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Partnership Shapes New Product in Central S.C.

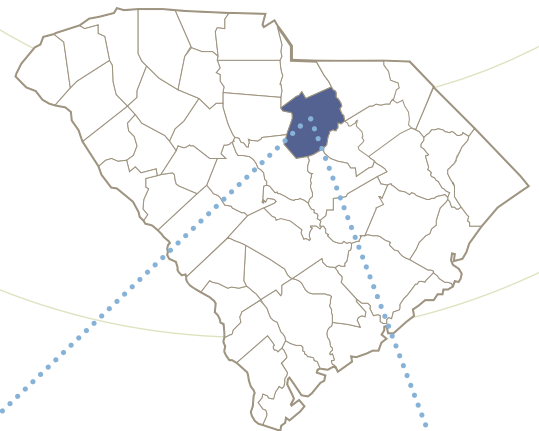
Nothing succeeds like success, so goes the adage. But success for economic developers means they must act even more aggressively to address dwindling inventories of quality industrial buildings.

Leaders in Kershaw County, S.C., know this, and they have established a successful partnership program that will construct a new speculative building at Steeplechase Industrial Park. The 75,000-square-foot structure, which will be expandable to twice that size, is the third speculative building to go into the park. "We've had great results with the program in Kershaw County," said Nelson Lindsay, director of the Kershaw County Economic Development Office. Groundbreaking took place in early May, with construction expected to be complete by September.

As building materials and costs continue to rise, the county was fortunate to forge an arrangement with Illinois-based Agracel, Inc. to build the structure with its own capital. Progress Energy is also supporting the project with a \$400,000 investment, to be repaid within three years. "We were very familiar with the area, and very impressed by it," said Todd Thoman, director of business development at Agracel, which intends to lease or sell the building to its occupant. Such ventures are nothing new for Thoman's firm. It owns nearly 6 million square-feet of industrial space across 10 states. Progress Energy's assistance, however, was key to Agracel's ability to secure the capital necessary to move ahead with construction, Thoman says. "We probably would not have been able to go forward without Progress Energy's participation."

"Working with our counties and business partners to develop new buildings for prospective industry is important to us," said Peggy McLean, senior business development executive at Progress Energy. "We're excited to be a part of this collaborative effort to create opportunity for jobs and economic growth in Kershaw County."

If it follows the pattern of two previous speculative buildings at Steeplechase, the new building won't be on the market long. In 2005, two automotive suppliers – German filter manufacturer Hengst USA and Forgitron, an Ohio-based maker of aluminum wheels – snapped up buildings at the park within eight months of each other. Stephen Roddey, senior project manager at the Central SC Alliance, believes the building will draw renewed international attention to the park, which is also home to Chinese appliance giant Haier America. "International companies tend to gravitate toward one another," explained Roddey, whose regional organization will help market the new building.



Kershaw County speculative building

Aludisc

Sampson County, N.C.
Manufacturer of aluminum discs
\$3.3 million capital investment
70 jobs

Best Buy

Polk County, Fla.
Distribution warehouse
\$13 million capital investment
40 jobs

Citi Trends

Darlington County, S.C.
Retail distribution operation expansion
\$10 million capital investment
200 jobs

Building Reuse Grants Bring Knowledge Work to Rural N.C.



Old-economy mill towns aren't the first place one looks for Knowledge Age job opportunities – until now.

Late last year, officials in the town of Robbins, N.C., secured a \$150,000 grant from the North Carolina Rural Center's Building Reuse and Restoration program to ready an empty hosiery mill for its newest tenant: Situs Outsourcing Solutions, a unit of Houston-based Situs Companies. Funds, which were matched by the company and the town, helped finance telecommunications and HVAC upgrades, new electrical wiring and other renovations at the building. By mid-summer, the company will employ 40 in Robbins, according to Steven Bean, New York City-based managing director of Situs. "This is onshore outsourcing," explained Bean, who happens to be a native of Robbins, a town hard hit by the migration of apparel manufacturing to foreign shores.

Most positions at Situs's new operation, which provides research and consulting services to commercial real estate investors around the world, will require a bachelor's degree in business or a related field, along with relevant experience and good computing skills. Rick Bain, director of the Building Reuse and Restoration Grants program at the Rural Center, calls the arrangement "rural sourcing." His program, created by the North Carolina General Assembly in 2004, has funded a total of \$6.6 million in similar renovations across the state and has brought \$210 million in private investment. "Our goal is to create a value proposition for communities," he said. "Along with good jobs, it brings a true sense of excitement to towns like Robbins."

Western N.C. Program Links Communities to Entrepreneurial Opportunities



In April, leaders of AdvantageWest Economic Development Group, the 23-county regional partnership based in Asheville, unveiled an initiative whereby communities can demonstrate their appeal to entrepreneurs.

The Certified Entrepreneurial Communities (CEC) program offers counties and municipalities a chance to undertake a five-step process that inventories human, physical, institutional and other assets on which today's budding businesses rely. One requirement for applying communities, for instance, is the creation of a database of "entrepreneurial talent" – local residents with the ideas and aptitude needed to build successful businesses from scratch.

CECs, in addition to the obvious benefits such self-assessments bring, will enjoy additional entrepreneurial marketing, promotional and technical support from AdvantageWest. The designation is valid for two years, after which the community may apply for recertification. "The CEC program will help us determine what actions we need to take to help entrepreneurs succeed and facilitate growth in our communities," said Mark Clasby, economic development director for Haywood County. The program was adapted from AdvantageWest's Certified Industrial Site program, another first-of-its-kind solution for addressing the region's unique business development challenges. "It has the same kind of promise," Clasby said.

Colbond

Buncombe County, N.C.
Geo-synthetic nonwovens for flooring,
automotive and construction applications
\$7 million
20 jobs

JELD-WEN, Inc.

Osceola County, Fla.
Window and door manufacturing
plant expansion
\$72 million capital investment
No additional jobs

Metromont

Polk County, Fla.
Precast concrete wall manufacturer
\$6 million capital investment
100 jobs

Community Focus: Highlands County, Florida Central Location Poised for Growth

Nestled amid three of Florida's largest metro areas, Highlands County enjoys enviable convenience to consumers in every direction. "We're all set for development," said Louise England, executive director of the Highlands County Economic Development Commission. "Our companies can reach Miami, Tampa or Orlando in no more than three hours."

But there is much more to the strategically positioned county's economy than location. Assertive, business-oriented leaders and strong infrastructure are luring new hotels, manufacturers and professional services companies. Sebring Regional Airport was recently chosen as the South Central Rural Area of Critical Economic Concern (RACEC) site for a Catalyst Project and with support from Enterprise Florida, Inc., the county is poised to grow jobs in the health science and medical equipment industries. As part of the

South Central (RACEC), England now has access to an expanded menu of state and regional resources to bring added diversification to the county's economy. "The designation gives us leverage when we apply for grants and seek incentives for our companies," she explained.

Highlands leaders are similarly excited about plans for a limited access toll-road that will draw their community closer to I-95 to the east and, westward, to Port Manatee, now one of Florida's largest seaports. "It will open up a new window to the world for us," said Mike Willingham, executive director of the Sebring Regional Airport, which hopes to have an interchange along the new highway. The airport and its expansive commerce park rank among the county's most appealing business assets. "The facility is much more than an airport. It's a platform for economic development," Willingham said.

Sebring Regional Airport, which has its own ambitious expansion plans, is home to some 800 jobs. Companies there include aviation parts and service providers, plastics and building-products makers and motor sports firms. Among its newest residents is E-Stone USA Corp., a maker of decorative mosaics for commercial and residential buyers. The company, a unit of Italy's Trend Group, SpA, maintains 160,000 square-feet of manufacturing and distribution space at Sebring. In 2005, E-Stone considered sites around Florida and Georgia before choosing Highlands County for its first North American outpost. "We've been very satisfied here," reported Mike Titzler, plant manager at E-Stone. Titzler said that an abundance of quality sites, welcoming local officials and an attractive incentive package were factors that led his firm to the county.



Sebring Regional Airport Terminal Building. The airport and its commerce park generate an economic impact of well over \$200 million annually.

PolyQuest

Darlington County, S.C.
 Processor and distributor
 of PET resin products
 \$5 million capital investment
 15 jobs

Resource Conservation Technologies, Inc.

Jefferson County, Fla.
 Plastics manufacturer for construction industry
 40 jobs

Revlon

Granville County, N.C.
 Cosmetic manufacturing plant expansion
 \$50 million capital investment
 2,000 retained jobs

Highlands County Highlights

At a Glance

- Location: At the heart of South Central Florida, within a 150-mile radius of more than 15 million people – 85 percent of the state's population.
- Land area: 1,029 sq. miles
- Population: 96,321 (2006 est.)
- Workforce: 44,238 (Mar. 2007)
- Unemployment rate: 3.3 percent (Feb. 2007)
- Median household income: \$33,847 (2006 est.)

Transportation

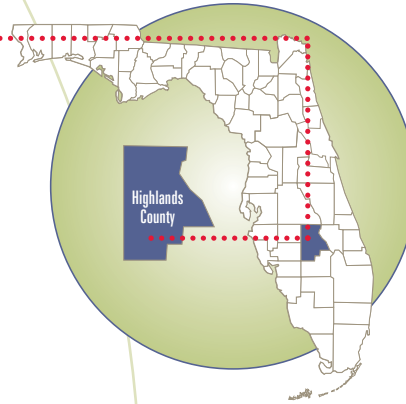
- Highways: Interstates 4 and 75; Florida Turnpike; U.S. Highways 27 and 98
- Sea: Port of Tampa is 70 miles away.
- Rail: CSX Corporation; South Central Florida Railway
- Air: General aviation/executive airports include Sebring Regional, Avon Park Municipal and Placid Lakes Airport. Orlando International Airport is 80 miles away.

Education

- Twenty-nine public and private K-12 schools enroll more than 13,000 students. Nearly 75 percent of high school graduates proceed to higher education programs.
- Highlands Campus of South Florida Community College in Avon Park partners with eight universities to bring 14 bachelors degrees to county residents.
- In nearby Lakeland, Florida Southern College offers bachelors degrees in 36 major fields and masters degrees in three program areas. Also nearby are Webber International University and the 380-acre campus of Warner Southern College.

Taxes and Incentives

- No state property tax; no tax on inventories
- Qualified Target Industry Tax Refund Program
- Quick Response Training Program
- Enterprise Zone Rural Jobs Tax Credits



Major Manufacturers (2007 workforce)

- Georgia Pacific (140)
- LinPac Plastics (129)
- Cargill Citro Pure (100)
- LESCO, Inc. (100)
- E-Stone USA Corp. (100)
- Elberta Crate & Box, Co. (80)
- Better Roads, Inc. (75)
- GenPak Plastics (72)
- Jahna Concrete, Inc. (60)
- Hancor, Inc. (50)

Quality of Life

- Sebring International Raceway, the oldest permanent road racing track in North America, hosts the well-known 12-hour Sebring endurance race each March.
- Outdoor attractions include 845-acre Lake June-in-Winter Scrub State Park, which boasts North America's highest concentration of rare plants and animals; Highlands Hammock State Park; and Avon Park Air Force Range, a popular destination for fishing, hunting, camping, equestrian and bird-watching enthusiasts.
- Highlands County is convenient to big-city recreational, retail, healthcare and cultural amenities in nearby Tampa, Orlando, Miami and West Palm Beach.



Sources: Florida Agency for Workforce Innovation; Highlands County Economic Development Commission; Decision Data Resources

Sears Repair Center

Orange County, Fla.
Appliance repair center consolidation
\$3.6 million capital investment
125 jobs

Smith Aerospace

Buncombe County, N.C.
Jet engine components operation expansion
\$20 million capital investment
200 jobs

Energy Efficiency Helps Grow Jobs In Central Florida

Economic development isn't just about real estate and a workforce. In an increasingly complex economy, a host of factors can make or break projects.

Case in point: when a company's choice of refrigeration equipment boosts its competitive posture. That was among the pivotal questions Martin-Brower Company faced in building a new \$37.5 million production facility in Orange County, Fla. Last fall, the leading supplier of baked goods to McDonald's Corp. was considering options to trim energy expenses at its new site when Progress Energy experts stepped in with technical guidance. "Refrigeration might be as high as 70 percent of their energy costs," explained Greg Burkett, Orlando-based senior project manager for energy analysis and monitoring at Progress Energy.

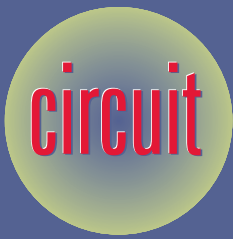
In bringing his 18 years of energy auditing expertise to bear, Burkett worked closely with Martin-Brower officials and their construction planners, as well as his Progress Energy economic development and account management colleagues. "We worked on the case together over a period of months," Burkett said. Opting for an ammonia-based refrigeration system, Martin-Brower expects to save millions of kilowatt-hours of energy each year. And the company is eligible for generous rebates through Progress Energy Florida's Innovation Incentive, assistance that will be valuable as Martin-Brower ramps up its 259-person workforce, with average annual salaries of \$45,000.

The Conservatory — Florida's First Platinum LEED Building



The U.S. Green Building Council has awarded Overture Development Group pre-certification for the first Leadership in Energy and Environmental Design (LEED) Platinum-rated building in Florida. Named "The Conservatory," the 130,000-square-foot energy-efficient building will also be the first LEED Platinum office

condominium (A+) in the world. Among the Conservatory's features are the largest accessible green roof in Florida, extensive natural lighting and 35 percent less energy usage than a conventional building. Completion is expected in early 2008.



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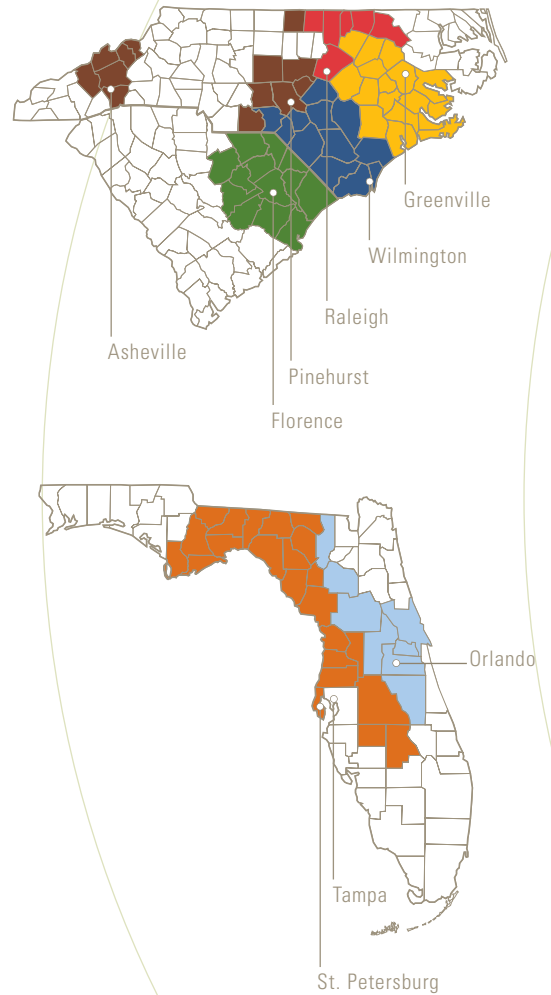
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