



North Carolina Department of Commerce

Pat McCrory, Governor
John E. Skvarla III, Secretary

Dr. Patricia Mitchell, CEcD
Assistant Secretary
Rural Economic Development Division

DATE: September 19, 2016

TO: Senate Appropriations Committee on Natural and Economic Resources
House Appropriations Subcommittee on Natural and Economic Resources
Fiscal Research Division

FROM: Dr. Patricia Mitchell, CEcD
Assistant Secretary
Rural Economic Development Division

RE: NCGS 143B-472.128 (j)(8)
FY 15 REPORT on Rural Division Grant Activity
and Policy Recommendations

GRANT AWARDS AND DISTRIBUTION OF AWARDS:

The attached documents summarize the following for the Building Reuse, Economic Infrastructure, CDBG-ED and Utility Fund grant programs within the Rural Division:

- An Excel spreadsheet displaying total number of grant awards made July 1, 2015 through June 30, 2016. Organized by program (Building Reuse, Economic Infrastructure, CDBG-ED, Utility Fund) and then by county. The excel sheet identifies the county, applicant, tier (at time of award), project business, requested amount, award amount, the number of jobs committed and award date.
- Maps of the geographical distribution of the awards by program.
- Map of the cumulative distribution of grant awards.

The Rural Infrastructure Authority (RIA) awarded these grants between July 1, 2015 and June 30, 2016.

POLICY RECOMMENDATIONS:

1. The Rural Infrastructure Authority, in FY15, determined we would establish wage and health standards as well as consideration for the State's development priority industry standard. We have successfully implemented that criteria and all Rural Grants (Building Reuse and Economic Infrastructure) are reviewed and considered according to those criteria. The Utility Fund and CDBG-ED have criteria as established in legislation.
2. Beginning in FY16, and as directed by the General Assembly, the RIA began granting Building Reuse funds and CDBG funds for Demolition grants to assist communities in reestablishing a viable site for business recruitment. These sites are blighted sites with available infrastructure in place making them good opportunities to recruit and locate capital investment.
3. In FY15, the Assistant Secretary engaged the Authority in discussions on how we can better inform local governments of available resources? How can the Division assist local government units in meeting the need for preliminary project planning to enable them to apply for grants? In what ways can we better evaluate the effectiveness of our grants into local communities? (NCGS 143B-472.128 (j) (5) (6) (7))

In FY16, in addition to various presentations made by the Assistant Secretary and her staff to local communities, the Department of Commerce, Secretary Skvarla and the Rural Division engaged in 21 presentations across the state from February 2016 through June 2016. More than 2,000 citizens attended these events including elected officials, local and state government employees and those in other fields of service. In these presentations, all Rural Division grant programs were identified and discussed.

4. In the attempt to better assist local government units in preliminary project planning, the existing community planners have reorganized their work and now function under the Main Street & Rural Planning Center. A major function of the planners is to assist local government units in planning activities that will enhance their opportunities to create economic advancement.

Rural Infrastructure Authority Awarded Projects By Grant Program

July 2015 - June 2016

Please note: Tiers are designated based on the tier classification at date of award.

Building Reuse Program

	County	Applicant	Tier	Project Business	Requested Amt.	Award Amount	Jobs	Award Date
1	Alamance	City of Graham	2	Peak of Graham	400,000	400,000	40	8/20/2015
2	Beaufort	Beaufort County	1	Oak Ridge Metal Works	335,625	319,762	32	8/20/2015
3	Beaufort	Beaufort County	1	Hysucat USA	158,000	158,000	14	4/21/2016
4	Bertie	Bertie County	1	Baker's Southern Traditions	100,000	100,000	8	6/23/2016
5	Burke	Burke County	2	SpartaCraft	200,000	200,000	20	8/20/2015
6	Burke	Town of Valdese	2	Old World Baking Company	60,000	30,000	3	12/17/2015
7	Burke	Burke County	2	Fonta Flora Brewery	150,000	150,000	12	6/23/2016
8	Burke	Burke County	2	Peds Legwear	500,000	500,000	50	6/23/2016
9	Caldwell	Town of Granite Falls	2	Ccon Metals	137,500	137,500	11	12/17/2015
10	Caldwell	Caldwell County	1	Bakers Waste Equipment	411,375	411,375	42	2/18/2016
11	Caldwell	Caldwell County	1	Jordan-Holman Lumber	222,450	222,450	23	6/23/2016
12	Caldwell	City of Lenoir	1	Belle Torte Bistro & Bakery	49,250	49,250	10	6/23/2016
13	Catawba	Town of Long View	2	Century Furniture	500,000	500,000	50	10/22/2015
14	Catawba	City of Conover	2	West Penn Hardwoods	40,000	40,000	8	12/17/2015
15	Cherokee	Cherokee County	2	TEAM Industries	86,250	86,250	9	8/20/2015
16	Columbus	Columbus County	1	RADIX-Bay	65,500	65,500	19	4/21/2016
17	Dare	Town of Nags Head	2	Peak Resources - Outer Banks	500,000	500,000	50	12/17/2015
18	Davidson	Town of Denton	2	Thermo Products	90,000	90,000	9	6/23/2016
19	Davie	Town of Mocksville	2	Avgol American	500,000	500,000	50	8/20/2015
20	Davie	Town of Mocksville	2	AccuMed	500,000	500,000	40	10/22/2015
21	Davie	Town of Mocksville	2	Gesipa Fasteners USA	160,000	160,000	12	4/21/2016
22	Duplin	Duplin County	2	Villari Bros. Trucking	95,842	63,603	7	10/22/2015
23	Duplin	Duplin County	2	United Cold Storage	300,000	300,000	30	2/18/2016
24	Franklin	Franklin County	2	Network South	125,000	125,000	10	6/23/2016
25	Granville	Granville County	2	Builder Services	175,500	175,500	18	12/17/2015
26	Halifax	Halifax County	1	Enfield Timber	450,000	450,000	36	12/17/2015
27	Harnett	Town of Lillington	2	Saab Barracuda	148,868	148,868	15	12/17/2015
28	Hyde	Hyde County	1	Dare to Hyde	60,000	60,000	6	10/22/2015
29	Hyde	Hyde County	1	Courthouse Café	50,000	50,000	5	6/23/2016
30	Johnston	Town of Smithfield	3	Atlantic Resources	175,000	175,000	35	10/22/2015
31	Madison	Town of Marshall	2	Buchi Tea	75,000	75,000	6	8/20/2015
32	Madison	Madison County	2	Punker	260,000	260,000	26	10/22/2015
33	Martin	Martin County	1	Metcore Industrial Solutions	150,000	150,000	12	2/18/2016
34	McDowell	City of Marion	2	Auto Tech Collision Center	40,000	40,000	4	12/17/2015
35	Montgomery	Montgomery County	1	Sandy Ridge Memory Care	200,000	200,000	20	8/20/2015
36	Pitt	Pitt County	2	Metrics Inc.	500,000	500,000	50	8/20/2015
37	Pitt	Pitt County	2	DR Burton Healthcare Products	250,000	250,000	20	10/22/2015
38	Pitt	Pitt County	2	Metallix Refining	125,000	125,000	10	2/18/2016
39	Pitt	City of Greenville	2	Uptown Brewing Company	90,000	60,000	12	6/23/2016
40	Randolph	Randolph County	2	Ace Avant Concrete Construction	220,000	220,000	22	2/18/2016
41	Robeson	Robeson County	1	Smith's Refrigeration	125,000	125,000	10	8/20/2015
42	Robeson	Robeson County	1	Alamac Investors	500,000	500,000	14	4/21/2016

43	Robeson	Town of Pembroke	1	Speech N Progress	40,000	40,000	4	4/21/2016
44	Rockingham	Rockingham County	1	SGRTEX, LLC	500,000	500,000	250	8/20/2015
45	Rockingham	Rockingham County	2	Unifi*	500,000	500,000	N/A*	6/23/2016
46	Rowan	City of Salisbury	2	Morgan Ridge Vineyards	162,500	162,500	13	10/22/2015
47	Rowan	Rowan County	2	Aldo Products	180,935	180,935	15	6/23/2016
48	Rutherford	Rutherford County	1	US Precision Construction	500,000	500,000	40	4/21/2016
49	Rutherford	Town of Forest City	1	Main Street Market	10,000	10,000	2	4/21/2016
50	Rutherford	Rutherford County	1	Parkdale	500,000	500,000	40	4/21/2016
51	Sampson	Sampson County	2	Brooks Brothers	110,000	110,000	11	10/22/2015
52	Sampson	Sampson County	2	Farm Fresh Produce Distribution	180,000	180,000	36	6/23/2016
53	Stanly	Stanly County	2	Piedmont Custom Meats	500,000	500,000	40	12/17/2015
54	Transylvania	Transylvania County	2	Stone Mountain Cabinetry and Millwork	80,000	80,000	8	4/21/2016
55	Tyrrell	Town of Columbia	1	Stiletto Manufacturing	100,000	100,000	8	2/18/2016
56	Vance	Vance County	1	Profilform US	100,000	100,000	20	12/17/2015
57	Vance	Vance County	1	Hoyle's Tire & Axle	150,000	150,000	12	6/23/2016
58	Wilkes	Town of North Wilkesboro	2	Carolina Heritage Cabinetry	83,793	50,000	4	10/22/2015
59	Wilson	City of Wilson	2	217 Brew Works	50,000	50,000	10	4/21/2016
60	Yadkin	Yadkin County	2	Unifi	190,000	190,000	19	6/23/2016
61	Yancey	Yancey County	1	Blind Squirrel Brewery	50,000	20,000	4	4/21/2016
TOTAL					13,268,388	13,096,493	1,416	

Economic Infrastructure Program

	County	Applicant	Tier	Project Business	Requested Amt.	Award Amount	Jobs	Award Date
1	Beaufort	City of Washington	1	New Age Properties Group, LLC	100,000	100,000	20	8/20/2015
2	Bladen	Town of Elizabethtown	1	Taylor Products, Inc. d/b/a D'Vine Foods	70,000	70,000	14	12/17/2015
3	Cleveland	City of Kings Mountain	3	A&A Transfer	297,600	297,600	24	6/23/2016
4	Johnston	Town of Clayton	3	Novo Nordisk	250,000	250,000	50	6/23/2016
5	Johnston	Johnston County	3	Novo Nordisk	250,000	250,000	50	6/23/2016
6	Lee	City of Sanford	2	Comfort First Heating & Cooling	103,615	103,615	20	2/18/2016
7	McDowell	City of Marion	1	Drexel Bldg. Demo	150,000	150,000	0	6/23/2016
8	Nash	Town of Nashville	1	Carolina Innovative Food Ingredients	292,425	292,425	36	6/23/2016
9	Rutherford	Town of Rutherfordton	1	Tryon Fairways, LLC Cleghorn Inn & Restaurant	96,890	96,890	20	6/23/2016
10	Union	City of Monroe	3	TDY Industries LLC dba ATI Specialty Materials	237,500	237,500	48	8/20/2015
TOTAL					1,848,030	1,848,030	282	

CDBG-ED Program

	County	Applicant	Tier	Project Business	Requested Amt.	Award Amount	Jobs	Award Date
1	Beaufort	Town of Belhaven	1	Spoon River Art Works and Market Restaurant	500,000	500,000	10	6/23/2016
2	Burke	Town of Valdeese	2	Meridian Yarns	1,000,000	1,000,000	N/A	12/17/2015
3	Chowan	Town of Edenton	1	Hinton Hotel Renovation	500,000	500,000	69	6/23/2016
4	Cleveland	City of Kings Mountain	2	AFAB Promotions, Thoroughbred Partners	500,000	500,000	N/A	4/21/2016
5	Cleveland	City of Shelby	2	The String Bean, Uptown Indigo, Greenbrook Designs	500,000	500,000	N/A	4/21/2016
6	Confidential	Confidential	2	Project Design	1,000,000	1,000,000	122	8/20/2015
7	Davidson	Town of Denton	2	Lionshead Specialty Tire	400,000	400,000	20	10/22/2015
8	Davidson	Davidson County	2	Elite Tube and Fab	750,000	750,000	38	2/18/2016
9	Davidson	Town of Denton	2	Kaufman Trailers	750,000	750,000	38	6/23/2016
10	Davidson	Town of Denton	2	CID	750,000	750,000	38	6/23/2016
11	Davidson	City of Lexington	2	Westport Bay	500,000	500,000	25	6/23/2016
12	Edgecombe	Edgecombe County	1	Wada Farms	500,000	500,000	25	8/20/2015

13	Gaston	City of Belmont	2	Finial Construction Company	150,000	150,000	N/A	4/21/2016
14	McDowell	City of Marion	2	N/A (Demolition Grant)	500,000	500,000	N/A	12/17/2015
15	Montgomery	Town of Troy	1	"Caroline's" Diner	322,830	322,830	4	6/23/2016
16	Pasquotank	City of Elizabeth City	1	The New Southern Hotel	500,000	500,000	50	6/23/2016
17	Richmond	Richmond County	1	RSI Home Furnishings	2,400,000	2,400,000	158	2/18/2016
18	Robeson	City of Lumberton	1	N/A (Demolition Grant)	495,041	495,041	0	8/20/2015
19	Rockingham	City of Reidsville	2	Unifi, Inc.	1,539,000	1,539,000	87	2/18/2016
20	Rutherford	Town of Forest City	1	CMI Enterprises	600,000	600,000	30	4/21/2016
21	Transylvania	City of Brevard	2	D.D. Bullwinkel	500,000	500,000	N/A	2/18/2016
22	Union	City of Monroe	3	Cotillion Finishing School	400,000	400,000	N/A	4/21/2016
23	Warren	Town of Warrenton	1	Milan of Warrenton	500,000	500,000	N/A	4/21/2016
24	Wilson	City of Wilson	2	Thomas Drug Store and Home Medical Supply	500,000	500,000	19	6/23/2016

TOTAL 16,056,871 16,056,871 733

IDF-Utility Account Program

	County	Applicant	Tier	Project Business	Requested Amt.	Award Amount	Jobs	Award Date
1	Alexander	Alexander County	2	Mitchell Gold + Bob Williams	152,000	152,000	N/A	12/17/2015
2	Burke	Town of Valdese	2	Meridian Yarns	898,425	898,425	25	12/17/2015
3	Catawba	City of Claremont	2	Substance, Inc.	120,975	120,975	5	12/17/2015
4	Catawba	Catawba County	2	N/A	671,920	671,920	N/A	4/21/2016
5	Edgecombe	Town of Tarboro	1	N/A	949,750	949,750	N/A	6/23/2016
6	Northampton	Northampton County	1	West Fraser Timber	568,769	568,769	N/A	6/23/2016
7	Onslow	Onslow County	2	N/A	1,243,875	1,243,875	N/A	8/20/2015
8	Richmond	Richmond County	1	N/A	1,000,000	1,000,000	N/A	10/22/2015
9	Rutherford	Town of Forest City	1	Facebook	148,900	148,900	10	10/22/2015
10	Scotland	City of Laurinburg	1	N/A	708,000	708,000	N/A	6/23/2016
11	Surry	Town of Elkin	2	Pittsburgh Glass Works	148,259	148,259	N/A	10/22/2015
12	Vance	City of Henderson	1	N/A	90,955	90,955	50	8/20/2015
13	Vance	City of Henderson	1	N/A	74,401	74,401	N/A	12/17/2015
14	Wilson	City of Wilson	2	N/A	1,377,759	1,377,759	N/A	2/18/2016

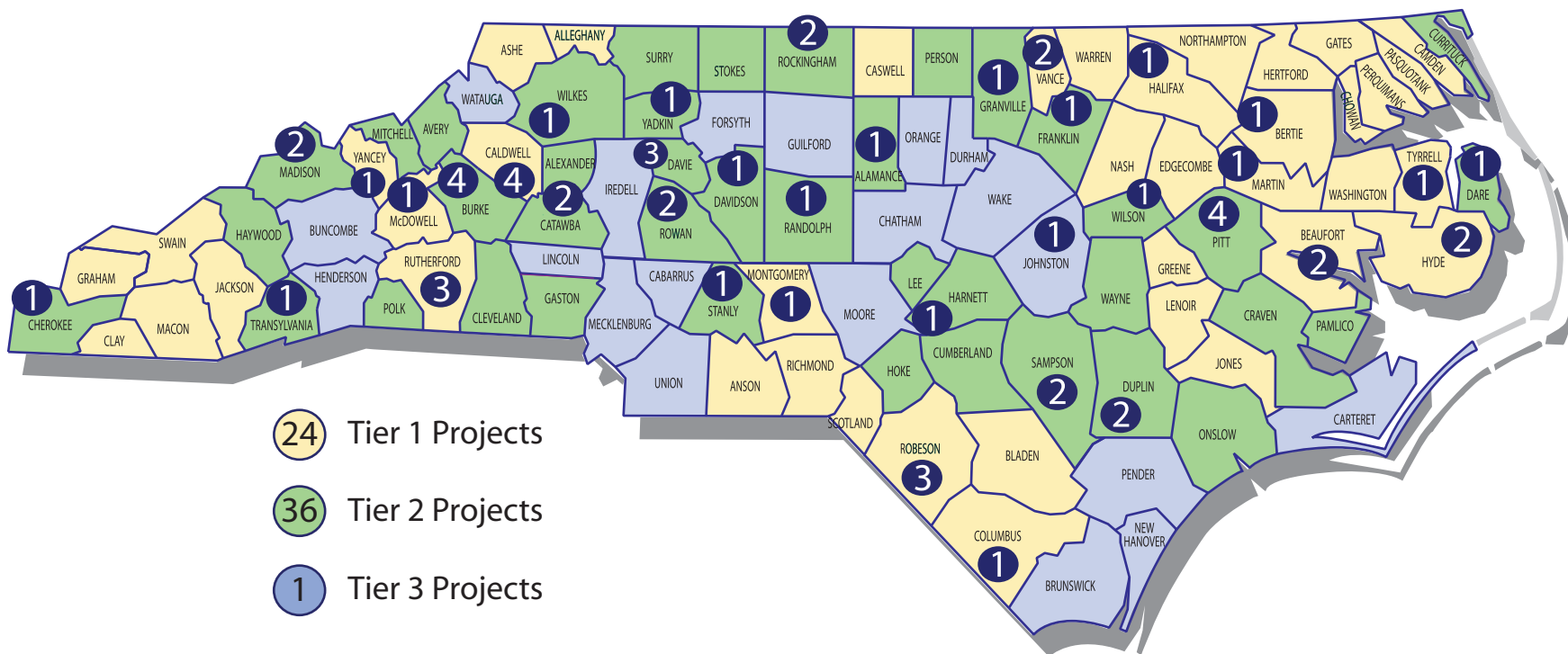
TOTAL 8,153,988 8,153,988 90

CUMULATIVE TOTAL 39,327,277 39,155,382 2,521

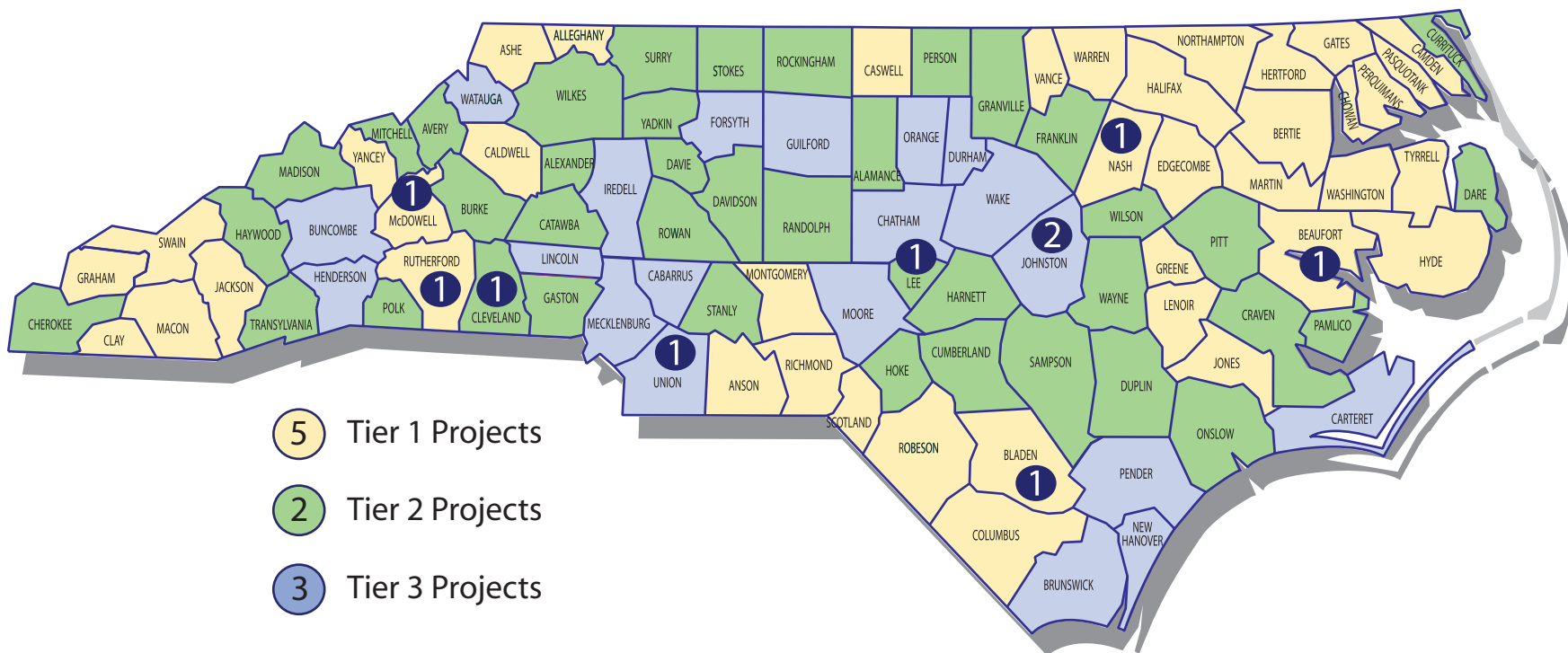
*** Explanation: Project companies who pledged jobs towards projects that received grants from multiple Rural Division programs. These jobs should not be counted twice in our "Proposed Jobs" column and are therefore only counted once in the total.**

Building Reuse Program Awards

Rural Infrastructure Authority

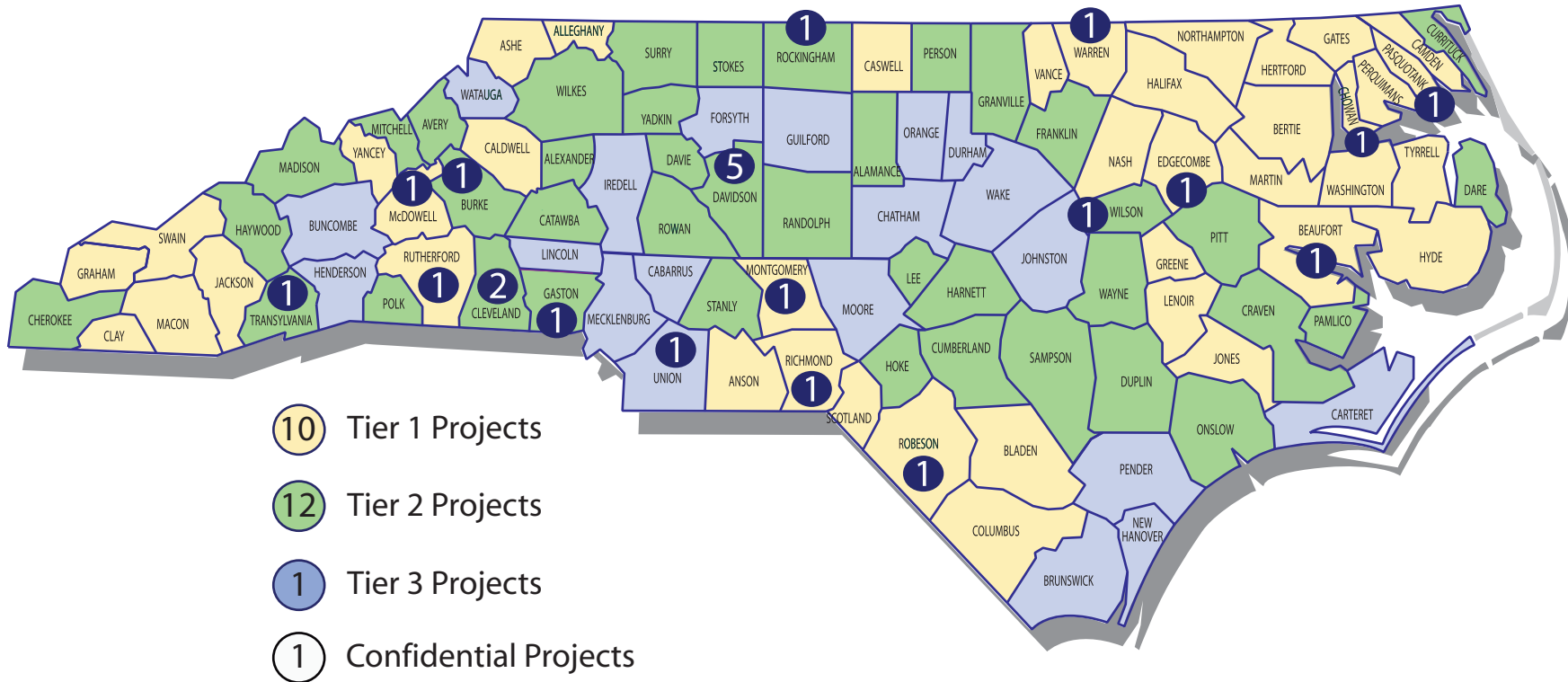


Economic Infrastructure Program Awards
Rural Infrastructure Authority



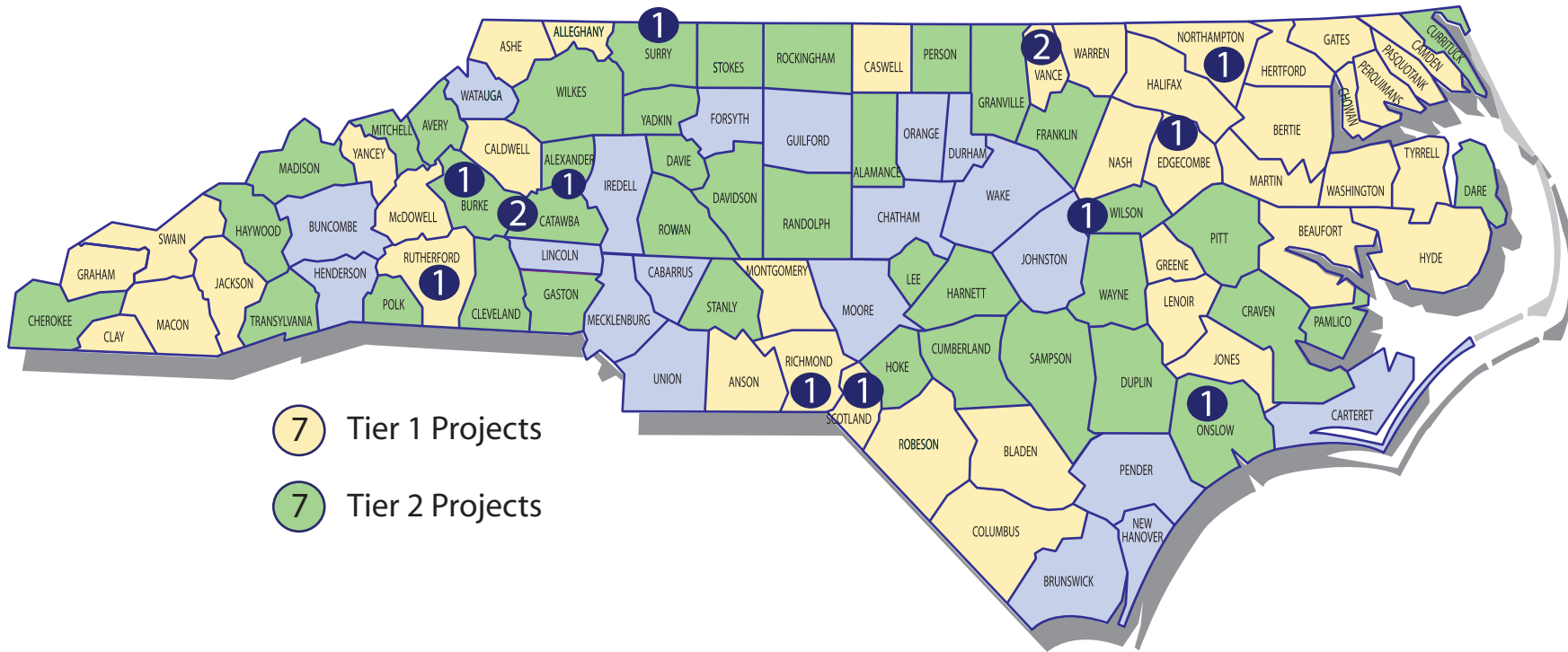
Community Development Block Grant Awards

Rural Infrastructure Authority



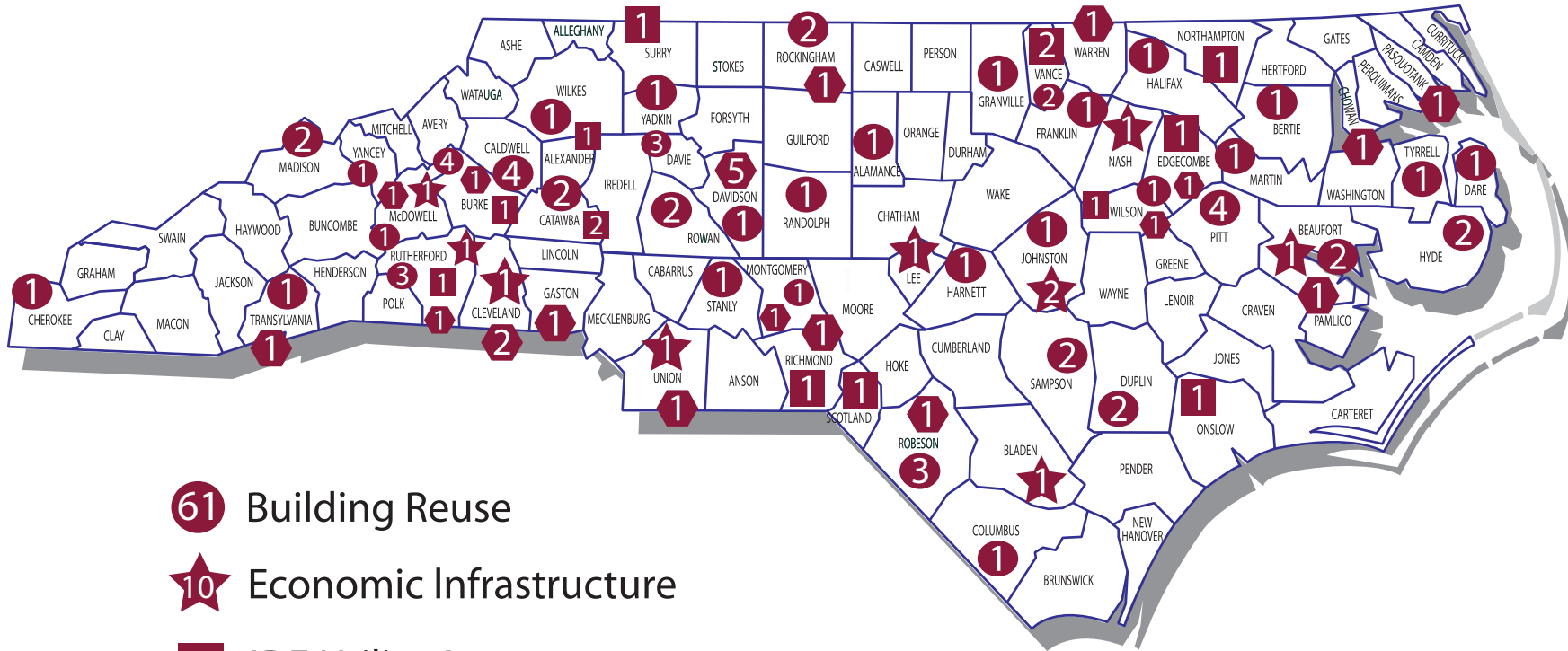
Industrial Development Fund Awards

Rural Infrastructure Authority



RIA Awards

FY 15 - 16



- 61** Building Reuse
- 10** Economic Infrastructure
- 14** IDF Utility Account
- 23** CDBG Economic Development
- 1** Confidential Projects