

A BLUEPRINT FOR ECONOMIC RECOVERY

FROM THE NORTH CAROLINA DESIGN & CONSTRUCTION RECOVERY COALITION

THE COALITION URGES ACTION ON:

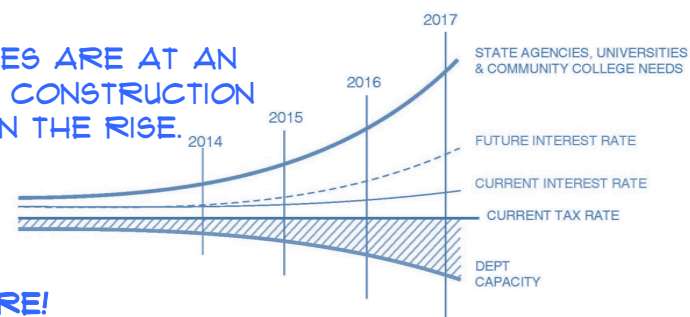
- 1) **PASSAGE OF HB 152/SB 281 TO REINSTATE THE STATE HISTORIC PRESERVATION TAX CREDITS.**
 - KEEP INVESTMENT AND JOBS FLOWING TO OUR LOCAL COMMUNITIES
 - COUNTLESS PROJECTS ARE NOW BEING CANCELLED DUE TO THE ELIMINATION OF THE TAX CREDITS
- 2) **REPAIR, RENOVATE AND INVEST IN NEGLECTED PUBLIC BUILDINGS & INFRASTRUCTURE.**
 - \$3.9 BILLION - AMOUNT THE STATE CONSTRUCTION OFFICE ESTIMATES IS NEEDED FOR CURRENT STATE FACILITY DEFICIENCIES, REPAIRS AND RENOVATIONS
 - \$BILLIONS NEEDED - TO ACCOMMODATE POPULATION GROWTH, STUDENT GROWTH AND STATE SERVICES
- 3) **SUPPORT THE GOVERNOR'S TRANSPORTATION & STATE BUILDING BOND PROPOSALS FOR \$1.4 BILLION EACH TO TAKE ADVANTAGE OF HISTORICALLY LOW INTEREST RATES.**
 - EACH BOND PROGRAM IS A SMALL STEP IN THE RIGHT DIRECTION OF REBUILDING OUR STATE'S CRITICAL INFRASTRUCTURE NEEDS
- 4) **CONVENE THE BLUE RIBBON COMMISSION ON BUILDING & INFRASTRUCTURE NEEDS AUTHORIZED UNDER HB 1043 FROM 2014.**
 - THE TRUE SCOPE OF OUR INFRASTRUCTURE NEEDS MUST BE DOCUMENTED AND PRIORITIZED



NO ADDITIONAL DEBT

THE LATEST DEBT AFFORDABILITY STUDY SHOWS THE STATE HAS \$100 MILLION MORE A YEAR, FOR THE NEXT 5 YEARS, IN CAPITAL CONSTRUCTION CAPACITY WITHOUT INCURRING ANY TAX INCREASES.

INTEREST RATES ARE AT AN ALL TIME LOW. CONSTRUCTION COSTS ARE ON THE RISE.



NOW IS THE TIME TO PLAN FOR THE FUTURE!

WHAT'S AT STAKE

NORTH CAROLINA'S PUBLIC INFRASTRUCTURE HAS A MAJOR IMPACT ON ATTRACTING NEW BUSINESS TO THE STATE AND ON GROWING OUR EXISTING BUSINESSES. THE EFFICIENT OPERATION OF GOVERNMENT SERVICES, THE QUALITY OF PUBLIC EDUCATION, THE ABILITY TO MOVE ABOUT, ADEQUATE UTILITY SYSTEMS AND RECREATIONAL RESOURCES ALL CONTRIBUTE TO BUSINESS AND EMPLOYMENT GROWTH. ESSENTIAL PUBLIC INFRASTRUCTURE INVESTING ENSURES AN IMMEDIATE IMPACT IN DESIGN AND CONSTRUCTION EMPLOYMENT, LONG-TERM NEW JOB CREATION AND GROWING EXISTING BUSINESSES.

BUILDING = JOBS

- FOR EVERY \$1 BILLION IN CONSTRUCTION INVESTMENT, 28,500 JOBS ARE CREATED OR SUSTAINED.
- TOTAL NUMBER OF NC CONSTRUCTION JOBS REMAINS 60,000 BELOW 2008 LEVELS.
- STATE POPULATION HAS INCREASED 1% IN THAT TIME.
- ADDRESSING OUR REPAIR & RENOVATION NEEDS WOULD CREATE MORE THAN 140,000 JOBS.

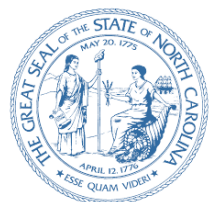


INVEST NORTH CAROLINA

GREAT STATE OF NORTH CAROLINA

MARCH 25, 2015

ISSUED FOR THE GENERAL ASSEMBLY



A BLUEPRINT FOR ECONOMIC RECOVERY

INVEST NORTH CAROLINA

“YOU CAN NOT ESCAPE THE RESPONSIBILITIES OF TOMORROW BY EVADING THEM TODAY”
- ABRAHAM LINCOLN

HISTORIC TAX CREDITS

THE HISTORIC TAX CREDIT PROGRAM PROVIDES JOBS, BOLSTERS THE TAX BASE, AND REVITALIZES EXISTING BUILDINGS AND INFRASTRUCTURE, WHILE PRESERVING THE STATE'S PRICELESS HISTORIC CHARACTER. IT CREATES ECONOMIC OPPORTUNITY ACROSS THE STATE, TURNING OLD BUILDINGS INTO NEW CENTERS OF DEVELOPMENT. UNDER THE OLD PROGRAM NEARLY \$1.5 BILLION IN PRIVATE INVESTMENT OCCURRED IN 90 OF THE STATE'S 100 COUNTIES. THE PROGRAM WOULD ATTRACT 2.5 TIMES MORE JOBS AND LONGER-TERM ECONOMIC BENEFITS FOR THE STATE AND LOCAL COMMUNITIES AT THE SAME COST TO THE STATE TREASURY AS AN EQUIVALENT ACROSS THE BOARD TAX REDUCTION.



THE RECOVERY COALITION STANDS READY TO WORK WITH THE GENERAL ASSEMBLY TO ADDRESS OUR STATE'S LONG-TERM INFRASTRUCTURE NEEDS:

AMERICAN INSTITUTE OF ARCHITECTS - AIA
DAVID CRAWFORD
DCRAWFORD@AIANC.ORG 919-833-6656

CAROLINAS ASSOCIATED
GENERAL CONTRACTORS - AGC
DAVE SIMPSON
DSIMPSON@CAROLINASAGC.ORG
BERRY JENKINS
BJENKINS@CAROLINASAGC.ORG
BETSY BAILEY
BBAILEY@CAROLINASAGC.ORG
919-781-3210

PROFESSIONAL ENGINEERS
OF NORTH CAROLINA - PENC
NEIL DEANS
NEIL.DEANS@KIMLEY-HORN.COM
919-653-5878

AMERICAN COUNCIL OF ENGINEERING
COMPANIES OF NC - ACEC NC
JIM SMITH
JSMITH@ACECNC.ORG
919-781-1934

TRANSPORTATION

THERE IS AN ESTIMATED \$60 BILLION SHORTFALL IN FUNDING REQUIRED BY 2040 TO ADEQUATELY PLAN, DESIGN, BUILD AND MAINTAIN OUR STATE'S TRANSPORTATION SYSTEM. TO ADDRESS LONG-TERM FUNDING NEEDS IN A DRAMATICALLY CHANGING TRANSPORTATION ENVIRONMENT, WE RECOMMEND THE FOLLOWING REVENUE STREAMS BE CONSIDERED TO MAINTAIN A STABLE FLOW OF FUNDING FOR THE STATE'S TRANSPORTATION NEEDS:

- TRANSPORTATION BOND
- AUTO INSURANCE SURCHARGE
- INCREASE HIGHWAY USE TAX
- WHOLESALE MOTOR FUEL TAX
- TOLLING APPROPRIATE ROADS
- VEHICLE MILES TRAVELED (VMT) FEE
- STOP TRANSFERS FROM HIGHWAY FUND TO GENERAL FUND

WATER & SEWER

BY 2030, NORTH CAROLINA'S PUBLIC WATER SYSTEMS ARE PROJECTED TO SERVE 9.8 MILLION PEOPLE, 10% MORE THAN CURRENT CUSTOMERS. ADDITIONALLY, THE STATE HAS DOCUMENTED OVER \$4 BILLION IN ADDITIONAL WASTEWATER INFRASTRUCTURE NEEDS THROUGH THE YEAR 2030. THESE FUNDS ARE NEEDED TO REPLACE AGING FACILITIES, COMPLY WITH MANDATED CLEAN WATER ACT (CWA) REGULATIONS, AND PROVIDE, AS WELL AS KEEP PACE WITH, ECONOMIC DEVELOPMENT. IF THESE NEEDS AREN'T MET, THE STATE RISKS REVERSING THE IMPROVED PUBLIC HEALTH AND ECONOMIC GAINS THAT WE'VE REALIZED OVER THE PAST 30 YEARS.

PUBLIC BUILDINGS

INVESTING IN ESSENTIAL PUBLIC INFRASTRUCTURE ENSURES AN IMMEDIATE IMPACT IN DESIGN AND CONSTRUCTION EMPLOYMENT, LONG-TERM NEW JOB CREATION AND GROWING EXISTING BUSINESSES. HERE ARE THE FACTS:

- \$3.9 BILLION - AMOUNT THE STATE CONSTRUCTION OFFICE ESTIMATES IS NEEDED FOR CURRENT STATE FACILITY DEFICIENCIES, REPAIRS AND RENOVATIONS.
- 1.1 MILLION (11%) - PROJECTED NORTH CAROLINA POPULATION INCREASE IN NEXT 10 YEARS.
- \$BILLIONS NEEDED - TO ACCOMMODATE POPULATION GROWTH, STUDENT GROWTH AND STATE SERVICES.

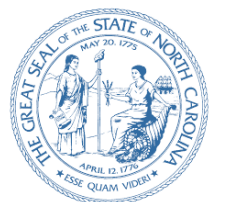


INVEST NORTH CAROLINA

GREAT STATE OF NORTH CAROLINA

MARCH 25, 2015

ISSUED FOR THE GENERAL ASSEMBLY



A BLUEPRINT
FOR
ECONOMIC
RECOVERY