota side folks are to sharing details of next steps at this time. Predictably, she said it’d been a long day of calls from various Governors and economic development officials asking about the project.

For what it’s worth, she indicated she’d heard the focus for Toyota was on the “South Central region” – She didn’t clarify what she meant by that geography (I’ll ask), but I usually think of that as the region including Tennessee, Missouri, Arkansas, Mississippi, Alabama, and Louisiana. It might also include Texas and Oklahoma.

Missouri has a large Toyota subsidiary involved in aluminum engine components, Mississippi and Texas of course each have Toyota plants in Tupelo and San Antonio, Arkansas was a runner-up for the Tupelo plant back in the early 2000s (the same one that I understand looked in NC), and neither Oklahoma nor Louisiana has any OEMs today (GM shut down its Shreveport plant about 5 years ago to relocate that production to Missouri, and before that shuttered its Oklahoma City plant). I would doubt Tennessee is in the mix, given that they already have VW and Nissan; similarly,
Alabama is already full with Mercedes, Hyundai, and Honda plants.

Also – As you know, Toyota’s site-selection strategy is generally believed to optimize political support in Congress, so diversifying their locations across multiple states is a key consideration. It wouldn’t make much sense for Toyota to put a plant in a state where it already has a presence, and it would seem less than optimal to locate in a state that already has another large OEM (or multiple large OEMs) given the divided attention that Toyota would share among Congressional representatives.

Lastly – I tried Dennis Cuneo, in case he might have some special insights into this current process. (Dennis has been retired from Toyota for several years now.) He either could not (or would not) divulge much.

3. Sumio from our Japan office was with Japanese prospects most of the day on Friday, but has been working his contact network for any information he can find.

Thank you, and please let me know if you need any other information at this time.

Chris

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Thank you, and please let me know if you need any other information at this time.

Chris
Good morning, Susan –
I’m sure you’ve heard the news about the new assembly plant that Toyota and Mazda are reported to be teaming up on that’s looking in the South.

Wanted to start the ball rolling on a phone call – or better yet, a face-to-face – between the Governor and the US heads of both companies (Jim Lentz for Toyota in Dallas, Masahiro Moro for Mazda in LA). We’re tracking down what we can about whether there’s an RFP out there, whether there’s a consultant involved, and other details, but there’s already enough in the media since last night that would justify outreach by the Governor.

I texted the Secretary last night with the news and let him know we would likely be recommending Governor’s outreach in the very near term. Thanks, and please let me know what else you need from us.

Thanks,
Chris

Christopher Chung  Chief Executive Officer
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Sorry about that. Let’s try this again. See attached.

Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
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Evan.Stone@edpnc.com | edpnc.com  
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See attached.

Evan Stone  Business Recruitment Manager  
Economic Development Partnership of North Carolina  
O 919.447.7786 M 919.275.2322
## Project New World Comparison Summary

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<thead>
<tr>
<th>Program</th>
<th>Responsible Party</th>
<th>Initial Amount</th>
<th>Updated Amount</th>
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</tr>
<tr>
<td>Electricity Infrastructure and ED Rider</td>
<td>Duke Energy</td>
<td>TBD</td>
<td>$53,200,000</td>
</tr>
<tr>
<td>Natural Gas Infrastructure</td>
<td>Piedmont Natural Gas</td>
<td>TBD</td>
<td>$63,200,000</td>
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<td><strong>Cost-Reducing Incentives</strong></td>
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<tr>
<td>Corporate Income and Franchise Tax Rate Savings</td>
<td>State of NC</td>
<td>N/A</td>
<td>$565,650,000</td>
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<tr>
<td>Sales Tax Exemption on Purchases of Machinery &amp; Equipment</td>
<td>State of NC</td>
<td>$54,000,000</td>
<td>$54,000,000</td>
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<tr>
<td>Sales Tax Exemption on Building Materials*</td>
<td>State of NC</td>
<td>N/A</td>
<td>$27,000,000</td>
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<tr>
<td>Job Development Investment Grant*</td>
<td>State of NC via Economic Investment Committee</td>
<td>$170,000,000</td>
<td>$215,000,000</td>
</tr>
<tr>
<td>One North Carolina Fund *</td>
<td>State of NC via NC Department of Commerce</td>
<td>$68,000,000 - $86,000,000</td>
<td>$200,000,000</td>
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<td>Property Tax Grant</td>
<td>Randolph County</td>
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<td><strong>Supplier/Supply Chain Incentives</strong></td>
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<tr>
<td>Supply Chain Summits*</td>
<td>State of NC via NC Department of Commerce and EDPNC</td>
<td>N/A</td>
<td>$100,000</td>
</tr>
<tr>
<td>Supply Chain Resource Collaborative Initiative*</td>
<td>NC State University</td>
<td>N/A</td>
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<td>Upgrading Skills and Equipment for Existing NC Suppliers*</td>
<td>NC Community Colleges and Golden LEAF</td>
<td>N/A</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>International Marketing to Suppliers*</td>
<td>NC Department of Commerce and EDPNC</td>
<td>N/A</td>
<td>$1,000,000</td>
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<tr>
<td>Existing Programs for Suppliers - suppliers with competitive projects may qualify for existing incentive programs</td>
<td>State of NC via NC Department of Commerce</td>
<td>N/A</td>
<td>TBD (see example)</td>
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<tr>
<td><strong>Project Management</strong></td>
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<tr>
<td>Dedicated Project Manager*</td>
<td>State of NC via NC Department of Commerce</td>
<td>N/A</td>
<td>$250,000</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$586,000,000 - $636,000,000</td>
<td>$1,589,252,000</td>
</tr>
</tbody>
</table>

* Requires appropriation from or legislative change by the NC General Assembly
Hello, Mr. Secretary —

As always, please see the attached schedule of upcoming company meetings that our Existing Industry Support and Business Recruitment teams are having this coming week.

The three categories of meetings include:

- Business Recruitment: Any site visits or on-site meetings (e.g. at the company’s HQs, the consultant’s office, in the local community being considered, or here in our office)
- Existing Industry Support: Any confirmed expansion-related project meetings (typically at the company’s NC operations and often with the local economic developer)
- Existing Industry Support: Proactive retention/expansion calls (typically at the company’s NC operations and often with the local economic developer)

Thank you,

Chris

Christopher Chung  Chief Executive Officer
Economic Development Partnership of North Carolina
O 919.447.7788  M 919.724.7943
chris.chung@edpnc.com | edpnc.com
Twitter | Facebook | LinkedIn

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# EDPNC - Business Recruitment
## Upcoming Project Meetings

**Week of 8/28/2017**

<table>
<thead>
<tr>
<th>Project name</th>
<th>Company</th>
<th>BRM</th>
<th>Project activity</th>
<th>Jobs</th>
<th>Investment</th>
<th>Activity description</th>
<th>Participants</th>
<th>NC Location(s) under consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Consultant and client remain interested in 3 of NC's megasites. This visit is to solely perform further due diligence on the Siler City/CAM Site</td>
<td>Consultant/Client Team (9), Garrett Wyckoff (EDPNC), Evan Stone (EDPNC), Chatham County Team, all utility partners</td>
<td>Chatham, Randolph</td>
</tr>
<tr>
<td>New World</td>
<td>Toyota/Mazda</td>
<td>Wyckoff/Stone</td>
<td>Consultant/Client site visit</td>
<td>4000+</td>
<td>$1.6B</td>
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</tr>
<tr>
<td>Meeting date</td>
<td>May require engagement from Secretary or Governor? If yes, explain.</td>
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<tr>
<td>8/30</td>
<td>No</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Upcoming Project Meeting

Week of 9/11/2017

New World
Toyota/Mazda
Wyck

Project name
Company

Please see the attached schedule of upcoming company meetings that our Existing Industry Support and Business Recruitment teams are having this coming week.

The three categories of meetings include:

- Business Recruitment: Any site visits or on-site meetings (e.g. at the company’s HQs, the consultant’s office, in the local community being considered, or here in our office)
- Existing Industry Support: Any confirmed expansion-related project meetings (typically at the company’s NC operations and often with the local economic developer)
- Existing Industry Support: Proactive retention/expansion calls (typically at the company’s NC operations and often with the local economic developer)

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<table>
<thead>
<tr>
<th>Meeting date</th>
<th>May require engagement from Secretary or Governor? If yes, explain.</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/14</td>
<td>Already engaged in the project</td>
</tr>
</tbody>
</table>
From: Chung, Christopher  
To: Fleetwood, Susan  
CC: Wyckoff, Garrett; Stone, Evan  
Subject: Info for P. New World meeting on 9/25...  
Date: Friday, September 15, 2017 6:13:06 PM  
Attachments: Project New World - Exec Bios.xlsx

Susan,

As promised, I’d asked our research team to pull any nuggets of background (i.e. beyond the usual corporate bios on the website) on Jim Lentz or Chris Nielsen for the meeting on 9/25 with the Governor. I’m presuming you’ll run point on the meeting briefing like always, and hopefully the attached is helpful. Thanks,

Chris

Christopher Chung  Chief Executive Officer  
Economic Development Partnership of North Carolina  
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christopher.chung@edpnc.com  edpnc.com  
Twitter  Facebook  LinkedIn

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Jim Lentz and Chris Nielsen – Toyota Executives

Jim Lentz

Personal background:

- Grew up in the small town of Glen Ellyn, Illinois, a town of about 16,000 near Chicago
- Avid golfer – He is a 4-handicap golfer
- Played hockey throughout most of his life until he was 50.
- His father owned a printing business
- He has a wife, Barbara, and two grown sons. He also has grandchildren.
- First car: 1964 Chevrolet Corvair
- Now has a Lexus NX Hybrid
- His first job in high school was selling vacuums door-to-door

Education:

- Undergraduate degrees in economics and marketing at the University of Denver
- MBA from the University of Denver
- When Lentz originally enrolled at the University of Denver, he thought he might pursue a degree in law but ultimately decided on business
- Gave University of Denver’s 2017 commencement address
- Played with the golf club and the intramural hockey team in college

Involvement in other organizations and activities:

- Interview with Bloomberg from 10/2016 on the future of autonomous driving, artificial intelligence, and sustainable fuel technology
- Involved with the 2015 Aspen Ideas Festival, which describes itself as the nation’s premier, public gathering place for leaders from around the globe and across many disciplines to engage in deep and inquisitive discussion of the ideas and issues that shape our lives and challenge our times.
- Attended the annual Children’s Charity Ball Children’s

Awards:

- "Marketer of the Year" by Advertising Age in 2006
- Automotive News “All Star” in 2007
- “Industry Leader of the Year” in 2014 by the Automotive Hall of Fame

Professional background:

Toyota: Before becoming CEO, Lentz was president and chief executive officer of TMS and senior vice president of TMA, and served in a global advisory capacity as managing officer for TMC. Prior to that, Lentz served as president and chief operating officer and executive vice president of TMS.
Lentz previously held several executive positions, including Toyota division group vice president and general manager, where he oversaw all sales, logistics and marketing activities for Toyota and Scion regional sales offices and distributors. He also served as group vice president of marketing for the Toyota division and vice president of Scion, responsible for the initial launch of a new line of vehicles designed for the next generation of new-car buyers.

Lentz spent several years in the field as vice president and general manager of the Los Angeles region, and before that, general manager of the San Francisco region. Prior to his role as general manager, he was vice president of marketing services for CAT in Maryland. Lentz has also held several other TMS positions, including field training manager, sales administration manager and truck sales team member.

Lentz joined Toyota in 1982 as the merchandising manager for its Portland region, where he later became the distribution manager and field operations manager.

Notable Fact about Toyota Tenure

A story he often tells about his 34-year career at Toyota is how it began. His manager told him that he had to change the way he led people or he would be fired. He accepted a demotion and had to restart his career, but he evidently rose through the ranks to where he is now.

Chris Nielson

Notable Stories: Interview from February 2017 excerpts:

- One of the execs who led the HQ site selection team for One Toyota, helping to blaze a trail for the 4,000 team members who will be working at the new campus in Plano.

“You’ve moved around a lot with the company. Do you still feel like a Michigander?”

- I’m a Michigander as far as heritage goes, but I’ve picked up different bits and pieces of places I’ve gone. A silly example: Folks always ask you what sports teams you follow. In my case, I’ve kind of spread it around. My college teams are Michigan for football. I lived for nine years in Lexington, Ky., so it’s Kentucky for basketball, which is my wife’s alma mater. I lived in Cincinnati for 13 or 14 years, so I have Bengals for football. I lived in San Antonio, so I like the Spurs for basketball. But we’ve been in Dallas for a couple of years and we actually had a family meeting to decide this. We decided we’re going to stick with the Bengals for a few years for football. Of course we like the Cowboys. We switched our allegiance from the Cincinnati Reds to the Texas Rangers. So we’re coming over. I feel like it’s the same way with me. I’ve tried to connect and engage wherever I’ve lived.

“What do you do for fun?”
- I have three boys, ages 18, 15 and 11, and the years you have with your kids at home are precious. So my wife, Nicole, and I decided that we want to be really focused on doing things with them. I travel a lot and don’t have a 9-5 kind of job, like I experienced with my dad. When I’m home I’m 100 percent engaged in whatever I’m doing. My oldest son is interested in adventure sports. He loves snowboarding and got me up on skis in my mid-40s. We started scuba diving about two years ago and have completed three levels of certification. My middle son loves any sport that involves a ball. He’s into football and baseball, and I was the assistant coach on his baseball team last year. The youngest is heading down the path, more like the oldest. His big thing is rock climbing, so he competes on a team. He hasn’t gotten me up on the wall yet, but that’s coming.

“Any secret talents?”

- I’m a relatively modest person, but I will take credit for being a master on the grill. I have great confidence in my ability to take any kind of protein and make it on the grill. My next step is to learn how to use the smoker and I’m looking for good tips on that.

Personal Background:
- Native of Warren, Michigan
- Early 50s
- Met his wife, Nicole, while working at his first job at Toyota Motor Manufacturing, Kentucky (TMMK)
- 3 boys (including one who headed off to college this fall, ages 18, 15 and 11)
- Mom is a General Motors retiree and his dad worked a little bit in the auto industry when he served his electrician apprenticeship at Chrysler. His sister still works for GM.
- “Great state of Texas” – has lived and worked in Texas for a good period of time

Education:
- BS in Industrial Engineering from Kettering University in Flint, Michigan
- Member of Phi Delta Theta
- Worked at G.M. as a student (General Motor Institute)

Civic Involvement:
- Serves on the Board of Directors and Executive Committee for the Dallas Regional Chamber
- Chairman of the Southwest Minority Supplier Development Council’s advisory board
- Board of trustees for Kettering University
In 2013, Chris Nielsen testified before the House Energy and Commerce Subcommittee to report on the outlook of their industry (topic of hearing was auto manufacturing)
  - This is when he was President of Texas Motor Manufacturing

Professional Background:

Toyota: Chris Nielsen became executive vice president of product support and chief quality officer, his current position, in March 2017

Previously, Nielsen served as senior vice president of human resources, corporate strategy, supplier engineering development, and purchasing for Toyota Motor Engineering & Manufacturing North America, Inc. (TEMA) located in Erlanger, Ky. Prior to that assignment, Nielsen was president of Toyota Motor Manufacturing, Texas, Inc. (TMMTX) located in San Antonio, Texas. From 2003 to 2006, Nielsen served as chief production manager for the Tundra and Sequoia vehicles, leading overall manufacturing preparation, including the establishment of TMMTX.

In 2007, as President of Toyota Motor MFG when Toyota geared up for the launch of the second-generation Tundra pickup at its new plant in the heart of the Texas truck market, Nielsen oversaw the clustering of 21 parts producers on the San Antonio campus. He helped lay out the supplier park and position each facility for the maximum benefit of the overall enterprise.

Nielsen joined Toyota in 1987 (after graduating) as a buyer at its Georgetown, Ky., plant and progressed through a series of positions including vice president of purchasing, vehicle parts and materials for TEMA, where he was responsible for overseeing all vehicle parts and materials procurement.

Notable Facts about Toyota Tenure

- First American to participate in the management expatriation program, a yearlong management development assignment with Toyota Motor Corporation in Japan 1999
- In December 2006, Chris Nielsen became the first American to lead North American purchasing for Toyota
Mr. Secretary,
Great seeing you this morning at the NC Chamber event.

David mentioned the topic of supplier engagement for New World came up earlier today. That’s good timing, as I had planned on sending the attached once everyone got back from the holidays. Over the past month, we’ve been working on a marketing outreach plan for PNW suppliers, pending positive news from Japan. We didn’t want to be presumptuous in putting too much detail into these drafts, but we did want to have enough of the basics so that we’ve got something ready to pull the trigger on asap.

Basically it’s a two-prong plan — targeted Japanese website and in-person investment seminars, both designed to reach likely suppliers to both companies with key information about NC. Both prongs are outlined in the attached, which Korey Howard and Sumio Shibata have put a lot of thought into. Evan and Garrett have also added their input, as have a select few partners that are involved in the New World recruitment effort and that would be key participants in the supplier outreach effort.

Again, it’s a rough outline, but enough for us to act on if/when we get the good news. On the investment seminars, please note that one of them would take place around SEUS Japan and would benefit tremendously from your and the Governor’s personal participation if it were to work out that way. Your feedback on that possibility, as well as any other aspects of these drafts, would be welcome and appreciated.

Through our contacts in the construction and engineering sectors both here and overseas, we’ve also got a good jump on identifying likely suppliers for both companies. That said, any supplier targeting effort would ideally be done in partnership with the two companies, since their involvement/invitation would spur more suppliers to engage with us than if we were acting alone.

Cost-wise, we are confident we can raise additional private funds to help with much of this outreach effort.

Thanks, and I hope this is helpful information. Fingers crossed!
Chris

Christopher Chung  Chief Executive Officer
Economic Development Partnership of North Carolina
O 919 447 7788 M 919 724 7943
christopher.chung@edpnc.com  edpnc.com
Twitter  Facebook  LinkedIn

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Project New World Supplier Support Seminars (v. 3)

Objective

Targeted, in-person outreach to likely suppliers to T&M assembly plant, with goal of furnishing key information and establishing key client-service contacts for follow-up discussions on supplier site-selection decisions.

Concept

1) Familiarize T&M suppliers with business climate advantages and quality of life in North Carolina, illustrating the state’s ideal location for new investment.
2) Use a “modular” content approach that involves local, regional, and private-sector partners from around the state to illuminate different aspects of NC value proposition for suppliers.
3) Educate suppliers in various practical areas that will give them a head start towards getting set up in time for T&M’s SOP.
4) Utilize bilingual Japanese presenters whenever possible.
5) Leverage T&M to invite suppliers to maximize impact and draw of events.
6) Tie into overseas business development mission by Governor and Secretary (e.g. SEUS Japan 2018) if possible, but executable model even without high-level state officials.

Content “modules” (based on key criteria for consideration; blue denotes likely presenter group)

1) State overview/Quality of life => Governor and/or Secretary of Commerce if available (otherwise EDPNC Cary and Japan staff)
   - History
   - Location
   - Economy/business environment
   - Existing Japanese industry
   - Japanese community and amenities
2) Infrastructure
   - Railroad system => NCRR, CSX, NS
   - Ports => NC Ports Authority
   - Roads => NCDOT
   - Electrical power => Duke Energy, EMCs, ElectriCities, etc.
3) Workforce => NC Community College System
   - Workforce demographics and statistics
   - Workforce skills and development (e.g., community colleges, NC Works)
   - Higher education resources (e.g., universities and colleges)
   - Staffing solutions (screening and recruitment)
4) State and local taxes => e.g. Toshio Osaka, CPA, Rödl & Partner (Charlotte office)
   - Overview of federal corporate tax, including changes in new US tax reform legislation
   - Corporate income, franchise, property, and sales taxes in North Carolina
   - Comparative analysis v/s other states
5) Ease of permitting and regulatory procedures
   - Incorporation procedures => e.g. Kiyoaki Kojima @ Smith, Gambrell & Russell (Atlanta), maybe BLNC team?
   - Environmental concerns and permits => NCDEQ
   - Employee/management visa options (L-1, H-1b, B-1) => US Embassy or immigration law firm
6) Incentives => EDPNC Cary and Japan staff
   - Overview/county tiers
   - Introduction of discretionary incentive programs
7) Sites and buildings, including available supply, typical prices, etc.
   - Regional and community characteristics, especially available sites and buildings => Piedmont Triad Partnership and other regional groups (supplier search radius likely to spill over into other regions); local EDOs (e.g. Randolph County EDC, Greensboro Chamber, others within 30 to 75/90-mile radius of the T&M plant) participate in a “booth” format after the module presentations have ended
   - Plant construction cost/process => e.g. Shigeru Masuko, Gray Construction (Tokyo)
   - Introduction of the “Available Sites & Location Data” search tool from EDPNC.com and/or providing list of shovel-ready or certified sites within target radius area of New World site (sweet spot is probably 30 to 75 miles away from site) => EDPNC and local partners

8) EDPNC services overview => EDPNC Cary and Japan staff

Other considerations

1) Target at least 2 investment seminars in 2018 – 1 in Spring (possibly around Yokohama Auto Show) and 1 in Fall (possibly around SEUS Japan, esp. if Governor is attending and kick off seminar)
2) Geographic focus of Nagoya (T suppliers) and Hiroshima (M suppliers); could even target the SelectUSA Road Show in Nagoya in late January as additional opportunity for engagement if news is public by then
3) Invite T&M supplier support executives to speak at any seminars to maximize draw for supplier companies
Special EDPNC website focused on Japanese suppliers for Project New World (v. 3)

Objective

Set up a targeted digital welcome for Japanese suppliers conducting due-diligence for serving new T&M plant and provide all relevant information for supplier audience.

Concept

1) In order to minimize time and budget required for development, leverage existing content from nctokyo.com (website for NC Japan Office) as much as possible.
2) Maintain the nctokyo.com URL, but merge the content onto the EDPNC website, in place of the current landing page format.
3) Leverage and expand existing Japan-specific and automotive-specific content, as opposed to creating T&M-specific content from scratch.

Key website components

1) Overview
   - High-level content already exists in Japanese on nctokyo.com (i.e., location, economy, industry clusters, logistics, maps, facts and figures, export and investment environment, taxes, workforce, incentives, ports, research parks and universities, tourism, current events, etc.).
2) Automotive sector-specific page
   - Enhance existing automotive sector information on nctokyo.com
   - Make the automotive sector page accessible from the top of the EDPNC Japan page
   - Also link from industry clusters page in Overview section
   - Link to “Contact Us” page for potential investors
3) EDPNC intro
   - Detailed information on “what we can do for you”, how to “contact us”, and sample project flow from first contact through SOP
   - List Sumio as first point-of-contact for Japanese inquiries (most likely esp. for Mazda suppliers)
4) Quality of life (brief introductory tombstones and links to the following)
   - Local Japanese service providers (e.g., JTE, lawyers, CPAs)
   - Japan Center
   - Japanese language schools
   - Golf course information (?)
   - Japanese grocery stores and restaurants
   - Japanese cultural/business organizations (e.g., JASNC, TJBA, Nihonjinkai)
5) Japanese company success stories and relevant publications
   - Japanese company “success stories” from EDPNC.com (translated into Japanese)
   - Automotive “success stories” from EDPNC.com (translated into Japanese)
   - Automotive Industry brochure (previous editions already exist in Japanese)
6) Upcoming events (i.e., opportunities to meet representatives from the state)
   - Registration for supplier seminars in Nagoya, Hiroshima, and Tokyo
   - Registration for North Carolina investment seminar in October
   - SEUS Japan (?)
   - SelectUSA roadshows we plan to attend (?)
   - Yokohama Automotive Show and any other auto shows where NC has a marketing presence
“Nice to hases” include:
- Comprehensive map/list of Japanese companies in North Carolina (something similar already exists on the Japan Center website)
- Converted version of “Available Sites & Location Data” search tool from EDPNC.com (advanced search options visible from start; legend with conversions for SF to square meters, gallons to cubic meters, acres to square meters, etc.)
- Identified shovel-ready or certified sites within target radius of New World site (i.e. from 30 to 75 miles out likely the ideal sweet spot) – need to involve local partners in this identification effort

*Arrange for auto-redirect to EDPNC Japan site from current nctokyo site (need to keep current nctokyo URL for SEO purposes)
Susan,

Also, to follow up on Kelly’s message, this just reflects our cooperative marketing activities available to partners. It doesn’t include a number of other planned events that the team is attending for business-development or export-assistance.

(For example, if we’re successful with P. New World, we’ve drawn up a draft plan for supplier investment seminars in Japan – probably at least two in 2018, including one around SEUS Japan next fall.)

Hope that helps, and please have a great Thanksgiving holiday – Get some well-deserved rest!

Chris

From: Dawson, Kelly
Sent: Wednesday, November 22, 2017 9:19 AM
To: Fleetwood, Susan <fleetwood@nccommerce.com>; Chung, Christopher <christopher.chung@edpnc.com>
Subject: RE: EDPNC Marketing Calendar

Susan,

Attached is our calendar for 2018. Please let me know if you have any questions.

Happy Thanksgiving!

Thanks!

Kelly Dawson  Marketing Events Manager
Economic Development Partnership of North Carolina
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