

Economic Infrastructure Fund ...



The North Carolina Economic Infrastructure Program

“Getting to Success With
Your Consulting Engineer”

October 30, 2007

Plymouth, NC

Water/Sewer Programs

N.C. Rural Economic Development Center



Current funding

- In the FY 2007-2008 legislative session, the General Assembly appropriated another \$20 million, with \$15 million going to water and sewer infrastructure grants.



Eligibility

- Units of local government
- Jobs must be created in the private sector
- Rural counties, or distressed, urban counties (Tier 1 or 2)
- Urban Counties that are now eligible: Alamance, Catawba, Cumberland, Davidson, Gaston, Rowan
- As of January 1, 2008 only distressed urban Tier 1 counties will be eligible



Eligible Award Amount

- \$10,000 per job created
- Maximum grant of \$500,000, or one-half of the infrastructure project costs, whichever is less
- 5% local match – cash or loan only, no in-kind



Covering the Infrastructure Costs

- The remaining 45% of the infrastructure cost can come from:
 - CDBG grants from the N.C. Department of Commerce
 - Appalachian Regional Commission
 - Private investment
 - Golden LEAF
 - Economic Development Administration grants



Accessing Rural Center Funds

- Local and private funds must be expended 100% before Rural Center funds can be dispersed
- Please note, **ALL** local funds must be expended, even if they exceed the 5% match requirement



Application Procedure

- The local government, or its designee, must complete and submit a pre-application form. We take pre-applications on a rolling basis.



Application Procedure

- The pre application form must include the following:
 - A project area map
 - A detailed project budget
 - A signature from the Unit of Local Government
 - If for any reason, a project is withdrawn from funding consideration, the Rural Center must be notified in writing



Application Procedure

- The Rural Center staff will notify you of receipt of the pre-application by email or phone within a week



Application Procedure

- The Rural Center staff will review the pre-application, check the budget, and schedule either a meeting or a conference call between the Rural Center, the local government, and the business(s) creating the jobs



Application Procedure

- The meeting or conference call is meant to clarify the conditions of our Performance Agreement. At issue:
 - Timetable for creating the jobs, and how jobs are counted
 - Claw-back provision should the jobs not be created



The Meeting/Conference Call

- If the results of the meeting are that all partners agree on the conditions of the Performance Agreement, and all funding is in place, we make a recommendation to our Board to invite that local government to submit a full application and an executed Performance Agreement



Board Meeting Dates 2007 - 2008

- December 11
- February 20
- April 30
- June 25
- August 20
- October 2
- December 10



Full Award

- If approved for funding by the Rural Center Board, an award will be made contingent upon Rural Center staff receiving and approving a completed application and an executed Performance Agreement



Contracting

- Projects must be contracted with the Rural Center **within 6 months** of the award
- If a project is not under contract within 6 months, the funds will be de-obligated



Contracting

- A community is welcome to re-apply for funding from the Rural Center when all funding is in place



Contracting

- Projects are expected to be completed within **3 years** of being contracted with the Rural Center



Potential Increases in Award Amounts

- If a community needs additional funding from the Rural Center, this request must come in writing from the Unit of Local Government
- Please attach a revised budget and a justification of the increase in cost with the request



Potential Increases in Award Amounts

- This request will have to go before the Rural Center Board and it is subject to availability of funds
- Keep in mind, if you request additional funds, you must commit to additional jobs and the Performance Agreement must be revised



Counting Jobs

- At the time of grant award, we will request a baseline job count of the business(s) involved in the project



Counting Jobs

- Once the grant award has been made by the Rural Center board, jobs created can be counted towards satisfying the business job commitment as defined in the Performance Agreement



Counting Jobs

- We use the NC UI 101 form for unemployment insurance payments
- We will request an NC UI 101 form for the quarter during which the grant award is made – this is the baseline head count



Counting Jobs

- **IF** the NC UI 101 form won't suffice, we will accept certification from the Human Resources Director or equivalent position for job counts at the following intervals:



- When the grant award is made, i.e. the baseline count,
- One year after substantial completion, or
- When all jobs have been created
- And a final time 6 months after all jobs have been created



Counting Jobs

- Should the jobs contracted in the Performance Agreement not fully materialize, the Rural Center will attempt to reclaim funds through the local government



Two Contracts

- Performance Agreement – between the business owner and the local government
- Contract between the Rural Center and the local government



Current Project

- Grantee: City of Brevard
Transylvania County
- Employer: Gaia Herbs
- Jobs: 6
- Grant: \$60,000



Current Project

- Grantee: Stanly County
- Employer: The Fork Stables
- Jobs: 6
- Grant: \$60,000



Current Project

- Grantee: Troutman, Iredell County
- Employer: Lowe's, Inc.
- Jobs: 50
- Grant: \$500,000



Current Project

- Grantee: Town of Southern Pines,
Moore County
- Employer: Corneal Science
- Jobs: 50
- Grant: \$500,000



Current Project

- Grantee: City of Wilson, Wilson County
- Employer: Kencraft Manufacturing
- Jobs: 20
- Grant: \$200,000



Current Project

- Grantee: Halifax County
- Employer: Reser's Fine Foods
- Jobs: 60
- Award: \$336,900



In addition...

- We can fund retail and service jobs, as long as they are full-time (35 hours per week minimum), and pay at least minimum wage



Information?

- Check our website at www.ncruralcenter.org for the pre-application form, the full application forms, and a copy of the Performance Agreement

Contact:

Sheila Swart or

Hazel Edmond (after January)

919-250-4314