

McCrory says he wants megasites near Triad

Richard M. Barron and Richard Craver/BH Media Group | Posted: Sunday, February 2, 2014
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GREENSBORO — Gov. Pat McCrory said Thursday he is working with Greensboro economic leaders to create megasites in the region that might attract an automotive manufacturer.

“We’re going to be working ... to recruit automotive manufacturing to North Carolina, which is nonexistent,” McCrory told about 750 people gathered for the Greensboro Partnership’s annual dinner.

He said most other states in the Southeast have automakers, and it’s time that North Carolina recruited one.

But he stopped short of saying what North Carolina’s financial commitment might be to such an effort.

It is a pivotal sticking point because economic developers have said it will take significant state money to piece together the thousands of acres it would take to form and develop a megasite.

Michael Walden, an economics professor at N.C. State University, said North Carolina has been “a bridesmaid many times in the search for an auto manufacturer.”

McCrory said the best potential sites for automakers are in or near the Triad.

The Chatham Economic Development Corp. launched a website Jan. 27 for a proposed site being pitched as ready for a major auto manufacturing plant. The website — www.chathamrandolphmegasite.com — includes facts about the land, maps of transportation infrastructure and utilities, and panoramic photos of the site.

There is another site being considered in Randolph, near Liberty, that has about 1,000 acres now.

In July, a consultant said that Greensboro may reap more economic benefit from a major auto plant than any other major metro area in the state. Mark Sweeney, senior principal of McCallum Sweeney of Greenville, S.C., said suppliers to a carmaker would undoubtedly locate in Greensboro. The site contains about 1,774 acres about 25 miles outside Greensboro.

For several years, Davidson County has been pitching, and trying to put together, a 2,400-acre site near Interstate 85 in Linwood. It was among four finalists in 2007 for a Toyota Motor Corp. plant that would make 150,000 Corollas a year.

However, with Davidson unable to have all the land secured in time, Toyota chose to build in Blue Springs, Miss.

Steve Googe, executive director of the Davidson County Economic Development Commission, says he continues to have conversations with owners of land in the megasite, and with U.S. and foreign auto manufacturers.

McCrory said he is working with former Greensboro Mayor Jim Melvin; Bobby Long, an investor who is the major force behind the Wyndham Championship golf tournament; and others to begin planning development and marketing for the sites.

“I’ve got a great partnership with a team here to locate potential recruitment sites,” McCrory said.

McCrory declined to say whether the state would spend the estimated \$50 million it would take to develop a megasite or commit the hundreds of millions in incentive dollars that routinely are spent to land major factories.

“An auto plant is such a 'crown jewel' that the excitement and positive publicity over it would, I think, generate support for a generous incentives package,” Walden said.

North Carolina has become much more aggressive in its economic-incentive packages. Such a level of support would be in great contrast to when the state was recruiting Mercedes-Benz and BMW in the early 1990s, which chose sites in Alabama and South Carolina, respectively. At that time, the prime auto plant site was a golf course in Mebane that now serves as a Tanger Factory Outlet development.

In the early 1990s, the state's economy was considered strong enough by many economic leaders that they believed it was unnecessary to offer aggressive incentive packages.

Former Gov. Jim Hunt said in a July 2005 interview with the Winston-Salem Journal that Mercedes executives told state officials that the project would not be driven by incentives and that it viewed the state's business and educational climate favorably.

"But it proved to be driven by incentives, and we were outbid," Hunt said. "We knew then that we were not competitive in incentives and didn't have the tools to attract highly capitalized companies that offered the potential for industry clusters.”

For foreign automobile manufacturers, operating a plant in North Carolina could be advantageous from a political perspective, said John H. Boyd, a principal in The Boyd Co. Inc., a site-location consulting company in New Jersey.

“Putting a plant in North Carolina would give them the ears of two more senators and 13 more representatives,” Boyd said.

He said foreign auto manufacturers typically like to operate in right-to-work states.