Experts: Triangle has strong shot at 700-job USDA project

By Lauren Ohnesorge — Senior Staff Writer, Triangle Business Journal – May 6, 2019

The Triangle is close to winning a 700-job project, as it was just named as one of three finalists to be the headquarters of a pair of federal research agencies.

And that could be just the start.

The U.S. Department of Agriculture announced last year that it was planning to relocate two bipartisan research units out of Washington, D.C.: the National Institute of Food and Agriculture
and the Economic Research Service. And officials in North Carolina confirmed early on that North Carolina’s “Research Triangle Region” was throwing its hat in the ring.

After a nationwide search involving 136 “expressions of interest” from 35 states, the agency narrowed the field to the Triangle and locations in Indiana and Kansas City on May 3.

John Boyd, a site selection expert from New Jersey’s The Boyd Company, says a win could be bigger than just the USDA, as there’s a bipartisan movement to move these kinds of facilities outside of the increasingly costly D.C. metro.

“It’s a rare time when both parties agree,” he said, noting that in Washington, the labor market keeps getting tighter and tighter. Real estate prices are rising and the fight for talent is toughening. He points to that region’s recent Amazon HQ2 win as another labor constraint, making it harder for entities like the U.S. government to compete for talent.

“There’s just this strong desire to free up some of that real estate in D.C.” he said.

And success in securing the USDA project could lead to opportunities as that relocation trend continues, he said.

As for this project, Boyd calls the Triangle a strong contender.

“Raleigh stacks up well given the need for highly skilled researchers to work in this facility,” he said, adding that Raleigh might make for an “easier sell” to D.C. transferees than the Midwest. “Raleigh is, in its own right, a state capital. It has all of the lifestyle and cultural amenities of a major city.”

Michael Walden, a professor and economist at N.C. State University, agrees that the region has a good shot at the project, pointing to the $87 billion agriculture and agribusiness industry in the state.

“North Carolina is a major producer of numerous commodities, including meat as well as vegetables,” he said. “The research capability of RTP and the universities in the region are enormous, and North Carolina is a leader in biotech and cutting edge research on food production.”

But Walden said Indiana and Kansas won’t go quietly, and will likely be “major competitors.”
For their part, local economic developers, too, are optimistic about the region’s chances for the USDA project.

“We are certainly very excited about this opportunity and being named one of three finalists,” said Michael Haley, executive director of Wake County Economic Development, in an email. “The fundamentals of Wake County and the Research Triangle region allows us to be well-positioned for this opportunity. Our community’s high caliber of talent, innovation, ecosystem, top business climate, and our overall education infrastructure are such drivers for us.”

But optimism has led to disappointment in years past. Last summer, economic developers – and even Gov. Roy Cooper – thought the federal government was close to announcing another “transformational” project in the Triangle, the Army Futures Command Center. After an aggressive pursuit by local economic developers, however, the military picked Austin, Texas over Raleigh’s Centennial Campus for the 500-job project.