It is the policy of the North Carolina Department of Environmental Quality (NCDEQ) that no person shall, on the ground of race, color, national origin, sex, age or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance as provided by Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987, the Rehabilitation Act of 1973, and all other related nondiscrimination laws and requirements.
Thursday May 19, 2022
3:00 PM - 6:00 PM
McKimson Center

Agenda

Subcommittee Meetings

2:00 PM Cumulative Impacts

I. Call to Order, Chair, Dr. Jim Johnson 3 PM (5 min)

Old Business

II. Adopt February 28, 2022, meeting minutes

New Business

III. Welcoming Remarks, Elizabeth Bise, Secretary, DEQ (10 minutes)

IV. Economic Development and Environmental Justice

  Machelle Sanders, Secretary, Department of Commerce (15 minutes)
  Christopher Chung, Chief Executive Officer, Economic Development Partnership North Carolina (15 minutes)
  Board Discussion (45 minutes)

V. DEQ’s Environmental Justice Toolkits for Businesses and Communities, Bailey Recktenwald, Chief Strategy Officer, DEQ (15 min presentation, followed by discussion)

VI. Member Updates

VII. Adjourn

VIII. Break at 4:45 PM

IX. Public Comment Period 5:00 PM – 6:00 PM
Economic Development in North Carolina
NCDEQ Environmental Justice and Equity Advisory Board
May 19, 2022

Christopher Chung
Chief Executive Officer | EDPNC
Agenda

1. About the EDPNC
2. Activity levels during the pandemic
3. What matters to companies
4. Behind the scenes of a business recruitment deal
5. Headwinds and how you can help
Our Mission

The Economic Development Partnership of North Carolina improves the economic well-being and quality of life for all North Carolinians.

We do this by collaborating with state, regional, local, and private-sector partners in new business recruitment, existing employer support, international trade and export assistance, small business start-up counseling, and tourism promotion.
Economic Development During the Pandemic

• 363 corporate locations and expansions (incl. 251 in Tier 1 and Tier 2 counties) involving 60K+ announced new jobs and $24+ billion announced new capital investment (since 1.1.2020)

• Major locations and expansions by Apple, Toyota, Centene, Boom Supersonic, Red Bull, Eli Lilly, Pratt & Whitney, Fujifilm Diosynth, Amgen, VinFast, Macy’s, Nucor

• Pipeline activity remains strong (238 current projects with potential for 78K new jobs and $58 billion new cap-ex)
What Matters to Companies

Top factors cited in 2021-2022 survey

- Labor costs (5th in 2020-21)
- Availability of skilled labor (1st)
- Energy availability and costs (3rd)
- Inbound/outbound shipping costs (10th)
- Highway accessibility (2nd)

COMBINED RATINGS*
CORPORATE SURVEY

Site Selection Factors

<table>
<thead>
<tr>
<th>Ranking</th>
<th>2021</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Labor costs</td>
<td>96.4</td>
</tr>
<tr>
<td>2.</td>
<td>Availability of skilled labor</td>
<td>94.9</td>
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<tr>
<td>3.</td>
<td>Energy availability and costs</td>
<td>94.7</td>
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<tr>
<td>4.</td>
<td>Inbound/outbound shipping costs</td>
<td>93.2</td>
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<tr>
<td>5.</td>
<td>Highway accessibility</td>
<td>93.1</td>
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<tr>
<td>6.</td>
<td>Raw materials availability</td>
<td>87.8</td>
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<tr>
<td>7.</td>
<td>Corporate tax rate</td>
<td>87.7</td>
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<tr>
<td>8.</td>
<td>State and local incentives</td>
<td>84.5</td>
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<td>9.</td>
<td>Environmental regulations</td>
<td>82.5</td>
</tr>
<tr>
<td>10.</td>
<td>Tax exemptions</td>
<td>82.4</td>
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<td>11T.</td>
<td>Quality-of-life</td>
<td>82.1</td>
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<tr>
<td>11T.</td>
<td>Occupancy or construction costs</td>
<td>82.1</td>
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<tr>
<td>13.</td>
<td>Right-to-work state</td>
<td>81.0</td>
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<tr>
<td>14.</td>
<td>Proximity to major markets</td>
<td>77.2</td>
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<tr>
<td>15.</td>
<td>Available buildings</td>
<td>70.2</td>
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<tr>
<td>16.</td>
<td>Proximity to suppliers</td>
<td>69.6</td>
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<tr>
<td>17.</td>
<td>Training programs/technical schools</td>
<td>66.1</td>
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<tr>
<td>18.</td>
<td>Low union profile</td>
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<tr>
<td>19T.</td>
<td>Available land</td>
<td>62.1</td>
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<td>19T.</td>
<td>Availability of long-term financing</td>
<td>62.5</td>
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<tr>
<td>21.</td>
<td>Availability of unskilled labor</td>
<td>61.8</td>
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<td>22.</td>
<td>Expedited or “fast-track” permitting</td>
<td>57.9</td>
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<td>23.</td>
<td>Water availability</td>
<td>52.7</td>
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<td>24.</td>
<td>Accessibility to major airport</td>
<td>47.3</td>
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<tr>
<td>25.</td>
<td>Proximity to innovation commercialization/R&amp;D centers</td>
<td>43.6</td>
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<td>26.</td>
<td>Availability of advanced ICT services</td>
<td>36.8</td>
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<td>27.</td>
<td>Railroad service</td>
<td>31.6</td>
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<tr>
<td>28.</td>
<td>Waterway or/oceanport accessibility</td>
<td>25.8</td>
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</tbody>
</table>

* All figures are percentages and are the total of the “very important” and “important” ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

** 2020 ranking
Behind the Scenes of a Business Recruitment Deal

• Process

• Key Factors

• Players
Recent Trends in Business Recruitment Activity

• Frequency

• Size

• Industrial vs. Office

• Diversity and Sustainability
Agenda

1. Introduction
2. Goals
3. Toolkit Overview
4. Questions for Discussion
Goals

Vision

• Create a toolkit of resources and questions for businesses to encourage considering environmental justice early in the project process.

Goals

• For businesses to consider environmental and community impact during site selection process.
• For businesses to meaningfully engage with neighbors early and often.
• For businesses to incorporate enhanced environmental stewardship principles in long-term operations.
Toolkit

• Should be a **first step** for businesses, not the only step.

• Is one of many tools and resources available.

• Is an “upstream” approach to encourage better practices.
Toolkit Overview
Contents

1. Introduction
2. Define Key Terms
3. Project Development and Environmental Permitting
4. Identifying EJ Considerations
5. Community Engagement
6. Environmental Stewardship
7. Additional Resources
What discharges or waste will the facility generate? What are the expected air emissions?

Will any emerging compounds or PFAS be used in production?

What kind of traffic will the facility generate and will chemicals or waste be transported through the community?

How much noise will come from the facility?

Does this facility have to be in a specific location to operate, such as proximity to natural resources in the area?

Will this project impact streams or wetlands?
Identifying Potential Environmental Justice Considerations Around a Proposed Site

- Will there be emissions or discharges from this facility that could impact nearby residents?

- Who will the neighbors be? Is the proposed site near a densely populated area, other commercial complexes, or several miles from the closest community?

- Are there sensitive receptors like schools, nursing homes, or hospitals near the proposed site?

- Is the proposed site within or near a potentially underserved community? Will this project directly benefit that community?

- Are there any nearby American Indian tribes? Are you planning on engaging with the local tribal council as you would a local city council or county commission?

- Does the surrounding community speak and read in English proficiently? How will you engage limited English-speaking households to alert and inform them about the project?

- What other facilities are located in the same area and what impact do they have on the community?
**Developing a Project Communications Plan**

- Distributing flyers in locally owned businesses, community stores, libraries, places of worship, senior centers, and other gathering places in the areas where communities are potentially affected.

- Engaging non-English speakers through social media and other non-English language media outlets.

- Communicating and distributing vital documents in non-English languages to successfully reach potentially impacted communities.

- Organizing information sessions to familiarize community members with the project.

- Working with local community members to identify methods for non-electronic notices/communication.

- Coordinating with community and faith-based organizations, local and tribal governments, educational institutions, and other entities to implement public engagement strategies specifically for members of potentially underserved communities.

- Attending community events.

- Engaging with appropriate local media contacts, based on the culture of the community, to reach larger audiences.

- Ensuring important public documents about the project are publicly available and readily accessible.

- Creating and maintaining stakeholder outreach lists which include state, local, and tribal governments; local nonprofits, community organizers, faith-based leaders, surrounding businesses, and other interested parties.

- Detailing plan of action business will take to address community concerns.

- Developing contingency plans for unexpected events.

- Designating a community contact liaison to respond to community concerns and questions.
Stakeholder Checklist

Sample Stakeholder Checklist

- Nearby residents and neighborhoods
- Community organizations
- Faith-based leaders
- Tribal and local governments
- Local commissions and councils
- Local planning and health departments
- State regulators
- State and local economic development organizations
- Local environmental justice organizers
- Local business community
- Sensitive receptors nearby
- Local emergency management departments
Continued Environmental Stewardship

- Overview of ESI program
- Minimum requirements
- Levels of membership
- Benefits
- How to learn more

www.ncesi.org
Questions for Discussion

• What additions would you suggest?
  • Are there specific EJ considerations that are missing?
  • Additional information business should have about environmental justice?
  • Additional recommendations on community engagement for businesses?

• Proposed Toolkit for Communities
  • What information would help communities engage with the economic development process?
  • What resources and information should a community toolkit include?