

Collaboration for Prosperity Zone Annual Report and Report on performance metrics for Community Planners

Citation of Law or Resolution:	S.L. 2016-94
Section Number:	Section 15.10 (a) and 15.10 (b)
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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, Main Street and Rural Planning Center

August 1, 2022

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 and Report on performance metrics for Community Planners

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Section Number: Section 15.10 (a) and 15.10 (b)

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 Sections 15.10 (a) and 15.10 (b) of this statute the Department of Commerce is required 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
20	AdvanceTEC -Clayton	Bryan Phelan	Johnston	3	No
25	Bridge Tech Global	Charla Duncan	Warren	1	No
37	CertainTeed Roofing	Leslie Rubin	Granville	2	Yes
205	Glen Raven Custom Fabrics LLC	Charla Duncan	Warren	1	Yes
73	Hubbell Power Systems (formerly PenCell Plastics)	Robert Woods	Nash	1	Yes
86	LS Cable & System U.S.A., Inc.	Van Smith	Edgecombe	1	Yes
25	M. R. Williams, Inc.	Mike Williams	Vance	1	Yes
50	Morinaga	Shimpei Ishizaka	Orange	3	No
33	North State Consulting - Wilson #2	Bill O'Boyle	Wilson	1	Yes
20	SePRO Mfg & Distribution - Rocky Mount	Bill Whitford	Edgecombe	1	Yes
17	The Plant Pathways Co.	Gabe Gusmini	Lee	2	No
Total	591 (projects 11)				

Northeast <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
9	Enviva Pellets Ahoskie	Chris Brown	Hertford	1	No
10	Greenville Produce Company	Keith Purvis	Pitt	2	Yes
189	Hermes Marine LLC	Darryl Adachi	Chowan	1	Yes
13	North State Steel, Inc.	Cathy Allsbrook	Pitt	2	Yes
25	Regulator Marine Inc	Joan Maxwell	Chowan	1	Yes
Total	246 (Projects 5)				

Northwest <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
16	Bakersville Community Medical Clinic, Incorporated	Chuck Shelton	Yancey	2	No
12	ClearElectric Motor Services Inc.	Shad Stringfellow	Catawba	2	Yes
35	E. J. VICTOR, INC.	David Bennett	Burke	1	Yes

31	ECR Software Corporation	John Grasinger	Watauga	3	Yes
147	Everything Attachments	Ted Corriher	Catawba	2	No
50	Grand Manor Furniture, Inc.	Anderson Shih	Caldwell	1	Yes
15	Harmony Timberworks	Wayne Cable	Caldwell	1	Yes
25	Meritor, Inc	Kevin Roy	Burke	1	Yes
10	Paul Robert Furniture, Inc	Holly Shook	Alexander	1	Yes
133	Poppelmann Plastics USA LLC	Mike Prichard	Catawba	2	Yes
10	Pregis PolyMask	Bobby Guess	Catawba	2	Yes
50	Prysmian Group	Sujeet Rao	Catawba	2	Yes
90	Sherrill Furniture Company	Bryan Milleson	Catawba	2	Yes
60	SynergyLabs	Elena Azzarita	Burke	1	Yes
30	Toner Machining Technologies, Inc.	Trent Toner	Burke	1	Yes
100	VANGUARD Furniture	Mark Huegerich	Burke	1	Yes
50	WestRock Company-Claremont	Emily Ham	Catawba	2	Yes
Total	864 (Projects 17)				

Piedmont Triad (This work is performed and data collected by Economic Development Partnership of NC)					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
17	Aeolus Filter Corporation	Mike Harriman	Randolph	2	Yes
10	Border Concepts, Inc.	Christian Bednar	Davidson	2	Yes
96	Brass-Craft	Wendy Keller	Davidson	2	Yes
84	Cambrex High Point, Inc.	Brian Swierenga	Guilford	2	Yes
60	CATHTEK, LLC	Todd Cassidy	Forsyth	2	Yes
29	Green Deacon LLC	Michael S. Walser	Davidson	2	Yes
15	Gregory Pallet and Lumber Company LLC	Leigh Cockram	Rockingham	2	Yes
142	Guerrilla Rf, Inc.	Ryan Pratt	Guilford	2	Yes
20	Kraftsman Inc	Patrick Burns	Randolph	2	Yes
62	Lotus Bakeries	Dries Mermuys	Alamance	2	No
40	McIntyre Manufacturing Group (Lexington)	Jeffrey McIntyre	Davidson	2	Yes
20	METAL WORKS OF HIGH POINT, INC.	Elizabeth Hall	Guilford	2	Yes
20	Mickey Truck Bodies Inc. Randolph	Gregory Fisher	Randolph	1	Yes
25	MICKEY TRUCK BODIES INC AND SUBSIDIARIES	Gregory Fisher	Guilford	2	Yes
15	National OnDemand, Inc.	Wade Boteler	Alamance	2	Yes

25	NordFab Systems Inc.	Rick Doss	Davidson	2	Yes
62	PayLoad Trailers	Johnny Shelton	Davidson	2	No
15	Printcraft Company Inc	Marvin Smith	Davidson	2	Yes
30	Richard Childress Racing Enterprises	Jim Suth	Davidson	2	No
69	Sky Aircraft Maintenance	Tom Conlan	Davidson	2	Yes
20	Sportsfield Specialties, Inc.	Sean Clark	Davie	2	Yes
220	Technimark Inc	Fred Richey III	Randolph	2	Yes
24	U.S. INDUSTRIAL PIPING, INC.	John Dixon	Forsyth	2	No
87	Unilin NA/Mohawk Laminate	Pavan Prakash	Davidson	2	Yes
Total	1207 (Projects 24)				

South Central (Sandhills) <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
14	Air Production & Service, Inc.	Kiel Locklear	Robeson	1	Yes
30	Briarwood Cattle Farm, LLC	Tanisha Frink	Robeson	1	Yes
288	Champion Home Builders, Inc.	Tom Kroetsch	Scotland	1	Yes
57	Dynapar Corporation	Kenan Gay	Bladen	1	Yes
150	eClerx	Prital Shah	Cumberland	1	Yes
20	Harger Lightning & Grounding, Inc.	John Salamone	Robeson	1	Yes
11	Jay Technologies Corporation	Jay Memula	Columbus	1	Yes
18	MINHAS FURNITURE HOUSE, INC.	Mo Rahman	Moore	3	Yes
24	Pinehurst Aviation Services	Ken Hadaway	Moore	3	Yes
Total	619 (Projects 9)				

Southeast <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
28	Carolina Ground Service Equipment	John Werner	Craven	2	Yes
31	Cottle Farms	Ron Cottle	Duplin	1	Yes
200	LGM Enterprises, LLC	Jim Segrave	Lenoir	1	No
540	MasterBrand Cabinets	George Lemerise	Lenoir	1	Yes
300	MEGACORP LOGISTICS, LLC	Matthew Adams	New Hanover	1	Yes
33	Metal Specialist	William Chestnutt	Duplin	1	Yes

167	Mount Olive Pickle Co Inc	Dan Bowen	Wayne	1	Yes
18	SCHLAADT PLASTICS LIMITED	Kurt Myers	Craven	2	No
40	Suzy Inc.	William Mansfield	New Hanover	2	Yes
104	Vantaca, LLC	Ed Yopp	New Hanover	2	No
72	West Pharmaceutical Services	Tammy Bialek	Lenoir	1	Yes
28	Carolina Ground Service Equipment	John Werner	Craven	2	Yes
Total	1533 (Projects 11)				

Southwest <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
24	Appalachian Gear Company	John Gage	Cleveland	1	Yes
394	BestCo	Scott Wattenberg	Iredell	3	Yes
10	Carolina Piping Services	Harold Green	Cleveland	1	Yes
25	CR Onsrud Inc.	Jason Pritchard	Iredell	3	Yes
14	Crypton Kings Mountain Plant (formerly Hi-Tex Inc.)	Chip King	Gaston	2	Yes
137	Denso Manufacturing North Carolina (DMNC) (Statesville)	John Brown	Iredell	3	No
40	Depalo Foods, Inc.	Enrico Piraino	Gaston	2	Yes
80	Holley Performance Products	Marissa Johnson	Iredell	3	No
24	H-T-L PERMA USA LP	Johannes Kiesel	Mecklenburg	3	No
20	INDUSTRIAL PRODUCTS, CONVEYORS & DRIVES, INC.	Bill Harvey	Stanly	2	Yes
40	Origin Food Group, LLC	Terry Stukbauer	Iredell	3	No
52	Parker Hannifin Mooresville, NC	Darrin Schmidt	Iredell	3	Yes
183	Sherwin Williams Manufacturing	B. Davis Horne	Iredell	3	Yes
4	South Mountain Farms	Andrew Powell	Cleveland	1	No
185	Windsor Window & Doors	Chris Walden	Union	3	No
50	Yanjan USA	Gene Konczal	Iredell	3	No
Total	1282 (Projects 16)				

Western <i>(This work is performed and data collected by Economic Development Partnership of NC)</i>					
Jobs	Company	Contact	County	Tier	Submitted for Incentives
7	Crossair LLC	Jennifer Helton	Rutherford	1	Yes
34	Crypton (formerly Abercrombie Textiles - Cliffside Location)	Lance Keziah	Rutherford	1	Yes
59	Premier Magnesia (formerly Giles Chemical Corp)	Matt Haynes	Haywood	2	Yes
11	Survival Innovations	Mark Trexler	Transylvania	3	Yes
20	Tempus Rentus School of Classical Horsemanship - Black Mountain Location	Emily Wright	Buncombe	3	No
Total	131 (Projects 5)				

All Prosperity Zones					
Jobs	6473				

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

Community Planners with the NC Main Street and Rural Planning Center, also known as Rural Planners in each Prosperity Zone are required to share information with all local government(s) in their service area. This is primarily accomplished through visits to local governments, presentations at regional meetings, virtual meetings, and electronic distribution of program materials on upcoming initiatives pertaining to economic development planning services and resources. Also, Planners meet at least quarterly with the Economic Development Partnership of NC (EDPNC), Regional Industry Manager for their respective region and at least 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, NCWorks (NC Commerce), Rural 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 PARTNERS HOLD REGULARLY SCHEDULED MEETINGS IN EACH REGION

Throughout FY 2021-22, collaborative meetings have been held in prosperity zones, either virtually or in person. These Prosperity Zone regional partners meetings typically provide an opportunity to share project information, collaborate on new ideas for approaching industry, and a general update from each respective partner as it relates to economic development and growth in the prosperity zone. Partners included in these meetings typically include representatives from EDPNC, NCCCS Regional Directors of Customized Training, Regional Director – NCWorks, NCDEQ Regional Managers, NCSU – IES, NCDOT, NC Commerce Rural Planners, and NC Apprenticeships representatives.

TEAMWORK WINS \$ 82 MILLION EXPANSION PROJECT IN WARREN COUNTY

The EDPNC places enormous emphasis on supporting long-time North Carolina companies and supporting jobs, particularly in our rural communities. That is why the \$82 million expansion of Glen Raven's production plant in Norlina was one of the most notable projects announced in 2021.

Based near Burlington, Glen Raven is a leading provider of performance fabrics globally. It is one of the state's oldest textile companies and operates the largest manufacturing facility in Warren County, a Tier 1 county. In 2021, Glen Raven experienced a record demand for Sunbrella® fabrics, one of the company's major products, and planned to increase production capacity to meet consumer needs.

Glen Raven's Plant Manager, Todd Wemyss, was tasked with convincing corporate decision-makers that the plant in Norlina (pop. 1,100) was the best choice for the planned expansion of production capacity. Wemyss contacted Charla Duncan, economic development director for Warren County, about the expansion project, and Duncan brought the opportunity to the attention of EDPNC industry expansions manager Harry Swendsen. Together, Swendsen and Duncan identified local and state incentives and workforce development strategies.

"The county was facing competition from locations in Alabama, Georgia, and South Carolina," said Duncan. "This was the largest project our county had seen in a long time. Harry Swendsen helped us think through options available and make a strong case to the company." Wemyss noted, "The EDPNC and local economic developers were invaluable resources. They provided a gentle, guiding hand to help us tap into resources that we wouldn't have otherwise known about."

With assistance from Warren County and the EDPNC, Wemyss succeeded, and Glen Raven chose the Norlina plant for its major expansion project. The project was supported by a \$1 million One North Carolina Fund (OneNC) grant and a \$500,000 building reuse grant. Expansion at the Norlina plant is expected to generate 205 new jobs, more than doubling employment at the plant, with salaries above the Warren County salary average of \$30,494. The payroll impact on Warren County, the smallest and most economically distressed county in the northcentral region, will be more than \$6.5 million per year.

"Glen Raven has been a fixture in our community for more than three decades," said Duncan. "They're not only a large manufacturer here, but a global company that is thriving in Warren County." The EDPNC

is proud to have played a role in securing this \$82 million expansion project that will mutually benefit one of North Carolina's oldest companies and one of its smallest rural counties.

SUPPORTING MANUFACTURING GROWTH IN PERQUIMANS COUNTY

East Coast Steel Fabrication, Inc. (ECSFI), is a steel fabricator and metal barge and marine structure manufacturer located in Hertford, NC. In December 2020, the EDPNC Existing Industry Expansions team assisted the certified woman and minority owned company with a 28-job expansion in Perquimans County. Throughout 2021, ECSFI invested over \$482,000 in new equipment and facilities totaling over 20,000 square feet. "The EDPNC and the local economic development team were instrumental in connecting us to state and local grants which greatly helped us expand our Hertford facility," said Cynthia Overman, owner, and vice president of East Coast Steel Fabrication. "As North Carolina residents, we realize the need for businesses in northeastern North Carolina and the jobs that they bring. We hope this will lead to many opportunities for surrounding counties."

- (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	4	3	2	3	2	3	2	3
Downtown Revitalizations Plans	3	1	1	1	1	1		
Implementation Services	5	4	3	4	3	5	2	3
Market Studies	2	2	2	2	1	3	2	2
GIS Mapping	3	2	2	1	1	3	2	2
Assistance with Development Policies	1						1	

COMMUNITY ECONOMIC RECOVERY AND RESILIENCY INITIATIVE (CERRI)

In 2020 the NC Main Street & Rural Planning Center's, Rural Planning Program (RPP) developed a Community Economic Recovery and Resiliency Initiative (CERRI) to help small towns and rural communities recover from the economic impacts of the coronavirus (COVID-19) pandemic and rebuild local economies that are more resilient to future crises. This initiative expanded in 2021-2022.

CERRI was formally launched in January of 2021 with 10 communities participating, at least 1 in each of the state's eight Prosperity Zones that have previously worked with the RPP on local strategic planning. RPP staff is currently working with to develop individualized Recovery Work Plans focused on:

Community Economic Resiliency and Small Business Support and additional strategies identified by each community. Also, RPP will work with communities and partners to develop projects for funding and implementation.

In August 2021, the RPP held a virtual information session for communities interested in applying for the second round of CERRI. Representatives from approximately 30 towns, 8 counties, and 8 regional councils of government, as well as from Hometown Strong and other partners, attended. Currently 26 communities are participating in CERRI.

STRATEGIC PLANNING FOR THE OUTDOOR RECREATION ECONOMY

The Mitchell County Chamber of Commerce and Mitchell County government engaged NC Appalachian Regional Commission (ARC) and Rural Planning Program planners to facilitate a countywide strategic planning process focused on growing the local outdoor recreation economy. Through meetings that began in January 2021, the planners helped a local work group identify four primary activity areas for further development – walking and hiking, cycling, fishing, and floating (e.g., canoeing and rafting).

Building on an existing outdoor asset mapping project by NCGrowth, the work group and planners analyzed outdoor recreation assets in the county, expanded on potential user experiences, and identified gaps in those experiences that presented business development opportunities. The work group completed, and county government adopted, the Mitchell County Outdoor Recreation Economy Strategic Plan in fall 2021.

TRAINING AND EDUCATION

In 2021-2022, the NC Main Street & Rural Planning Center continued to collaborate with the NC League of Municipalities, the NC Department of Natural and Cultural Resources, and the NC Downtown Development Association on Leverage NC, a resource for communities looking to strengthen their local economies and support enhanced business opportunities (www.leveragenc.org). Leverage NC offered 21 educational webinars to build local capacity for economic development in 2021 and the Rural Planning Program – Prosperity Zone Planners coordinated two of them: the first segment of a Leverage NC Successful Small-Town Series that highlighted Elkin, North Carolina, and a webinar devoted to CERRI that featured conversations with representatives from four participating communities.

(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	83	54
Northeast	144	77
Northwest	99	70
Piedmont-Triad	86	56
South Central	54	48

Southeast	121	77
Southwest	62	49
Western	80	63

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	International Trade	International Trade
Prosperity Zone	Requests for Assistance	Companies Supported
North Central	169	76
Northeast	37	20
Northwest	61	28
Piedmont-Triad	164	75
South Central	64	25
Southeast	57	30
Southwest	197	82
Western	45	21
Total International Trade	794	356

Total Existing Industry and International Trade	1523	850
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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	113	113
Northeast	75	75
Northwest	88	88
Piedmont – Triad	120	120
South Central	57	57
Southeast	99	99
Southwest	125	125
Western	93	93
Total Existing Industry	770	770

<i>(This work is performed and data collected by Economic Development Partnership of NC)</i>	International Trade	International Trade
Prosperity Zone	Requests for Assistance	Companies Supported
North Central	60	60
Northeast	16	16
Northwest	42	42
Piedmont – Triad	67	67

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South Central	25	25
Southeast	39	39
Southwest	70	70
Western	25	25
Total International Trade	344	344

Total Existing Industry and International Trade	1114	1114
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