

How Does Maine Stack Up? – A Site Selector's View

Christopher D. Lloyd

Senior Vice President and Director,

Infrastructure and Economic Development

October 30, 2024

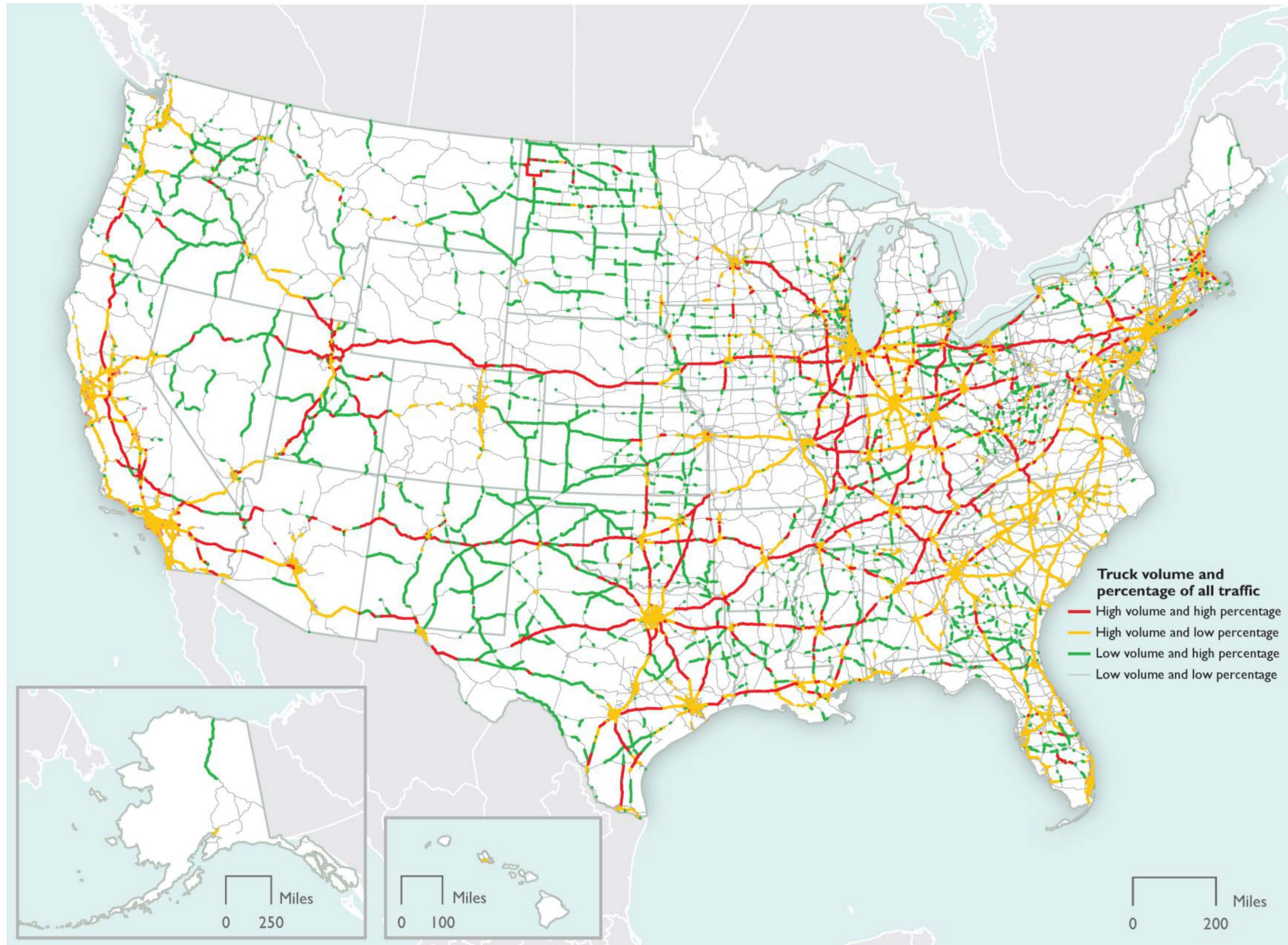
The Importance of Logistics and Infrastructure to Site Selectors

- Key driver in determining where to locate or expand facilities
 - Access to supply chain
 - Access to talent
 - Access to existing customers
 - Access to potential customers
 - Access to multiple modes of delivery
 - Access to “supporting” infrastructure



Roads
Rail
Airports
Ports
Utilities
Resiliency
Broadband
Sites
Capital
Child Care
Housing

CATEGORY 	2024 SCORE 	2024 RANK 	2023 RANK 	2024 GRADE 
ACCESS TO CAPITAL	22	40	48	D-
BUSINESS FRIENDLINESS	116	37	26	C-
COST OF DOING BUSINESS	138	29	34	C+
COST OF LIVING	25	27	32	C+
ECONOMY	133	42	38	D-
EDUCATION	69	14	19	B+
INFRASTRUCTURE	140	49	50	F
OVERALL	1168	42	39	
QUALITY OF LIFE	265	2	2	A
TECHNOLOGY & INNOVATION	103	34	40	D
WORKFORCE	157	46	22	F



The Importance of Logistics and Infrastructure to Site Selectors



One of the first and most important questions asked in a site location RFI

Most businesses have already completed some analysis of the infrastructure and logistics profile before initiating outreach

Desire is to get goods to market quickly and cost effectively

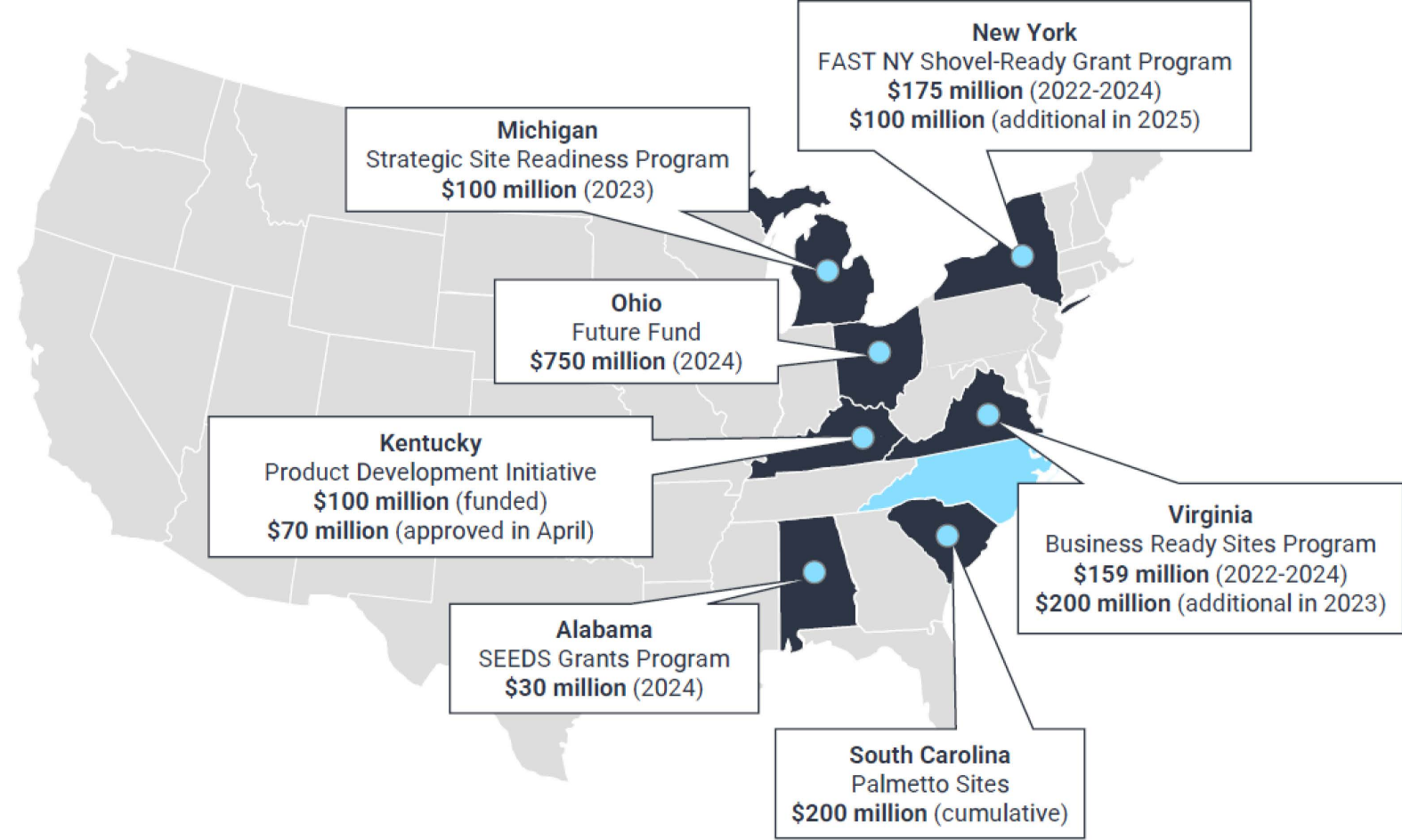
Ability for customers, workers, and others to access the facility easily is often a key marketing consideration

The Importance of Logistics and Infrastructure to Site Selectors

- Deal breakers can include:

- Overly burdensome permitting and regulatory process for infrastructure improvements
- Poorly maintained system
- Inadequate competition among service providers/alternatives
- Interstate vs. limited access
- Poor air service
- Lack of transportation-related workforce
- Lack of state/local investment in supportive services (inspections)
- Uncooperative partners (railroads, localities)
- Lack of supporting infrastructure

State of Product Development



Niche But Nascent Cold Storage Sector Sees Investors Seize On The Freeze

August 15, 2024 | Ciara Long, New York City 

When cold storage real estate investment trust Lineage's stock market debut **became the year's biggest initial public offering** in late July, it confirmed something that some industrial investors had suspected for quite a while: Keeping things cold is a hot business.

What's Driving Infrastructure/Logistics Decision Making?

- Customer demands
- Inflation
- Overcapacity in certain markets
- NIMBY/BANANAS/CAVES
- Government restrictions and regulations
- Automation inside the warehouse
- Autonomous trucking
- Energy availability
- Labor (availability, strikes, cost)

What do companies want from Maine?

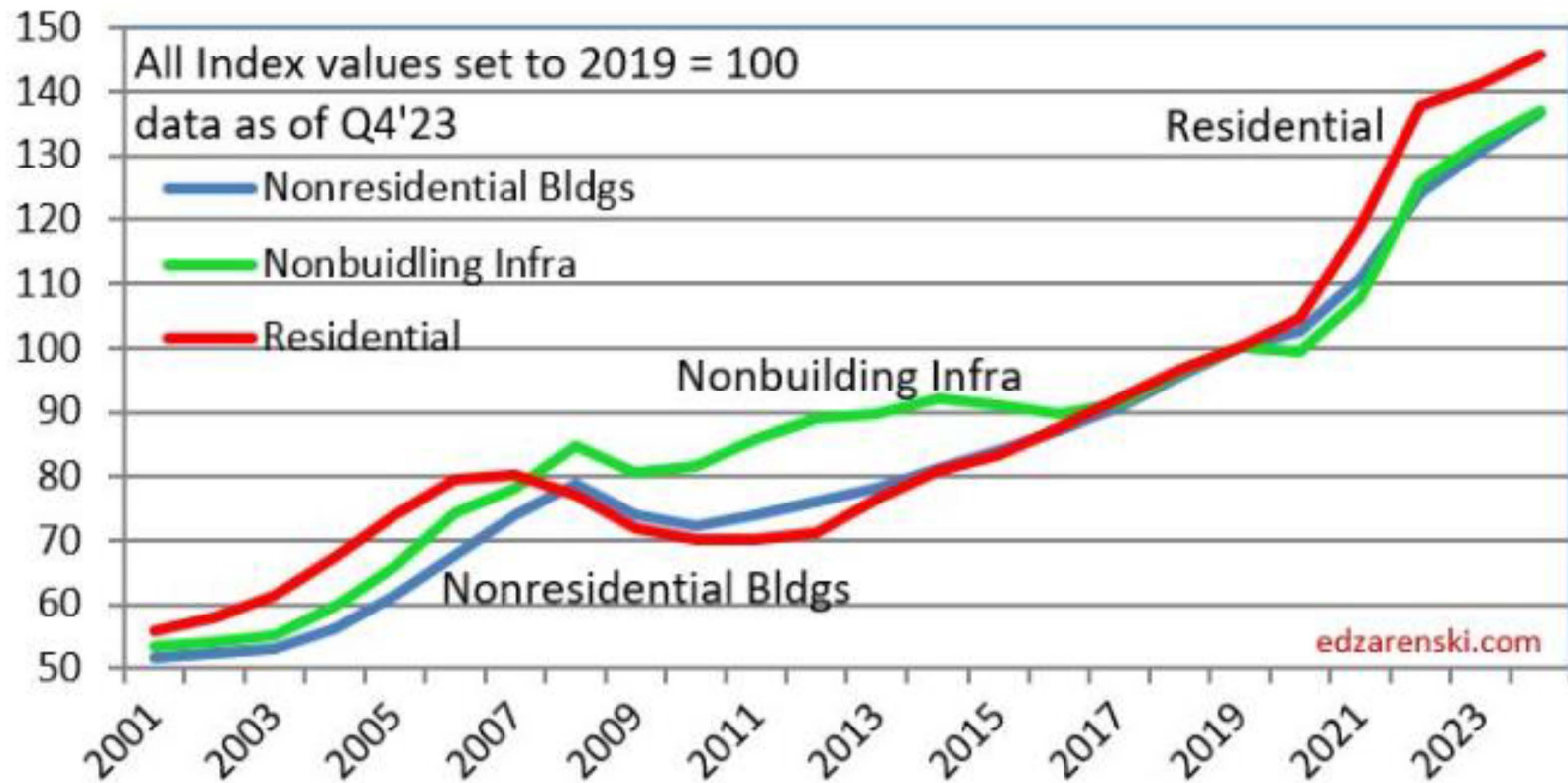
- A partner in their long term success
- Speed to market
- Predictable and stable tax climate
- Rational zoning and land use process
- Investments in education
- Quality of life/place

PARTNERSHIP



SPEED TO MARKET

Construction Analytics Building Cost Index Construction Inflation



VIRGINIA ACTS OF ASSEMBLY -- 2024 SESSION

CHAPTER 471

An Act to amend the Code of Virginia by adding a section numbered 2.2-2240.2:2, relating to Virginia Business Ready Expedited Permitting Program; established.

Approved April 4, 2024

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 2.2-2240.2:2 as follows:

§ 2.2-2240.2:2. *Virginia Business Ready Expedited Permitting Program.*

A. For purposes of this section:

"Eligible site" means a site that meets the qualifications for a site development grant pursuant to § 2.2-2240.2:1, including sites located in Region 1 or 2 that meet the requirements of such section.

"Program" means the Virginia Business Ready Expedited Permitting Program.

"Project" means an economic development project by a traded-sector company involving significant capital investment and new job creation in the locality in which the project is located.

"Traded-sector company" means a company that directly or indirectly derives more than 50 percent of its revenue from out-of-state sources.

B. There is hereby created the Virginia Business Ready Expedited Permitting Program to accomplish the objectives described in this section. The Authority shall annually designate up to two eligible sites and four projects for participation in the Program. Sites and projects eligible for the Program shall include only (i) eligible sites or (ii) projects with significant local, regional, or statewide economic impact that the governing body of the locality in which the project is located has either (a) approved following a public meeting or hearing or (b) submitted, by resolution, for consideration to be included in the Program. No more than two eligible sites or projects shall be designated as part of the Program within one locality annually. Where possible, eligible sites or projects designated by the Authority for participation in the Program shall be equitably distributed geographically throughout the Commonwealth.

MISSISSIPPI LEGISLATURE

By: Senator(s) DeLano

REGULAR SESSION 2024

To: Environment Prot, Cons
and Water Res;
Accountability, Efficiency,
Transparency

SENATE BILL NO. 2649
(As Sent to Governor)

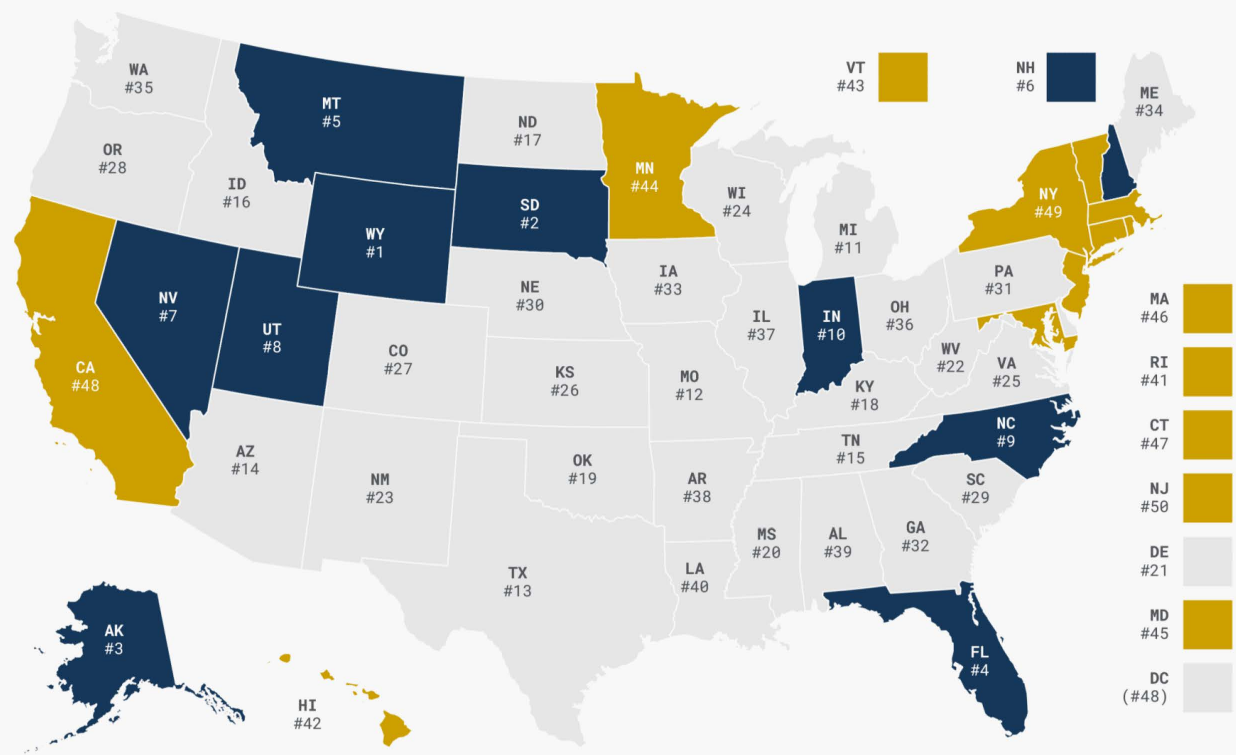
1 AN ACT TO AMEND SECTION 49-2-13, MISSISSIPPI CODE OF 1972, TO
2 ALLOW THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF ENVIRONMENTAL
3 QUALITY TO ENTER INTO CONTRACTS FOR THE PURPOSE OF OBTAINING
4 ASSISTANCE WITH THE REVIEW, EVALUATION, AND PROCESSING OF PERMIT
5 AND CERTIFICATION APPLICATIONS; TO AMEND SECTION 27-104-7,
6 MISSISSIPPI CODE OF 1972, TO GRANT THE DEPARTMENT OF ENVIRONMENTAL
7 QUALITY AN EXCEPTION TO PROCUREMENT REVIEW PROCESSES FOR SUCH
8 CONTRACTS; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** Section 49-2-13, Mississippi Code of 1972, is
11 amended as follows:

PREDICTABLE AND STABLE TAX CLIMATE

2024 State Business Tax Climate Index



10 Best Business Tax Climates

10 Worst Business Tax Climates

Note: A rank of 1 is best, 50 is worst. D.C.'s score and rank do not affect other states. The report shows tax systems as of July 1, 2023 (the beginning of Fiscal Year 2024). Source: Tax Foundation.

Incentives Trends To Watch

- Expansion of deal closing funds
- Matching funds for federal incentives (CHIPs, IRA, IIJA)
- Increased use of post-performance incentives
- Targeted funds to support infrastructure development
- Tax credits or other incentives for internships/apprenticeships
- Resistance to TIF and other structures which impact school funding or are seen as raising the tax burden on homeowners

REASONABLE LAND USE POLICIES

Land Development Trends To Watch

- Increased focus on affordable housing
- Eliminating racial and other barriers to housing mobility
- Climate hazards and resiliency
- Environmental justice
- Development moratoriums

EDUCATION

Talent Development Trends To Watch

- Increased focus on talent attraction and retention
- More internships and apprenticeships
- Earlier engagement of students in talent pathway initiatives
- Enhanced outreach to parents, teachers, guidance counselors
- Fate of “return to the office” policies

QUALITY OF PLACE



READI 1.0

Total Amount of Projects

482

Quality of Life Projects

212

Quality of Place Projects

172

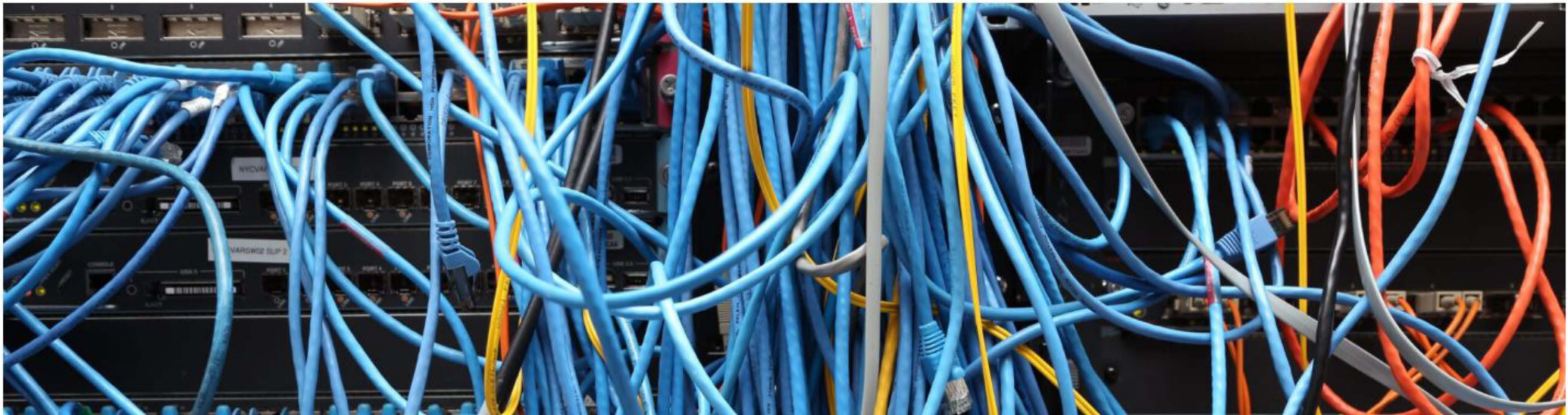
Quality of Opportunity Projects

98

Visit Projects Page →

Maine aims to deliver internet to remaining 9,000 homes and businesses without access

BY: **ANNMARIE HILTON** - OCTOBER 17, 2024 11:13 AM



What Should Maine Economic Developers Do?

- Educate, educate, and educate some more
- Appeal to people's hearts, not their heads/wallets
- Enhance speed to market
- Facilitate P3's to develop existing product and build the future pipeline
- Leverage high quality of life ranking to attract talent
- Ensure your tax policies align with the 21st century economy
- Maintain and enhance contact with developers/owners for market intelligence
- Invest in quality of place/quality of life projects
- Determine role, if any, in addressing housing affordability
- Leverage federal/state programs to maximize impact

Questions or Comments?