

Collaboration for Prosperity Zone Annual Report

Citation of Law or Resolution:	S.L. 2016-94
Section Number:	Section 15.10 (a)
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Receiving Entities:

The Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources
The Joint Legislative Economic Development and Global Engagement Committee
The Fiscal Research Division

Submitting Entity:

N.C. Department of Commerce, Rural Economic Development Division, NC Main Street and Rural Planning Center

August 18, 2017

MEMORANDUM

TO: The Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources
The Joint Legislative Economic Development and Global Engagement Committee
The Fiscal Research Division

FROM: Elizabeth H. Parham, Director
NC Main Street and Rural Planning Center

SUBJECT: Collaboration for Prosperity Zone Annual Report

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BACKGROUND

The intent of the State's eight Collaboration for Prosperity Zones created by the General Assembly in G.S. 143B-28.1 is to establish geographically uniform zones in this State to facilitate collaborative and coordinated planning and use of resources, to improve cooperation with other governmental and nonprofit entities at the local and regional level, to facilitate administrative efficiencies within State government, and, to the extent feasible, to establish one-stop sources in each region for citizens and businesses seeking State services at a regional level.

In the Section 15.10 (a) of this statute the Department of Commerce is required to submit an annual report outlining the performance of following criteria in the various Prosperity Zones:

- (1) Jobs anticipated to result from efforts of the employees, including the name and contact person for each company creating new jobs in the zone.
- (2) The location of each project, including the development tier designation of the location
- (3) Project leads that were not submitted to the Department for possible discretionary incentives pursuant to Chapter 143B of the General Statutes.

North Central <i>(This work is performed and data collected by the Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
42	Keihin Carolina System Technology, LLC	Annette Whitehurst	Edgecombe	1	Yes
0	MARS Pet Care	Mark Broadhurst	Vance	1	No
50	Altec Industries	Harry Mills	Granville	2	Yes
16	Bridgestone Americas Tire Operations, LLC	Michael Darr	Wilson	2	Yes
40	Palzviz America	Richie Duncan	Franklin	2	Yes

38	Selma Precision Technologies	Chris Johnson	Johnston	3	Yes
50	Stay Online	Belinda Higgins	Granville	2	Yes
28	Metallum Recycling, LLC	Danny Yu	Johnston	3	Yes
16	Boston Fruit Slice	Bob Joyce	Lee	2	Yes
25	Dupree Farms	Nick Dula	Harnett	2	Yes
305 total					

North East <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
21	Northampton Peanut Co	Tom Stanfield	Northampton	1	Yes
20	Meherrin River Forest Products	Don Bright	Halifax	1	Yes
44	Grady White Boats	Jill Caraway	Pitt	2	Yes
9	630 Pitt Street	Lenny Jordan	Pitt	2	Yes
94 total					

Northwest <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
5	Michael D. Vanoy Enterprise	Ben Rutledge	Ashe	1	Yes
32	Kellex Seating	Alan Wood	Burke	2	Yes
5	Buck Stove Corp.	Claudia Bailey-Honeycutt	Mitchell	2	Yes
30	Craftmaster Furniture, Inc.	David Icenhour	Alexander	2	Yes
40	Adhezion Biomedical	Deborah Murray	Caldwell	1	Yes
160	Continental Teves, Inc.	Alan Wood	Burke	2	Yes
50	Prysmian Group	Sujeet Rao	Catawba	2	Yes
90	Baxter Healthcare Corp.	Brad Dahlberg	McDowell	1	Yes
20	Taylor Staves	Rick Taylor	McDowell	1	Yes
75	Temprano Techvestors	Scott Millar	Catawba	2	Yes
75	Tyson Foods	Jan Nash	Wilkes	2	Yes
16	Ethan Allan, Inc	Larry Papula	McDowell	1	Yes
40	AMP	Deborah Murray	Caldwell	1	Yes
35	Napco	Paul Demmink	Alleghany	1	
673 total					

Piedmont Triad <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
15	Gary J Yountz Machine Co, Inc	Gary Yountz	Randolph	2	Yes
21	Petty's Garage	Charles Davis	Randolph	2	Yes
42	CS Carolina, Inc	Joan Kang	Alamance	2	Yes
58	B & G Foods	Robert Wheeler	Yadkin	2	Yes
25	Sapona Plastics	Dean Lail	Randolph	2	Yes
22	Southcorr Packaging	Jeff McNeil	Randolph	2	Yes
20	Ennis-Flint	Matt Soule	Davidson	2	Yes
20	CCBCC Operations, LLC (Greensboro)	Eddie Norman	Davie	2	Yes
10	Reeb Millwork Southwest	David Hillman	Davie	2	Yes
233 total					

South Central <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
15	CACI	Cathy Johnson	Cumberland	2	Yes
50	Trinity Frozen Foods	Beth Wilkerson	Robeson	1	Yes
12	Alandale Knitting, LLC/Colville Fabrics/Carolina Apparel	Don Trexler	Montgomery	1	Yes
20	Specialty Product Tech (SPT)	Kristine Guthrie	Bladen	1	Yes
28	FCC North Carolina, Inc	Wayne Cromartie	Scotland	1	Yes
61	Absolute Bus	Beth Wilkerson	Robeson	1	Yes
5	Tractor 7 Auto Supply Co	Amanda Whitaker	Harnett	2	Yes
11	Reliance Packaging	Melanie Thompson	Moore	3	Yes
202 total					

Southeast <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
34	The Social Beverage Company	Carl Joshl	Lenoir	1	Yes
35	Moen Incorporated	Troy Pendersen	Lenoir	1	Yes

22	Home Elevator & Lift Products	Buzz Shackelford	Greene	1	Yes
15	Mojo Musical Supply Inc	Michael McWhorter	Pender	3	Yes
8	Mother Earth Brewing	Stephen Hill	Lenoir	1	No
6	Bennett Brothers Yachts	Peter Kurki	New Hanover	3	No
25	Lyndon Steele Company	Joe Mattioli	Lenoir	1	No
145 total					

Southwest <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
100	Kaco USA	Marcio Lima	Lincoln	3	Yes
100	Bosch	David Lee	Lincoln	3	Yes
40	Southern Drilling Co	John Marek	Iredell	3	No
12	Otto Environmental Systems North America, Inc	Travis Dowell	Mecklenburg	3	No
12	Carolina Paper Converters	Michael Smith	Stanly	2	No
150	Genpak LLC	Bruce Evans	Mecklenburg	3	Yes
70	Southeastern Metal Products	Phil Kampf	Mecklenburg	3	Yes
123	Princeton Laboratories	Jon Bill	Mecklenburg	2	Yes
50	Beverly Knits Inc	Malissa Gordon	Gaston	2	No
93	Timken Co	Regis Eger	Lincoln	3	Yes
750 total					

Western <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
25	Elkamet Plastics Technology Pty. Ltd.	Brent Colson	Henderson	3	Yes
8	Looking Glass Creamery – Retail Location	Andy Perkins	Buncombe	3	Yes
10	WNC Outdoor Development	Rich Price	Jackson	1	Yes
43 total					

All Prosperity Zones					
Jobs					
2445 total					

- (4) Proactive local government outreach to share information and planning services that are available

Planners in each Prosperity Zone are required to share information at least once per year with all local government(s) in their service area. This is primarily accomplished through visits to local governments, presentations at regional meetings, and electronic dissemination of program materials on upcoming initiatives pertaining to planning services. Also, Prosperity Zone Planners meet at least quarterly with the Economic Development Partnership of NC (EDPNC), Regional Industry Manager for their respective region and annually with the other state agency representatives from their Prosperity Zones

- (5) Coordination of regular meetings with Prosperity Zones agency representatives to increase collaboration of services and resources to local communities

Since 2014, the various Prosperity Zone agency representatives have worked hard to increase collaboration of services in a way that has brought significant impact to local communities. Initially, agency representatives from the Economic Development Partnership of NC, Department of Transportation and Division of Environmental Quality worked together to establish their presence in each prosperity zone. The group of agency representatives continues to grow though and, as of today, also includes representatives from the NC Community College System, NC Works (NC Commerce), Prosperity Zone Planners (NC Commerce, Rural Economic Development Division), North Carolina State University Industry Expansion Solutions and a variety of local partners. Each prosperity zone has a co-location where Prosperity Zone agency representatives hold office hours and meet with partners and clients. Marketing materials and contact information for the various representatives is available in each co-location.

In addition to collaborating in co-locations, the Prosperity Zones agency representatives also travel together to hold joint meetings with local partners and clients throughout the prosperity zone. Some specific examples are included below:

PROSPERITY ZONE AGENCY REPRESENTATIVES TEAM UP TO DISCUSS MARINE INDUSTRY AFFECTING BUSINESSES IN NORTHEASTERN NC

The Economic Development Partnership of NC, Northeast Prosperity Zone Regional Industry Manager Tim Ivey and several of the Northeast Prosperity counties met in April with representatives from NC East, a regional economic development organization, in Beaufort County to discuss the industry trends affecting the Marine Cluster in the Northeast and North America, in general. This collaboration gave the entire region an opportunity to hear from many marine industry specialists on what trends and data are driving the marine industry forward in North America. Bob Peele of the NC Marine Authority spoke about boat sales, what length of boats are being purchased, outboard engine sales and other pertinent data. Steve Brodie, owner of Pacific Seacraft attended the meeting on behalf of the boat builders and gave those in attendance a view point from someone manufacturing in the marine cluster.

PROSPERITY ZONE AGENCY REPRESENTATIVES INTRODUCE DEQ WASTE REDUCTION AND RECYCLING PROGRAMS TO NC MANUFACTURERS

On three separate occasions, NC companies have joined Division of Environmental Quality, the Economic Development Partnership of NC, and others in different locations around the state to learn about waste reduction and recycling programs offered by Division of Environmental Quality. A wide variety of companies from several different sectors attended these meetings to hear from subject matter experts from Division of Environmental Quality in regard to their Environmental Stewardship Initiative, Waste Reduction Partners, and the State Recycling Office programs. Often one of the biggest desires, yet challenges reported by industry is waste reduction. NC companies have a sincere desire to go greener, reduce waste and pay less in landfill fees. The North Carolina Department of Environmental Quality, Division of Environmental Assistance and Customer Service (waste reduction division), has been a tremendous asset in helping meet these company goals.

SANDHILLS PROSPERITY ZONE TEAM IS SUCCEEDING THROUGH COLLABORATION

The Sandhills Prosperity Zone team, which consists of TJ Haney, Regional Director of Community College Training; John Lowery, Regional Director of NC Works; and Teddy Warner, Sandhills Regional Industry Manager for the Economic Development Partnership of NC EDPNC; have coordinated and set up joint meetings to collaborate and learn about each other's organizations. They meet each month in a different county in the zone. In September, they met at the new Business Incubator that is located in Downtown Pembroke (Robeson County) and had lunch with a group of local contacts. In October, they met in Scotland County at the Economic Development Commission office and visited with the County Economic Development Director and Director of the Chamber of Commerce. They have also met in Richmond, Cumberland, and Sampson counties. The group talks regularly with joint emails and group text messages sent every week. In addition, the team has attended workforce meetings in Robeson and Sampson together. They have worked to deepen their knowledge and relationships by inviting each other to company organizational meetings. Teddy has attended one of TJ's quarterly meetings for Customized Training Directors which was located at Sandhills Community College (Moore County) and attended the Statewide Community College Workshop in Raleigh in September. This helped Teddy have more face time with each of the directors in order to continue building relationships and learn more about all the services that are offered. Teddy and TJ have attended a number of events together: Robeson County Committee of 100, Hoke County Chamber of Commerce Industry Appreciation Dinner, countless number of company visits together, and more. In addition, Teddy and John have worked together to report on company workforce concerns by targeting specific companies especially in Richmond and Scotland Counties and have attended a couple of job fairs together. Teddy recently attended the NC Works Statewide event with John. The team is progressing very quickly as a unit and continues to develop new strategies to work together to help the region.

There have also been several statewide activities that involve the Prosperity Zones agency representatives on specific, strategic, statewide initiatives, including:

THE ECONOMIC DEVELOPMENT PARTNERSHIP FOR NC, AND NC COMMERCE'S LABOR AND ECONOMIC ANALYSIS DIVISION (LEAD), AND RURAL DIVISION PLANNERS TO COLLABORATE ON REGIONAL LABOR MARKET STUDY

Over the last 12 months, the Department of Commerce, the Economic Development Partnership of NC, and Carolina Demography have engaged in a collaborative pilot project to better understand and respond to North Carolina's diverse regional economic and workforce conditions. NC Commerce's LEAD team took a data-driven, empirical approach to define labor markets based on employment centers and commuting patterns rather than political boundaries. From there, we are utilizing data, regional staff knowledge and resources (from Division of Workforce Solutions, Rural Division, the Economic Development Partnership of NC, NC Community College System, Division of Environmental Quality, and Department of Transportation), and local feedback/direction to identify primary strengths, weaknesses, opportunities, and threats. The goal is to utilize state-sponsored regional staff from community, workforce, and economic development to engage local leaders with these findings and explore joint short-term or long-term goals, plans, and/or initiatives. This is a project that will determine the value of this data-driven approach, the use of labor markets in regional planning efforts, and the potential impact of joint state-local initiatives. This work has begun at the state level and will be shared with local leaders for their input and feedback in the next couple months. The Strengths Weaknesses, Opportunities and Threats (SWOT) analysis should conclude by early next year, with the hopes of producing ideas or initiatives that will ongoing collaboration between Commerce and local leaders/organizations.

PROSPERITY ZONE AGENCY REPRESENTATIVES MEET TO DISCUSS COMPREHENSIVE MENU OF WORKFORCE RELATED BUSINESS SERVICES

This spring, representatives from the Economic Development Partnership of NC, NCWORKS, NC Community College System, Department of Public Instruction and local workforce boards met in Greensboro to discuss the NC Works Menu of Business Services. Several companies, including Purdue Pharma and Mako Medical, have been working with the NC Works team to develop a menu of business services available via NC Works. NC Works offers a variety of excellent services to businesses (recruiting, training, pipeline development), but struggle to effectively market their offerings. With the help from NC businesses, a new menu of services has been developed and will now be rolled out statewide. The goal of the Greensboro meeting was to provide an update on the team's progress to regional resources around the state (the Economic Development Partnership of NC, NC Community College System, Division of Health and Human Services, Department of Public Instruction, and Workforce Development Boards) and to develop regional strategies for operationalizing the menu of services. The teams will also determine what additional resources are needed.

Also, this past summer Prosperity Zone representatives from the Economic Development Partnership of NC and the Department of Commerce, Rural Division organized a meeting of local economic developers in the Piedmont Prosperity Zone to discuss Grants and Planning services that are offered to communities through the NC Department of Commerce, Rural Economic Development Division. In the fall, these local economic developers are scheduled to participate in the Regional Market Study sponsored by the Department of Commerce, the Economic Development Partnership of NC, and Carolina Demography.

MODEL ECONOMIC DEVELOPMENT STRATEGIC PLANNING

Over the course of the past year, Planners in the North Central, Northeast, Piedmont, and Western Prosperity Zone regions have conducted an economic development strategic planning process in 10 communities. The model focuses on working with rural communities to identify local (and regional)

economic assets, develop strategies for enhancing these assets, and identify implementation resources to promote greater economic prosperity.

- (6) Completion of strategic economic development plans, downtown revitalization project plans, implementation services, market studies, Geographical Information Systems (GIS) mapping, and assistance with development policies for local governments that can be measured for economic impact, including investment, business growth, and jobs as a result of the planning effort.

	North Central	Northeast	Northwest	Piedmont Triad	South Central	Southeast	Southwest	Western
Strategic Plans	3	4	1	1	4	2	3	2
Downtown Revitalizations Plans								
Implementation Services		1	1	1	2	3		2
Market Studies	1	2		1		1		2
GIS Mapping		1		1		1		4
Assistance with Development Policies	1				1	2		2

- (7) Existing business expansion activities, service requests, and number of contracts and inquiries.

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	Existing Industry	Existing Industry
Prosperity Zone	Direct Account Interactions	Companies Supported
North Central	223	178
Northeast	119	82
Northwest	203	154
Piedmont – Triad	194	144
South Central	214	165
Southeast	200	142
Southwest	236	193
Western	211	140
Total Existing Industry	1600	1198

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	International Trade	International Trade
Prosperity Zone	Requests for Assistance	Requests for Assistance
North Central	356	146
Northeast	70	33
Northwest	113	45
Piedmont – Triad	288	104
South Central	50	29

Southeast	138	48
Southwest	310	115
Western	131	47
Total International Trade	1456	567

Total Existing Industry and International Trade	3056	1766
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(8) New business location activities and number of contacts and inquiries.

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	Existing Industry	Existing Industry
Prosperity Zone	Direct Account Interactions	Companies Supported
North Central	143	140
Northeast	58	56
Northwest	126	125
Piedmont – Triad	123	122
South Central	130	129
Southeast	200	142
Southwest	173	172
Western	112	111
Total Existing Industry	1065	997

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	International Trade	International Trade
Prosperity Zone	Requests for Assistance	Requests for Assistance
North Central	118	97
Northeast	10	10
Northwest	24	24
Piedmont – Triad	64	54
South Central	20	17
Southeast	138	48
Southwest	89	74
Western	24	18
Total International Trade	487	342

Total Existing Industry and International Trade	1552	1339
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