

MEMORANDUM OF UNDERSTANDING

BETWEEN

NORTH CAROLINA DEPARTMENT OF COMMERCE

AND

NORTH CAROLINA DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

This Memorandum of Understanding (hereinafter referred to as "MOU") between the Department of Commerce (hereinafter referred to as "DOC") and the Department of Military and Veterans Affairs (hereinafter referred to as "DMVA") outlines the responsibilities and cooperation between these agencies as it relates to the Base Realignment and Closure (hereinafter referred to as "BRAC") Special Fund designated for administration by DMVA, consistent with North Carolina Session Law 2015-241, Section 24.3 (a).

The US Congress authorized BRAC as the process by which the U.S. Department of Defense performs military base realignment and closure in accordance with the Code of Federal Regulations Title 32, Part 174 – Revitalizing Base Closure Communities and Addressing Impacts of Realignment. The State of North Carolina established the Military Presence Stabilization Fund within DMVA to fund actions designed to make the State less vulnerable to closure pursuant to federal BRAC actions and related initiatives. The Secretary of Military and Veterans Affairs may allocate funds in the Fund for this purpose.

WHEREAS, DMVA is the primary State agency charged in N.C. Gen. Stat. § 143B-1211 to enhance the State's current military-friendly environment and foster and promote business, technology, economic development, and other efforts in support of the transformation of the United States government military and national defense activities located in the State as well as promote the industrial and economic development of localities included in or adjacent to United States government military and national defense activities and those of the State;

WHEREAS, the North Carolina General Assembly designated that funds appropriated to the Military Presence Stabilization Fund within DMVA shall be allocated to meet these objectives;

WHEREAS, DOC is the primary State agency for economic development, responsible for recruiting companies to the State and marketing North Carolina as a business destination;

WHEREAS, DOC contracts with the Economic Development Partnership of North Carolina (EDPNC) to assist the Department in meeting these objectives; and

WHEREAS, DMVA wishes to engage the services of EDPNC using funds from the Military Presence Stabilization Fund to broadly approach the defense sector and create business development opportunities within the State;

NOW, THEREFORE, in consideration of mutual benefits that will accrue to each Department, the parties agree as follows:

1. DMVA'S ROLE, OBLIGATIONS AND RESPONSIBILITIES:

- A. DMVA will transfer up to \$120,000 per fiscal year from the Military Presence Stabilization Fund to DOC for the purposes of its further transfer to EDPNC.

- B. The scope of work, developed between DMVA and EDPNC, is described in Attachment A of this MOU. The work may be performed by any full time or part time employee, consultant, firm, third party or any combination thereof, who would contract with EDPNC to recruit military or defense related business to the State.
- C. Upon approval of an amendment to the contract between EDPNC and Commerce, DMVA will transfer funds to DOC on a quarterly basis. Thereafter, DOC shall make quarterly payments by electronic deposit to the account provided by EDPNC. Payments shall be deposited within ten (10) days following receipt by DOC of proper invoices, which shall be submitted by EDPNC on a quarterly basis. Notwithstanding anything to the contrary in this Agreement, the payment schedule to EDPNC shall conform to the existing payment schedule set forth in Attachment C of the agreement between EDPNC and Commerce, as may be amended and as implemented by the parties to that agreement.

2. DOC'S ROLE, OBLIGATIONS AND RESPONSIBILITIES:

- A. DOC shall amend its contract with EDPNC to allow for EDPNC to receive funds from DMVA for the purpose of recruiting military or defense related business to the State.
- B. DOC shall invoice DMVA on a quarterly basis and transfer funds to EDPNC pursuant to its amended contract with EDPNC.

TERM OF AGREEMENT:

This agreement shall be effective July 1, 2016 and shall end June 30, 2019.

AVAILABILITY OF FUNDS:

This agreement is dependent on the allocation and appropriation of State funds.

MOU TERMINATION:

Either party may terminate this MOU at any time after providing a minimum 30-day written notice.

PREVIOUS AGREEMENT:

Nothing in the MOU invalidates previous implicit or explicit agreements between the parties.

* * *

THEREFORE, as a representative of my agency, I acknowledge that I have read this MOU, am authorized to agree to the MOU for my agency and do agree that my agency will comply with this agreement between DMVA and DOC.

This agreement made and entered into this 27 day of September, 2016.

N.C. Department of Commerce



Signature

John E. Skvarla III

Printed Name

Secretary

Title

September 27, 2016

Date

**N.C. Department of
Military and Veterans Affairs**



Signature

Cornell Wilson

Printed Name

Secretary

Title

Sept 27, 2016

Date

ATTACHMENT A – SCOPE

This position will generate military and defense-related investment leads for North Carolina's communities, primarily through the following strategies:

- Identifying high-growth defense subsectors (e.g. IT/cybersecurity, aerospace, UAV, etc.) and companies for North Carolina to pursue for corporate recruitment purposes.
- Promoting North Carolina as a business location to industry decision makers and influencers through marketing events, conferences/forums, and one-on-one business-development meetings.
- Proactively reaching out to industry decision makers at industry conferences, trade shows and other related events.
- Following military and defense industry news and responding to opportunities by positioning North Carolina for consideration by companies evaluating new facility locations.
- Working closely with the EDPNC's overseas offices on any opportunities involving foreign defense companies seeking U.S. operations.
- Partnering with the North Carolina Department of Military and Veterans Affairs, North Carolina Military Business Center, North Carolina Military Foundation, North Carolina congressional delegation members, and other key strategic partners on business-development and marketing efforts.
- Occasionally providing project-management support for qualified leads generated through business-development activities.

KEY PERFORMANCE METRICS:

- Number of qualified corporate recruitment project leads in the military and defense industry that are identified, developed, and transferred to Business Recruitment team. ("Qualified project" refers to companies with an expressed interest in North Carolina and the firm intention of locating a new operation in the state within the next 18 to 24 months.)
- Number of qualified corporate recruitment project leads in the military and defense industry developed and closed on by the Business Recruitment team.
- Number of qualified corporate recruitment prospects in the military and defense industry that are identified, developed, and transferred to the Business Recruitment team. ("Qualified prospect" refers to companies with an expressed interest in North Carolina but not yet intent on locating a new operation in the state within the next 18 to 24 months.)