

For Immediate Release

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COUNTY COMMISSIONERS OK SUPPORT FOR CLASS A INDUSTRIAL SPACE
JoCo's Product Development Push Continues With 264,000-Sq.-Ft. Spec Space in Smithfield

Johnston County, N.C. – October 3, 2022. Johnston County Commissioners have unanimously approved a series of economic development incentives to support creation of a 264,000-sq.-ft. industrial building in Smithfield. The County will partner with a private development company in hopes of attracting an advanced manufacturer or life sciences operation to the high-quality speculative space.

“In today’s fast-moving economy, employers want industrial space equipped with modern amenities and ready for occupancy,” said R.S. "Butch" Lawter, Jr., chairman of the Johnston County Board of Commissioners. “This performance-based package of incentive grants will help facilitate the kind of real estate product Johnston County needs in order to stay competitive and continue generating high-wage jobs. We’re grateful for the creativity and hard work of our staff in ensuring our communities can continue embracing exciting economic opportunities when they come our way.”

The new facility will be located on a 25-acre Greenfield property off exit 93 of I-95. A private development company intends to invest approximately \$30 million in the building and estimates it will be able to accommodate at least 25 jobs at wages comparable to those of other Johnston County life science and manufacturing operations. The performance-based incentive package includes an innovative new leasing mechanism that will give the county’s business recruiters flexibility in finding the ideal industrial tenant for the property while allowing the developer to manage some of its investment risks.

An economic impact analysis of the project by Dr. Michael Walden found that constructing the building will bring \$15.1 million in immediate benefits to the local economy, while operations of the completed facility will add \$23.2 million to the County’s annual gross domestic product (GDP). The site is expected to generate \$255,575 in yearly tax revenues to county and municipal governments, according to the study by Dr. Walden, a Raleigh consultant and Distinguished Professor Emeritus of Economics at North Carolina State University.

"It’s vital that we continue maintaining a diverse inventory of quality, ready-to-go industrial real estate in Johnston County,” said Randy Jones, chairman of the Johnston County Economic Development Advisory Board. “This project takes advantage of the great visibility we get from I-95, which is one of our greatest economic assets, as well as our network of leading private

development partners. I commend our county commissioners for their leadership in making sure all our communities are open for business.”

“Class A” refers to the most prestigious buildings competing for premier tenants, with rents above average for the area, according to the Building Owners and Managers Association (BOMA), a Washington, D.C.-based international trade association of commercial real estate professionals. Such buildings come with exceptional accessibility, high-quality finishes, state-of-the-art electrical, telecom, plumbing and other operating systems, and “a definite market presence,” BOMA’s website (www.boma.org) explains. Additional details of the Smithfield project and its specifications will be available to the public once the developer closes on its acquisition of the acreage, which is expected by the end of the year.

“Our project pipeline remains very strong and we continue to receive inquiries from location consultants and allies every week regarding available sites and buildings,” said Chris Johnson, director of the Johnston County Economic Development Office. “Given the time and resources that go into developing Class A industrial product, we don’t have the luxury of complacency when it comes to keeping our real estate inventory aligned with the needs of growth-minded businesses.”

In fiscal year 2021-2022, Johnston’s office received 79 requests for information (RFIs) regarding active site-selection projects. But the office was able to fulfill only about half those requests owing to the absence of the type of industrial product prospects needed. Those numbers should improve as Johnston County partners with experienced national development firms to create ready-to-go space. Earlier this year, Raleigh-based Edgewater Ventures unveiled plans for more than half a million square-feet of Class A distribution space near the I-40/I-95 interchange in Benson.

“Seeing seasoned private developers interested in investing in Johnston County is encouraging evidence that the County’s economy stands on very solid ground,” Johnson said. “It also means we have to be proactive in controlling our destiny and making sure we’ve got a broadly diversified industrial landscape and prosperity that spreads into all our communities.”

The Johnston County Economic Development Office (JCEDO) facilitates value-added interaction between government, education and the private sector in encouraging and promoting job creation and economic investment in Johnston County. A unit of county government, JCEDO collaborates with local, regional and statewide partners and allies in providing confidential location assistance to businesses and technical support to the county’s 11 municipalities. Its menu of services includes customized digital mapping, labor and wage analysis, site readiness assistance and incentive packaging. For additional information, visit www.GrowWithJoCo.com

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