



North Carolina Department of Commerce

Pat McCrory, Governor

John E. Skvarla III, Secretary

MEMORANDUM

To: Joint Legislative Commission on Governmental Operations
Senate Appropriations / Base Budget Committee
House Appropriations Committee
Office of State Budget and Management
Joint Legislative Transportation Oversight Committee
Environmental Review Commission

From: North Carolina Department of Commerce
North Carolina Department of Environment and Natural Resources
North Carolina Department of Transportation
Economic Development Partnership of North Carolina

Date: May 21, 2015

Re: **Collaboration for Prosperity Zone**

Pursuant to N.C. Section 3.1 of Part III, Session Law 2014-18, it is the intent of the General Assembly to establish geographically uniform zones within North Carolina to:

- 1) Facilitate collaborative and coordinated planning and use of resources,
- 2) Improve cooperation with other governmental and nonprofit entities at the local and regional level,
- 3) Facilitate administrative efficiencies within State government,
- 4) Receive advice on economic development issues by local boards established by a North Carolina nonprofit corporation with which the Department of Commerce contracts, and
- 5) To the extent feasible, establish one-stop sources in each region for citizens and businesses seeking State services at the regional level.

To achieve these goals, the legislature outlined eight permanent zones, referred to as Collaboration for Prosperity Zones (from now on referred to as Prosperity Zones). Legislation requires that at least one Liaison in each Prosperity Zone be identified and that by January 1, 2015, the Departments of Commerce, Environment and Natural Resources, and Transportation have at least one employee physically located in the same office in each of the Prosperity Zones to serve as that department's Liaison. Existing funds within these agencies were to be used to carry out the requirements.

This is a status report on the description of the activities Liaisons have been assigned to perform, the identification of Liaisons by Department, and the establishment of co-located Liaisons within each Prosperity Zone.

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DOT, DENR, Commerce and the Economic Development Partnership of North Carolina (EDPNC) have been working individually and collectively on the following:

Activities Assigned to Liaisons from DOT, DENR, and EDPNC

Liaisons from each Department and the EDPNC are to serve as a single point of contact for each Department in an effort to improve communication and cooperation across agencies. They are to facilitate a close working relationship between each organization and the customers of the state.

DENR and DOT will submit no later than June 15, a report of activities of the Liaisons. Specifically in that report will be included references to any activities undertaken that resulted in enhanced collaboration and coordination with other Departments and with other governmental agencies, improved administrative efficiencies, and any steps taken to make services to citizens and businesses within each zone more efficient, economical and user friendly.

Identification of Liaisons from DOT, DENR, EDPNC/Commerce

DOT and DENR have identified existing employees to serve as Liaisons for each Prosperity Zone. As permissible by the legislation, the Department of Commerce has contracted with the Economic Development Partnership of North Carolina, a nonprofit corporation, to fulfill the departmental Liaison requirements for each of the Prosperity Zones. The establishment of the public-private partnership was finalized in 2014, and the EDPNC has been hiring resources in each Prosperity Zone to fulfill the mission of the EDPNC. These regional resources will also serve as the Prosperity Zone Liaison for the purpose of this Legislation. As of June 1, EDPNC will have a liaison in each Prosperity Zone.

Physical Co-Location Site in Each Zone for Liaisons from DOT, DENR, and EDPNC

Under Section 4.1, DOT, DENR, and EDPNC shall have at least one employee physically located in the same office in each of the Prosperity Zones. The Departments shall jointly select the office in each Zone.

To accomplish co-location, DOT and DENR provided their respective office locations to the Commerce LEAD Division, who mapped these out by Prosperity Zone (See Attached Map “N.C. Prosperity Zones”). The statewide map includes facilities owned and/or leased by each agency. Due to each agency previously having their own statewide organizational structure at the regional level, there are currently only two counties across the entire State where DOT and DENR have an office in the same county.

We have identified specific future opportunities for co-location of EDPNC Regional Managers in space made available by DOT (see attachment). Further, a Commerce Planner who is a state employee will be co-located in the DENR Wilmington, NC regional office on a permanent basis. We are in the process of finalizing an MOU for this shared space; however, this will be effective in the near future.

Representatives from the three Departments and the EDPNC are looking at available leased and owned office locations that could accommodate 2 or 3 additional people on a permanent basis as soon as practicable. Unfortunately, we are confined to our existing geographic office locations as well as available square footage in each leased or owned space. As leases from these state agencies near end of term, the Department of Administration will evaluate the needs and opportunities for further co-location within each Prosperity Zone. The Departments will provide a Zone by Zone analysis for future co-location at a date certain once current lease obligations are met.

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Although geographic locations and alignment of agencies has presented challenges, all remain in agreement that efficiencies and customer service improvements can be gained by the implementation of collaborative resource location.

Until permanent co-location can be achieved, as soon as practicable, Prosperity Zone Liaisons will develop a schedule for co-location “office hours” in each Prosperity Zone at an agreed upon location. “Office Hours” will be posted in a publicly visible place within each department office in each Prosperity Zone.

Further, each department will implement cross-training efforts to ensure no lapses in customer service. To accomplish this, Prosperity Zone Liaisons will implement a customer tracking log to track cross-agency referrals.

Consideration is Being Given to the use of the Most Advanced Information Technology

Until permanent co-location can be achieved in each Prosperity Zone, one proposed bridge solution currently being evaluated is the ability to “virtually” co-locate. Technology now offers functionality that can leverage to streamline operational efficiencies and to allow collaboration of the Liaisons within and between Prosperity Zones. Through consultation with the Office of Information Technology Services, it has been proposed that consideration be given to evaluating the use of the most advanced IT systems available. Through a pilot, it will be determined whether technology can be fully leveraged to maximum collaboration between and among these Zones.

In addition to a virtual experience, use of a customer tracking system will offer a means of tracking issues and projects that could be used by multiple participants and to keep projects and coordination current. DENR is currently using a permit tracking platform we are told that could be easily modified to monitor coordination and collaboration activities within the Zones. Commerce has plans to implement this system in-house in the immediate future. This program is very customizable and could be easily sculpted to include all data needing managed by the Liaisons.

Next Steps:

The Departments will provide a Zone by Zone analysis for future co-location at a date certain once current lease obligations are met.

DENR and DOT will submit no later than June 15, a report of activities of the Liaisons. Specifically in that report, will be included references to any activities undertaken that resulted in enhanced collaboration and coordination with the other Departments and with other governmental agencies, improved administrative efficiencies, and any steps taken to make services to citizens and businesses within each zone more efficient, economical and user-friendly.

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ATTACHMENT

Co-Location of EDPNC Regional Managers

Northeast - EDPNC Regional Industry Manager has an office in Williamston with the Martin County EDC. DOT is reviewing available space at DOT Division 2 Office - 105 Pactolus Highway, Greenville, NC.

Southeast - EDPNC Regional Industry Manager starts on June 1 and does not have an office as of now. DOT has suggested they might have space in a facility in Burgaw, but the building is under construction and won't be completed until 2016.

North Central – DOT has offered workspace in their Division 4 office - 509 Ward Blvd. Wilson, NC 27895. EDPNC Regional Industry Manager can work from there and EDPNC HQ in Cary.

Sandhills - EDPNC Regional Industry Manager has been provided a workspace in the offices of the Southeast Regional Economic Development Partnership in Elizabethtown. DOT has suggested that there might be space available in DOT Division 6 office - 558 Gillespie St. Fayetteville, NC 28301.

Piedmont Triad - No space presently available in DOT facility in Reidsville. Other options under investigation. EDPNC Regional Industry Manager works from an EDPNC Recruitment office in Greensboro.

Southwest – DOT has offered space in DOT Div. 10 - 615 Concord Rd. (NC 73) Albemarle, NC 28001 and DOT Div 12 – Shelby, NC.

Northwest – EDPNC Regional Industry Manager has been offered free office space in Hickory through the Catawba County EDC. DOT has offered workspace in DOT Division 11 office - 801 Statesville Road, N. Wilkesboro, NC 28659.

Western – EDPNC Regional Industry Manager has been provided a free office in the Henderson County Economic Partnership office. We have also been offered space at DOT Division 14 Office - 345 Toot Hollow Road Bryson City, NC 28713

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