

Davie, Surry and Yadkin counties may exit Triad economic structure

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The Triad is facing yet another splintering of its economic structure, with a Senate bill spinning Davie, Surry and Yadkin counties out of the Piedmont Triad Partnership.

Senate Bill 127, sponsored by Sen. Majority Leader Harry Brown, R-Jones, would abolish four of the state's seven economic development commissions in favor of eight "prosperity zones." The bill has passed the Senate and its first reading in the House.

Piedmont Triad Partnership represents a mix of urban (Forsyth and Guilford), suburban (Alamance, Davidson, Davie, Randolph, Stokes, Surry and Yadkin) and rural (Caswell, Montgomery and Rockingham) counties.

It is the state's umbrella organization for Triad economic groups, in many instances handling the initial contact from N.C. Commerce Department officials for companies and site selectors interested in Triad project sites.

If the bill is approved and signed into law, Davie, Surry and Yadkin counties would join a Northwest zone of 15 counties, many of which they have little in common with. The other counties are Alleghany, Ashe, Alexander, Avery, Burke, Caldwell, Catawba, Iredell, Mitchell, Rowan, Watauga and Wilkes.

The bill piggybacks on the proposal made in April by Gov. Pat McCrory to create a private nonprofit, to be called the N.C. Economic Development Corp., to direct economic development and eventually shrink the size of the state's Commerce Department. The initiative is titled Partnership for Prosperity.

At least two economic development officials question the decision to split the three counties from the Triad.

"I'm really not sure where this will go. I have no idea why or how this alignment came about," said Terry Bralley, president of the Davie Economic Development Commission. "In our case, we are directly tied to the Forsyth County economy."

All 32 Republican senators, including three who represent the affected counties, voted for the bill. Bralley said he has expressed his concerns about how the bill would affect Davie to Sen. Andrew Brock, R-Davie. Brock could not be reached for comment on his vote.

"I have asked for a change to have us with Forsyth and the urban areas," Bralley said.

Todd Tucker, president of the Surry County Economic Development Partnership Inc., said the latest version of the bill is better suited geographically than what was initially proposed, which had the county in a zone that stretched from the South Carolina border to the Virginia border.

“We would have preferred to have stayed where we are with PTP because there is not a metro magnet in the Northwest zone, and I conveyed that to Sen. (Shirley) Randleman,” Tucker said. Randleman could not be reached for comment on her vote.

“State officials obviously see economic benefits to arranging the state this way,” Tucker said. “But it won’t stop us from marketing that we are close to Winston-Salem and Greensboro, that our economy is tied to Forsyth County and the commuting pattern of many of our residents into Forsyth for work.”

Tucker said the new zone could tighten Surry’s ties with neighbors Alleghany, Wilkes and Yadkin that already exist in part because their high schools play in the same conferences.

Part of reducing Commerce’s role is ending funding for the state’s seven economic-development partnerships, which would take away \$530,000, or 23 percent of PTP’s current funding, according to David Powell, its president.

“The reconfiguration of the regional agencies is not yet resolved,” Powell said. “The counties certainly have a lot of connectivity with Forsyth, in terms of commuting patterns, etc. but it would not lessen the prominence of the Triad if this change takes place.”

The N.C. Economic Development Corp. would guide domestic business recruitment and retention issues and decisions. It also will direct export initiatives with products made or produced in North Carolina, as well as travel and tourism efforts currently overseen by Commerce. The restructuring requires approval by the General Assembly.

The common denominator for the Senate bill and McCrory’s proposal to date appears to be creating a “one-stop” agency to serve companies and site selectors.

Sharon Decker, the state’s Commerce secretary, said the nonprofit group would be able to present a unified state voice on economic projects compared with a current system that she described as being “too confusing” to the companies being recruited.

The bill would require the departments of Commerce, Environment and Natural Resources, and Transportation to have at least one employee in each prosperity zone to serve as a liaison. The requirement also affects the state’s Community College system in an effort to improve communication with business and educational groups.

The bill said there would consolidation of programs or services as part of creating the new zones. Decker has not provided details on how many state jobs could be affected or eliminated by the initiative.

Brown said he drew lines for the proposed zones based on several geographic and economic factors affecting the three state departments and community college system.

“I probably drew about 25 different sets of lines, knowing no matter where the boundaries were set, I would not make everyone happy,” Brown said. “I believe the zones as proposed make sense knowing that counties are not limited by county and regional boundaries when it comes to economic

collaboration.”

Brown said he is “absolutely convinced” that the one-stop-shop benefits will trump concerns about border counties, such as Davie, Surry and Yadkin, losing some ties to traditional neighbors.

Still, Brown inserted language into the bill that the grouping of counties in each zone can be revisited by a committee.

“The committee will be able to determine if the groupings are accomplishing the stated goal,” Brown said. “There may be a need to move some counties back over time.”

John H. Boyd, a principal in The Boyd Co. Inc., a site-location consulting company in New Jersey, said most of his clients “tend to have a blind eye when it comes to county boundary lines.”

“During a site search, the real focus is on real estate, labor, transportation linkages and utilities. What county we are in, and what county commission we need approvals from, then comes into play.”

Boyd said the potential departure of Davie, Surry and Yadkin from the PTP “should not compromise their ability or standing to attract new business as far as I am concerned.”

“In fact, it might provide them an opportunity to craft certain marketing strategies specific to their own circumstances with an eye towards distinguishing themselves from the PTP region as a whole.”

The bill is progressing at a time when Davidson County is being assimilated into the Winston-Salem metropolitan statistical area.

The U.S. Office of Budget and Management said in March it is grafting the county in with the Davie, Forsyth, Stokes and Yadkin economies. The agency has the role of classifying statistical areas that other federal agencies use to gather U.S. Census data.

Perhaps the biggest pro to adding Davidson County and its population of about 163,000 is that it helps the Winston-Salem MSA resurface in economic rankings and listings that focus on the nation’s top 100 metro regions. It also would give the MSA a higher presence on those rankings that already include it. That might bring the area more to the attention of companies looking for sites.

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