

Site Readiness Surge: States Bet Big to Attract Industrial Investment and Jobs

by **Dewey Evans**, on Apr 3, 2025 7:00:00 AM

States continue to invest hundreds of millions of dollars in product development efforts aimed at enhancing the developability and speed-to-market of industrial property, attracting capital investment and job creation amid a shortage of development-ready sites across the country. Site Selection Group regularly monitors investment in product development. This article summarizes the current state of investment across the country.

What is product development?

Product development refers to the proactive efforts of states, utilities, or other economic development entities to enhance the developability and marketability of their assets. Although product development encompasses real estate, workforce, downtown revitalization, etc., the term is most commonly used when referring to investment in industrial property and has become synonymous with the economic development buzzword “site readiness.”

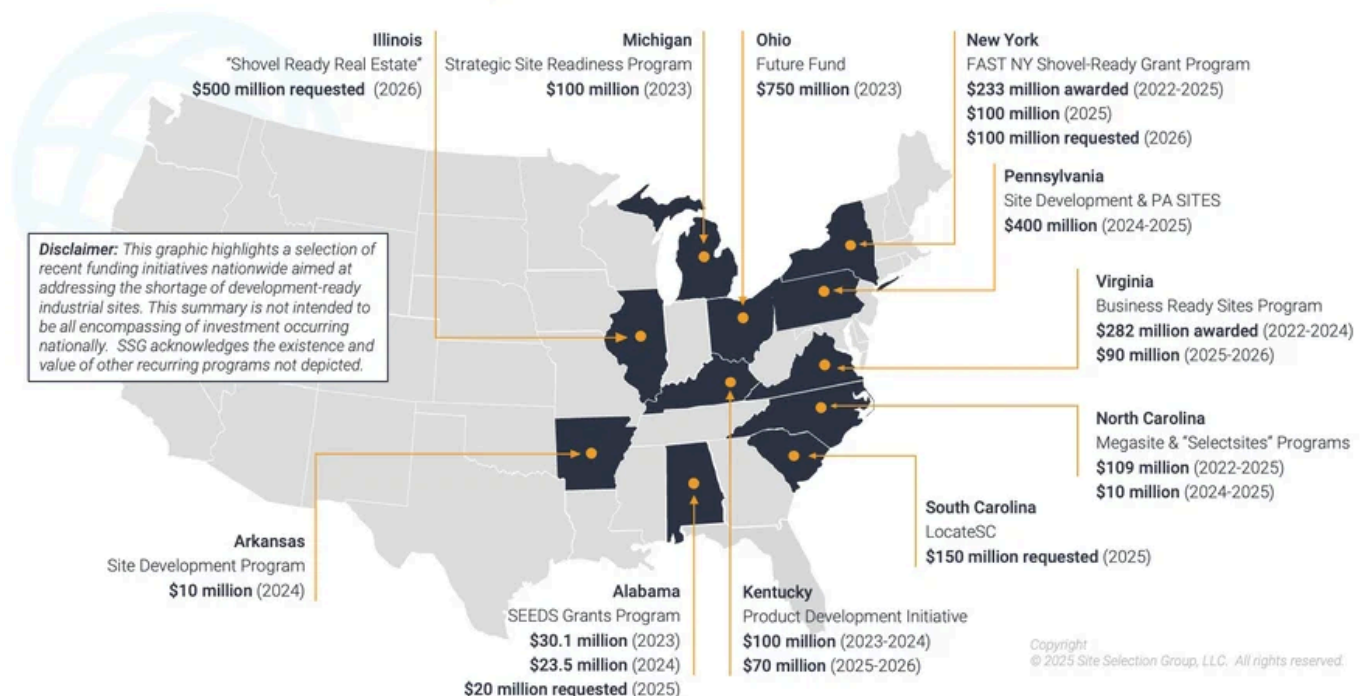
Site readiness involves documenting an industrial site’s (or property intended for industrial development) assets and deficiencies and subsequently investing in efforts to improve the value proposition of said site. Investment commonly includes property acquisition or control (e.g., public option), due diligence, proactive rezoning for industrial use, site clearing and/or grading, infrastructure improvements, master planning, etc. The ultimate goal of product development is to create jobs and attract capital investment, whether from new or existing business, while enhancing the overall economic health and vitality of a state or region.



States funding product development

Product development efforts have taken various forms over the past few decades, from structured site readiness or certification programs to targeted, standalone investments. The following summary explores recently announced and funded investments at the state level. The list is not intended to encompass all investments occurring nationally, nor does it include many of the marquee recurring programs that are critically important in the holistic product development ecosystem. Rather, this summary is meant to reflect a sampling of the significant level of funding occurring nationwide to address the shortage of qualified industrial sites.

State of Product Development



Alabama

Announced in 2023 as part of a broader economic development legislative priority, Alabama's Site Evaluation and Economic Development Strategy (SEEDS) Act established a grant program offering funds to expedite the development of new economic development sites statewide. Governor Kay Ivey announced **\$30.1 million** in grants in the initial round and an additional **\$23.5 million** of funding in February 2025. Furthermore, it is reported that "A third round of SEEDS funding will be announced ... an additional allocation of **\$20 million** to continue the success of the site development program." Grant funding may be utilized for both site assessment (e.g., due diligence studies) and site development.

Arkansas

In 2024 Arkansas launched “the first industrial site development program in state history,” the [Arkansas Site Development Program](#). The inaugural grant funding awarded 13 communities with a collective **\$10 million** and “funds can be used for a range of site development projects, including the extension and improvement of public infrastructure to the site; right of way acquisition; easement acquisition; soil borings and analysis; construction costs for site improvements, including drainage improvements, easement, dozer or dirt work, grading, site mitigation, and site rehabilitation; due diligence study costs; and other site development-related activities ...”

Kentucky

A state that has led the way in recent years in product development funding, the [Kentucky Product Development Initiative](#) (KPDII) is a statewide effort that provides “funding assistance for transformative site and infrastructure improvement projects.” In 2022, the legislature approved **\$100 million** for fiscal years 2023 and 2024, and the success of the program led to an additional **\$70 million** allocation for fiscal years 2025 and 2026. Funding can be utilized for a variety of development activities such as due diligence study, site and infrastructure improvements, building construction, or renovations, etc.

Illinois

In February 2025, [Illinois Governor J.B. Pritzker requested \\$500 million](#) for “new and existing site readiness programs” as part of the FY 2026 budget. The majority of this proposed funding, if approved, is intended to rehabilitate unused or deteriorated state-owned sites or buildings into shovel-ready real estate.

Michigan

Michigan announced the appropriation of **\$100 million** in 2023 to be distributed through the Strategic Site Readiness Program. This investment was strategically proactive for sites where an end-user has not been identified. [In January 2024 it was announced](#) that **\$87.5 million** of the initial appropriation had been awarded to 18 projects across the state to be utilized for activities such as “land acquisition and assembly; site preparation and improvement; infrastructure improvements that directly benefit the site (e.g., transportation, water/wastewater, and utilities);



demolition; construction; alteration; rehabilitation; improvements of buildings on the site; environmental remediation; architectural; engineering; surveying; and similar professional fees.”

New York

In 2022, New York began preparing and developing sites across the state through the [Focused Attraction of Shovel-Ready Tracts \(FAST\) New York grant program](#). Since the program’s inception, approximately **\$233 million** has been awarded, with an additional **\$100 million** proposed as part of the 2026 budget, after securing **\$100 million** in fiscal year 2025. The grants are “awarded for pre-development activities and infrastructure investments to develop sites that will attract many eligible industries.”

North Carolina

Since 2022, the North Carolina General Assembly has appropriated approximately **\$119 million** for product development funding ([Maynard Nexsen, January 2025](#)). While the lion’s share of this funding was appropriated for mega sites (i.e., a parcel of contiguous property consisting of more than 1,000 acres that is viable for industrial development), \$10 million of the appropriation and additional advocacy efforts are aimed at establishing a revolving product development fund geared toward investment in sites of less than 1,000 acres.

Ohio

The [All Ohio Future Fund](#) was announced in 2023 to the tune of a staggering **\$750 million** investment “to help increase the state’s inventory of project-ready economic development sites.” Unique among similar site readiness efforts, the program guidelines stipulate that grant awardees find a suitable end-user within five years. To date, approximately \$106.6 million of the initial allocation has been awarded.

Pennsylvania

In October 2024, [Pennsylvania announced](#) a **\$400 million** investment in the Pennsylvania Strategic Investments to Enhance Sites (PA SITES) program. According to the Department of Community and Economic Development, “PA SITES funding consists of planning grants that can be used to conduct plans or feasibility studies for prospective sites, as well as construction grants and loans to help finance strategic investments to enhance sites across the Commonwealth.”



South Carolina

South Carolina, a state known for its strong commitment to site readiness and economic development, is seeking **\$150 million** from the General Assembly to enhance statewide industrial sites. The Department of Commerce, led by Secretary Harry Lightsey, **revealed** that proposals from counties across the state for site improvements totaled \$2.6 billion, highlighting the significant demand for funding.

Virginia

Virginia awarded approximately **\$282 million** in matching grants between 2022 and 2024 as part of the Virginia Business Ready Sites Program (VBRSP). There are currently **\$40 million** in grant awards being evaluated as part of FY 2025, and an additional **\$50 million** was requested as part of the 2026 budget.

How does product development investment benefit industrial users?

The scarcity of development-ready industrial sites across the U.S. will continue to impact site selection projects over the next few years. Although product development is a long-term play and requires patient capital on the part of the investing entity, the proactive investment summarized herein will benefit companies in numerous ways, all of which ultimately seek to reduce the development timeline and mitigate the risk of a typical site selection project. Further, although not explored in this article, many of the headline-grabbing investment announcements of the post-COVID industrial development era can be traced directly back to the proactive investment made by states, utilities, and localities in the past 10 to 15 years. Thus, the importance of these efforts cannot be overstated.

Site Selection Group can help identify and evaluate sites

While site selection projects should never be limited to sites evaluated through programs such as those described above, these programs are helping to replenish the deficit of industrial sites and should be credited with expediting speed-to-market. Site Selection Group regularly assists companies by objectively evaluating critical site selection factors such as identification and



alignment of industrial real estate, adequately weighing them alongside other factors such as labor availability, operating costs, economic incentives, and more.

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