

#### (LONG-TERM ECONOMIC ADVANCEMENT FOUNDATION)

MURCHISON "BO" BIGGS CHAIRMAN OF THE BOARD SCOTT T. HAMILTON PRESIDENT

TO: Joint Legislative Commission on Governmental Operations

Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources Joint Legislative Economic Development and Global Engagement Oversight Committee

c/o Mr. Mark Trogdon Fiscal Research Division

North Carolina General Assembly

Raleigh, NC

FROM: Scott T. Hamilton

President, Chief Executive Officer

DATE: September 15, 2021

RE: Annual Report

In accordance with the requirements of G.S. 143-172, enclosed are the following:

- 1) Grants made in the prior fiscal year, including the amount, term, and purpose of the grant.
- 2) Outcome data collected by the Golden LEAF Foundation, including the number of jobs created.
- 3) Cumulative grant data by program and by county.
- 4) Unaudited actual administrative expenses and grants made in the prior fiscal year.
- 5) Current fiscal year budget, planned activities, and goals for the current fiscal year.

In addition, pursuant to G.S. 143-712, the Golden LEAF Foundation requests consultation with the Joint Legislative Commission on Governmental Operations regarding a modification of the previously approved annual operating budget of the Foundation for FY2022. Details of this request are attached.

#### Enclosures as stated:

cc: The Honorable Roy Cooper, Governor of North Carolina
Senator Phil Berger, President Pro Tem, North Carolina Senate
Representative Tim Moore, Speaker of the House, North Carolina House of Representatives
Bo Biggs, Chairman of the Board, Golden LEAF Foundation
David Kyger, Fox Rothschild, LLP

To: Senator Phil Berger, President Pro-Tempore of the Senate

Representative Tim Moore, Speaker of the House of Representatives

Members of the Joint Legislative Commission on Governmental Operations

From: The Golden LEAF Foundation

Date: September 15, 2021

Subject: Request for Consultation on Modification of Annual Operating Budget for FY2022

Pursuant to G.S. 143-712, the Golden LEAF Foundation requests consultation with the Joint Legislative Commission on Governmental Operations regarding modification of the annual operating budget of the Foundation.

### **Background**

The Golden LEAF Foundation budget includes funds appropriated from the Settlement Reserve Fund to Golden LEAF per <u>G.S. 143C-9-3</u> as well as approximately 4.36 percent of the rolling three-year average of the Foundation's net assets. The percentage of net assets is derived from best practices of other endowments similar in size to Golden LEAF and is intended to allow the Foundation to comply with its Articles of Incorporation, which require the Foundation to endeavor to preserve its principal assets and, to the extent feasible and circumstances allow, to make grants from the income generated from its assets. Budgeted funds are used toward operations and to fund projects.

#### Overview

| Budget Sources       | April        | September    | Change   |
|----------------------|--------------|--------------|----------|
| MSA Payment          | \$17,500,000 | \$17,500,000 | \$0      |
| Endowment            | \$42,200,000 | \$42,240,000 | \$40,000 |
| Total Budget Sources | \$59,700,000 | \$59,740,000 | \$40,000 |

| Expenditures           | April        | September    | Change   |
|------------------------|--------------|--------------|----------|
| Administration/Capital | \$3,700,000  | \$3,740,000  | \$40,000 |
| Funded Projects        | \$56,000,000 | \$56,000,000 | \$0      |
| Total Budget           | \$59,700,000 | \$59,740,000 | \$40,000 |

The Foundation deploys funds to units of local government and 501(c)(3) nonprofits through established programs and special initiatives. The Foundation may make awards in excess of this funded projects budget if needed to respond to economic opportunity in areas it serves. Line item detail was reviewed by the Golden LEAF Board at its June and August meetings and be provided with the Foundation's annual report.

## **Golden LEAF Foundation**

Annual Report of Activities July 1, 2020 - June 30, 2021

#### **Overview**

The purpose of this report is to provide an overview of Golden LEAF Foundation activities for fiscal year 2020-2021. For more detailed information regarding a project referenced in this report, please contact the Golden LEAF Foundation staff. This report includes action taken on applications received in the prior fiscal year. Award amounts and project descriptions referenced throughout are the current amounts for awards made during fiscal year 2020-2021, reflecting any adjustments.

These amounts do not include funds for projects that were awarded but subsequently rescinded prior to release of funds. These amounts do not include funds for projects in the disaster recovery grant programs or the COVID-19 loan program. Funds are awarded to governmental entities and 501(c)(3) nonprofit organizations to support permissible activities that lead to job creation and economic growth in rural, tobacco-dependent or economically distressed areas.

# Summary of Awards

The Golden LEAF Foundation receives applications and makes awards through three primary programs. While these programs share similar priority areas, eligibility, maximum award, and required outcomes distinguish each program from the others. Project proposals that do not fit within an established program may be funded as a special initiative.

| Open Grants Program  | Economic Catalyst Program  | Community-Based Grants Initiative (CBGI)  |
|--|--|---|
| Available year-round to local governments and 501(c)(3) nonprofits.  Up to \$200,000. Priority on agriculture, job creation and retention and workforce preparedness projects. | Job creation projects at risk without Golden LEAF participation. Job retention projects are also considered.  Funding for eligible projects directly linked to outcomes at a specific company. | Program available in one or more prosperity zone each fiscal year.  Awards limited to three projects per county, totaling no more than \$1,500,000, and a total of approximately \$11 million available in a prosperity zone. |

The Golden LEAF Foundation Board of Directors awarded \$45,853,039.67 to support 53 projects across 34 counties to enable implementation of agricultural, workforce preparedness, job creation and economic investment, and community, capacity, vitality, and competitiveness initiatives. Funds awarded to local government entities and 501(c)(3) nonprofit organizations through the Economic Catalyst Program for announced projects are projected to support the creation of at least 1,905 jobs over the next few years.

#### Strategic Planning

In July 2020, the Golden LEAF Board launched a strategic planning process that culminated in the adoption of a FY2022-2026 strategic plan in February of 2021. The goal of the strategic planning process was to assess how Golden LEAF can increase the impact of its mission through implementation of programs that support outcomes in key priority areas. The planning process included stakeholder engagement and a comprehensive review of the prior work of the Foundation. A copy of the strategic plan is attached to this report.

#### COVID-19 Response

Golden LEAF launched the N.C. COVID-19 Rapid Recovery Loan Program to provide loans to small businesses impacted by the COVID-19 pandemic with an initial allocation of \$15 million. The program was modeled after similar programs funded by Golden LEAF following major hurricanes. The program offers loans to businesses with low interest and deferred payments. Available funding for the program was expanded by N.C. General Assembly appropriation of CARES Act funds to Golden LEAF. A copy of the outcomes dashboard is attached.

#### Disaster Recovery

The General Assembly has appropriated a total of \$114.5 million to the Golden LEAF Foundation for repair or replacement of equipment and infrastructure damaged or destroyed as a result of one or more of the recent named storms, as well as to provide loans for small business recovery. As of this report, \$114.2 million is encumbered. Funds awarded to support projects in this program are not included anywhere in this report. The Golden LEAF Foundation reports to the General Assembly through the Office of Recovery and Resiliency on the status of these projects.

#### **Golden LEAF Foundation Awards**

July 1, 2020 - June 30, 2021

| Priority Area                                     | Number of Projects | Total Awarded*  |
|---|--------------------|-----------------|
| Job Creation and Economic Investment              | 25                 | \$24,969,720.38 |
| Workforce Preparedness                            | 15                 | \$8,886,603.29  |
| Agriculture                                       | 6                  | \$3,676,720     |
| Community Capacity, Competitiveness, and Vitality | 3                  | \$688,412       |
| Golden LEAF Scholars Program                      | 4                  | \$7,631,584.00  |
| Total   | 53                 | \$45,853,039.67 |

<sup>\*</sup> Numbers do not include projects that have been awarded and then rescinded with no funds released. Funds awarded for projects in the disaster recovery grant program or for the COVID-19 loan program, whether Golden LEAF or CARES Act funding, are not reflected.

# **Golden LEAF Foundation Impact Data**

The Golden LEAF Foundation assesses the success of each project by reviewing outcomes specific to each project. Data is reported by grantees and reviewed by Golden LEAF Foundation staff against established goals. Staff also conduct site visits and use other strategies to determine the success of awarded projects.

| Impact Data<br>as Reported by Grantees* | <sup>‡</sup> FY2021 | Cumulative as of 6/30/2021 |
|---|---------------------|----------------------------|
| Verified New Positions Filled           | 858                 | 66.176                     |
| New Payroll                             | \$27,547,633        | \$723,130,938              |
| Capital Investment                      | \$507,770,786       | \$4,970,140,762            |
| People Trained/Worker Skills Upgraded   | 4,468               | 90,317                     |
| †Industry/3rd-Party Credentials Earned  | 1,581               | 14,307                     |
| †Degree/Diploma/Certificates Earned     | 375                 | 3,469                      |

<sup>\*</sup>Incremental impact for reports reviewed for FYE 6/30/2021

<sup>\*\*</sup>Numbers do include funds awarded for confidential economic development projects that have not yet been announced.

<sup>&</sup>lt;sup>†</sup>New measure beginning CY2013

<sup>\*</sup>Includes data from prior fiscal years that was not previously reported.

## **Golden LEAF Foundation Priority Area Activities**

#### Job Creation and Economic Investment

The Golden LEAF Foundation partners with the N.C. Department of Commerce, the Economic Development Partnership of North Carolina, and local governments to provide gap funding to assist with job creation in rural, economically distressed and/or tobacco-dependent communities.

Through the Economic Catalyst program, Golden LEAF awarded funds to support projects that are projected to enable the creation of 1,905 jobs and capital investment of more than \$2.3 billion over the next few years. These economic development projects were at risk of not locating or expanding in North Carolina but for Golden LEAF support. Golden LEAF funds are used to fill a funding gap not addressed by state and local economic development programs. When determining whether to fund a project and at what level, Golden LEAF considers several factors, including the economic distress of the community and the number and quality of jobs to be created.

| Grantee  | Purpose                                     | Projected<br>New Jobs | Projected Average<br>Annual Wage | County Average<br>Annual Wage | Projected Capital<br>Investment |
|--|---|-----------------------|----------------------------------|-------------------------------|---------------------------------|
| Asheville Area Chamber of<br>Commerce Community<br>Betterment Foundation | Public bridge                               | 800                   | \$68,000                         | \$43,134                      | \$650 million                   |
| City of Hendersonville   | Extension of public water line              | 150                   | \$39,867                         | \$39,512                      | \$38 million                    |
| County of Robeson  | Construction of public water infrastructure | 20                    | \$48,960                         | \$33,454                      | \$33.75 million                 |
| Town of Holly Springs  | Improve sewer capacity                      | 725                   | \$100,000                        | \$63,966                      | \$1.5 billion                   |
| Town of Mocksville   | Extend a public road                        | 50                    | \$47,500                         | \$39,600                      | \$8 million                     |
| Whitaker Park Development<br>Authority, Inc.                             | Stormwater improvements                     | 160                   | \$54,642                         | \$54,914                      | \$29 million                    |

Golden LEAF also awards funds for projects with economic development outcomes through programs other than the Economic Catalyst program. Eligible uses of Golden LEAF funds include: construction or improvement of public water, sewer, wastewater or road infrastructure. To aid in expansion or location of a business, Golden LEAF funds may be used by a unit of local government or 501(c)(3) to purchase equipment for lease to a company.

| Grantee               | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes   |
|-----------------------|-----------------|------------------------|--|
| County of Alexander   | \$193,776.00    | Open Grants            | To extend the public sewer in Alexander Industrial Park in Alexander County. The sewer will enable the planned addition of ten jobs at Industrial Timber, which is currently limited by the capacity of its septic system. The sewer will also be able to serve additional sites in the park.  |
| City of Bessemer City | \$200,000.00    | Open Grants            | For installation of a water booster pump station, piping, and appurtenances to allow Gastonia's Two Rivers Utilities (TRU) to serve Bessemer City's water system and South Ridge Industrial Park. Bessemer City's peak water usage is about 1.5-1.6 million gallons per day and the city's capacity is 1.7 million gallons per day. The interconnection with TRU will provide up to 2.5 million gallons per day of additional water supply on a consistent basis that will serve the park's heavy water users, which include a Dole's salad-bagging plant and Livent, a manufacturer of a key component of lithium-ion batteries. In addition to other sites at the park, the project will also serve Dhollandia, a manufacturer of hydraulic lift gates for trucks, which completed construction of a 280,000 square foot North American Headquarters in Bessemer City (130,000 square feet larger than originally planned) in 2019 and is expected to create 150-200 jobs. |

| Grantee   | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes   |
|---|-----------------|------------------------|--|
| Enfield Economic<br>Development &<br>Revitalization<br>Commission (EEDRC) | \$8,500.00      | Open Grants            | To assist the Enfield Economic Development and Revitalization Commission with its initiative to secure a historic designation for the Town of Enfield, as recommended in the Economic Master Plan completed by UNC-Chapel Hill, which was funded by Golden LEAF in 2010. With the historic designation, businesses that locate downtown would be able to receive a historic tax credit, making locating there more attractive. The location of new businesses in downtown is expected to increase investment in privately owned property, create at least 50 new full-time jobs, and also increase average annual wages. Golden LEAF funds will be used to pay the balance of the fee for the NC Preservation writer to complete the application for the historic designation.   |
| Town of Fair Bluff  | \$200,000.00    | Open Grants            | To assist with the replacement water infrastructure that was damaged during Hurricane Matthew and connection of a new water supply well to the town's water system. After the hurricane damage, the town's only industry left. Pipeline Plastics is moving into that industry's former facility and will create 30 new jobs in the first year and up to 60 full-time jobs within the next five years. Wages will be between \$36,000 and \$38,000, which is above the county average of \$34,675. The company expects to make a capital investment of \$4,840,000. State regulations require the town to provide at least two water wells for its system, a requirement it cannot meet without this new water infrastructure. The total investment in public infrastructure exceeds \$1.5 million. Golden LEAF funds will be used for costs related to the installation of a water line.               |
| Town of Harrellsville   | \$138,656.88    | Open Grants            | To extend a waterline that provides additional capacity to support expansion at Sandy Land Peanut Company, improve water flow and pressure in the town's water system, and provide redundant service to properties in the area. Sandy Land Peanuts cannot expand its facility because existing water service does not meet the associated fire protection requirements. Sandy Land Peanut Company plans to invest over \$5 million in the expansion and add at least 15 full-time jobs over three years and additional seasonal workers. The project will also provide new opportunities to local peanut farmers as the expansion will increase Sandy Land's production capabilities from 30 million to 50 million pounds. Golden LEAF funds will be used for construction-related costs of the new water infrastructure.  |
| Town of Holly Ridge   | \$200,000.00    | Open Grants            | To construct public stormwater infrastructure that will support development of Phase II of the Camp Davis Industrial Park, located in the Town of Holly Ridge. Holly Ridge plans to acquire 60 acres of land and complete the \$1.8 million development of Phase II of the park. Of the 11 lots in Phase I, which opened in October 2018, only two remain available. Also, in Phase I of the park, companies have created or are creating more than 250 above-average wage jobs and have invested tens of millions of dollars in private development and equipment. A rapidly growing community, Holly Ridge anticipates similar success for Phase II, which is adjacent to Phase I, and is Duke Energy certified. Golden LEAF funds will be used for stormwater construction and will complement an Industrial Development Fund grant which will be used for water, sewer, and roads within the park. |
| Mayland Community<br>College Foundation                                   | \$200,000.00    | Open Grants            | To assist with establishing a Resource Center for Entrepreneurs (RCE) in Spruce Pine in the Three Peaks Enrichment Center. The RCE results from collaboration of local economic development directors, public officials, the Chamber of Commerce, and Mayland Community College. The RCE will support new and emerging businesses in Mitchell, Avery, and Yancey counties, serving as a technological hub for entrepreneurs and providing a range of business services including enhanced product development, prototyping, and marketing. It is anticipated that the project will result in the addition of 70 new businesses and 200 new jobs in the three-county area. Golden LEAF funds will be used for design, renovations, and furnishings.   |

| Grantee                                   | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes   |
|---|-----------------|------------------------|--|
| Moore County Partners<br>in Progress      | \$200,000.00    | Open Grants            | To assist with the relocation of some of the United States Golf Association's (USGA) operations from New Jersey to Pinehurst. Relocated operations will include USGA's golf equipment Research and Test Center, a Museum and Visitors Center, and several USGA departments, including its Championship Operations. In addition to relocated operations, USGA will bring five U.S. Men's Open Championships to the Pinehurst area, one every five to seven years, including one previously announced for 2024. Pinehurst will also be the host of two U.S. Women's Open Championships in the next 20 years, and North Carolina will host 13 other championship events within the next 25 years. USGA will employ 50 full-time employees at the facilities in North Carolina, including 35 new positions and 15 retained positions. Golden LEAF funds will be used to purchase testing equipment for the Research and Test Center, which supports USGA's role in establishing equipment standards for the game of golf. The total cost of the testing equipment is over \$4 million. The testing center will be the site of 18 of the 35 new positions. The average wage of the 50 positions will be \$80,000. Additionally, Moore County Partners in Progress (PIP) projects a direct capital investment by the USGA of at least \$25,000,000. PIP anticipates that the location of the Research and Testing Center and the relocation of some USGA operations to Pinehurst will encourage the location of other golf-related businesses to the area resulting in significant economic benefit to the region. The State has indicated it intends to provide \$18 million for this project through special legislation, the first installment of which was \$3.6 million approved in September 2020. |
| Mt. Olive Family<br>Medicine Center, Inc. | \$100,000.00    | Open Grants            | To support an expansion of the Mt. Olive Family Medicine Center (MOFMC) facility. The expansion will allow MOFMC to increase staff, services, and service hours to help meet demand for medical care in the area. MOFMC will add a full-time provider, behavioral health provider, and medical assistant, and two half-time nurses. Mt. Olive residents currently travelling to Goldsboro for substance abuse and nutrition management services will now be able to access those services locally. The additional capacity will also allow providers to see at least 100 walk-in patients per day, doubling the Center's current capacity, and reducing wait times for the walk-in clinic from two hours to less than one hour. Golden LEAF will be used for furniture and medical equipment.  |
| County of Wayne                           | \$200,000.00    | Open Grants            | To provide fire suppression capacity for Project Shell, which is Hosokawa Micron Systems, a manufacturer of machines and systems for powder processing and a contract manufacturer. The company is expanding its contract manufacturing business to the ParkEast Industrial Park in Goldsboro. The company expects to create 16 new jobs paying, on average, nearly \$51,000, plus benefits, compared to the county average wage of \$38,401. It also will make capital investments of approximately \$4.5 million. The company will acquire a shell building completed by Wayne County and Wayne County will use proceeds from the shell building to build another for future economic development. The company requires additional water pressure for its fire suppression system. Golden LEAF funds will be used to install a publicly owned 120,000-gallon water tank adjacent to the site that would serve the site and other sites in the park as well. The City of Goldsboro will own the tank.   |
| County of Ashe                            | \$500,000.00    | CBGI                   | To support establishment of a 41.7-acre industrial park. The county currently has no vacant industrial sites to market to prospective companies, which has constrained industrial growth in the area. The county will address this issue through the creation of a new industrial park containing five sites ranging in size from 2.2 to 13 acres each. The county has already purchased land for the project and completed an engineering report for the property. This land sits 1.25 miles away from a four-lane divided highway and across the street from several other large industrial buildings. It is expected that the project will generate 108 new jobs and attract \$12,350,000 in private investment in the near term. Other funders on this project include Appalachian Regional Commission and Blue Ridge Electric (USDA REDLG). Golden LEAF funds will be used for site preparation- and infrastructure-related costs.  |

| Grantee                                       | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |
|---|-----------------|------------------------|---|
| County of Catawba                             | \$400,000.00    | CBGI                   | To establish a county-wide, self-perpetuating, revolving loan program to support public-private partnerships in developing speculative buildings within the county. The program centers around a model of shared risk in which both private sector (landowners and developers) and public sector (county and municipality) partners maintain some investment in the project as a way of discouraging stranded investment, differentiating it from conventional spec building programs driven by the public sector. The county has used this model to develop spec buildings in the past with all of those buildings being sold. Initially, two speculative buildings will be constructed in five years through this project and are expected to result in \$14 million invested in private property, plant, and equipment, and 50 new full-time jobs with an average salary of \$48,000. Golden LEAF funding will provide funding for loans to local government entities, if needed, to assist with the interest carrying cost, general insurance, and utilities until the building is sold but for no longer than 36 months. |
| County of Catawba                             | \$491,257.00    | CBGI                   | To install a sewer line to support establishment of a 55-acre business park in the fast-growing, southeastern section of the county. A Duke Energy Site Readiness assessment of the 55-acre parcel identified potential end users in the light manufacturing, office, or mixed-use sectors but highlighted lack of sewer as a critical deficit. Catawba County's initial goals for the business park include \$1.753 million invested in public infrastructure, \$18 million in private investment, and creation of at least 125 jobs with salaries averaging \$48,000 annually.  |
| Town of Drexel                                | \$500,000.00    | CBGI                   | To redevelop the former site of a Drexel Heritage furniture plant, demolished and then abandoned about 10 years ago. The town also has additional grants from NC Department of Commerce and local matching funds committed to the critical clean-up of demolition rubble, but additional funding is needed. The town estimates a total cost of \$1,757,000 to clear the debris. Because this is a relatively flat, rail-served site, the town anticipates it will attract significant interest from businesses. The Town of Drexel expects the project to result in creation of 200 full-time jobs and \$500 million in private investment at the site. Golden LEAF funds will be used for sewer and demolition/clearance costs.  |
| City of Hickory                               | \$491,257.00    | CBGI                   | To extend a road within Trivium Corporate Center business park that will improve access to one site and enable access to additional acreage that could support 750,000 square feet of new building space. Since its groundbreaking in May 2018, Trivium has secured commitments for \$171 million in private investment and 499 jobs from four companies (Corning Inc., ITM, Cataler North America Corporation, and American Fuji Seal, Inc.), and has a \$10 million spec building currently under construction in the park. Golden LEAF funds will be used to extend an access road within the park.  |
| Town of Spruce Pine                           | \$775,349.50    | CBGI                   | To construct a mile-long, 8" waterline that will run adjacent to NC Hwy 226, south from Spruce Pine Town Hall to connect to an existing 8" waterline in a business and industrial district. This infrastructure improvement will provide higher water pressure and volume to serve existing business and industry along the NC Hwy 226 corridor and will enable industries, like Buck Stove, to meet fire suppression requirements for expansion needs. The line will also serve a 90-acre tract on this corridor, one of the few industrial sites available for development in the county. The waterline project is written in the county's current Economic Development Strategic Plan and coincides with NCDOT's scheduled widening of NC Hwy 226. Golden LEAF funds will be used for waterline-related construction costs.  |
| Wilkes Economic<br>Development<br>Corporation | \$1,500,000.00  | CBGI                   | The EDC seeks to meet the need of companies looking for building space of 20,000 square feet or less by building a 31,200 square foot flex multi-tenant building for commercial or light industrial use on a 4.8-acre site it owns. The EDC has documented demand from businesses interested in spaces of that size in the county. In addition to renting space in the building, the EDC will offer ongoing business support, including mentoring, and professional legal, accounting, and marketing consultations to tenants of the center. Anticipated outcomes for the project include two new businesses locating in the building, 25 new jobs created, and a capital investment of \$2,250,000 in public infrastructure. Golden LEAF funds will be used for design work, site work, and construction cost.   |

# Workforce Preparedness

Golden LEAF supports the development and expansion of workforce development programs at North Carolina Community Colleges and nonprofit organizations. As businesses change, workforce training must keep pace. Therefore, new equipment must be acquired, faculty trained, and facilities renovated. Eligible uses of Golden LEAF funds include: professional development for faculty, equipment and technology, and building renovations. Golden LEAF supports projects to help students graduate with the technical skills necessary to enter work and become productive citizens.

| Grantee  | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes   |
|--|-----------------|------------------------|--|
| Alamance Community<br>College Foundation,<br>Inc.      | \$195,000.00    | Open Grants            | To enhance biotechnology programs to help meet a growing regional demand for skilled medical and bioscience technicians. As a component of the college's new Biotechnology Center of Excellence, Alamance Community College will add updated bioprocessing equipment like pieces found in the labs of large local employers. In addition to improving student learning, the project will increase the number of program completers in credit and non-credit programs, the number of program participants earning third-party credentials, and the number of program completers entering the local biomanufacturing, biopharma, health, agriculture, and laboratory workforce. These industries have a demand for over 200 positions within the next two to three years. It is expected that 94 incumbent and displaced workers and students will receive training on this equipment over a two-year period. Golden LEAF funds will be used for three bioprocessing machines.   |
| Caldwell Community<br>College & Technical<br>Institute | \$1,098,000.00  | CBGI                   | To support the launch of a regional Diesel and Heavy Equipment program at Caldwell Community College and Technical Institute (CCC&TI). CCC&TI will offer the program at its main campus and through a mobile learning lab that allows the college to reach high school students and to partner with other community colleges across the nine-county region. The mobile component will eliminate the need to duplicate a high-cost program in the region. This new program will be the only diesel technology program serving Caldwell, Watauga, Burke, Catawba, and Alexander counties. Curriculum and continuing education courses will align with training requirements and certifications through the National Institute for Automotive Service Excellence (ASE). CCC&TI expects to train approximately 100 students over the next 2 years. North Carolina employment for bus, truck, and diesel technicians is projected to grow 9% by 2026, with 155 current openings in the region. Golden LEAF funds will be used for classroom and lab renovations and equipment including four sets of hand tools, major shop equipment, a truck and used trailer, and trainers and cutaways. |
| Catawba Valley<br>Community College                    | \$460,000.00    | CBGI                   | To assist with the expansion of its industrial systems program to Catawba Valley Community College's Alexander County campus. Currently, Alexander County high school students do not have access to training in mechatronics/industrial systems and local workers do not have a convenient location to upgrade their skills. CVCC will equip the Alexander Applied Technologies Center with a mechatronics/industrial systems lab to deliver instruction to Alexander County students and to incumbent workers to prepare them for local, high-demand positions in industrial systems and mechatronics. Project objectives include increased availability of curriculum and continuing education course offerings, and an increase in high school students completing relevant pathways and advancing to the community college's mechatronics and industrial systems program. CVCC will train 70 high school students, traditional college age students, and incumbent workers in related courses during the first two years of implementation. Golden LEAF funds will be used to purchase training equipment and software for the lab.   |

| Grantee                           | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |
|-----------------------------------|-----------------|------------------------|---|
| Cleveland Community<br>College    | \$200,000.00    | Open Grants            | To assist with the development of a Heavy Equipment Operator (HEO) training program. Six employers in the area have forecast the need for 140-160 new HEO job openings over the next three to five years, plus demand from turnover and retirements. The average annual wage for heavy equipment operators is \$42,800, which exceeds the county's average annual wage of \$40,019. HEO training will complement and leverage Cleveland Community College's CDL program. Students who complete HEO training can also complete requirements to be tested by the college's commercial truck driver license examiners. Several pieces of this project's equipment can also be used in the truck driver training program. Training supplies will be used in both programs to maximize efficiency. The program will also incorporate safety and soft skills training already offered at the college. Golden LEAF funding will be used for equipment and a portion of the cost of equipment storage, road tractors, and trailers.   |
| East Carolina<br>University       | \$1,899,350.00  | Special Initiative     | To enhance East Carolina University's ability to serve students who wish to earn a Bachelor of Science in Industrial Technology degree "in place." It will also allow ECU to provide training to incumbent workers in the pharmaceutical manufacturing industry to meet the needs of their employers. ECU identified demand for over 400 new employees in just five pharmaceutical manufacturing companies in the bio-pharma crescent of Edgecombe, Johnston, Nash, Pitt, and Wilson counties. Subsequently, Thermo Fischer Scientific announced a major expansion in Pitt County that will result in the creation of over 500 new positions. Most of the new jobs in these pharmaceutical manufacturing companies require a bachelor's degree. This program will allow ECU to reach students and existing manufacturing employees in the pharmaceutical industry who need to retrain and expand their skills. ECU will be able to give them access to coursework and virtual skills training without requiring that they attend classes on the ECU campus. Community colleges and industry partners will participate by sharing complementary resources to allow access to training on their campuses. Golden LEAF funds will be used for equipment at ECU and participating community colleges and for personnel to develop courses and manage the programs over two years. |
| Freedom Life<br>Ministries        | \$82,064.80     | Open Grants            | To support a workforce training program that is part of an overall strategy to respond to the needs of regional manufacturers in the McDowell County area. Manufacturing companies project the need for 800 new employees over the next five years. Freedom Life will partner with McDowell Technical Community College which will provide training that would enable 96 participants annually to earn a Career Readiness Certificate and/or Occupational Safety and Health Administration (OSHA) safety certificate. In addition, Freedom Life will provide work-based learning through its social enterprise, Freedom Life Pressure Washing (FLPW), to 24 individuals entering the workforce after incarceration and/or addiction recovery. Employers have indicated that this work-based learning provides employees the practical skills they need to maintain employment. FLPW will expand from its land-based business to one that also includes pressure washing in the marine industry. This expansion is expected to sustain the program's growth after the first year. Golden LEAF funds will be used for equipment, work-based learning, and course certifications.  |
| James Sprunt<br>Community College | \$200,000.00    | Open Grants            | To purchase simulation and technology equipment for its renovated nursing facility and nursing programs. The college received an EDA grant of \$2,031,000 to relocate its nursing programs on campus. Connect NC Bond funds provided an additional \$2,449,065 for the renovation/construction project. Prior to these awards, the college did not have adequate space or equipment to outfit the instructional labs to maximize learning opportunities that will prepare students for work in today's clinical settings. The project will assist the college with improving its nursing program completion rates and first-time pass rate for licensure exams, and ultimately better address the need for nurses in rural North Carolina counties. Golden LEAF funds will be used for simulation equipment and related technology.   |

| Grantee                                 | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |
|---|-----------------|------------------------|---|
| Martin Community<br>College             | \$82,462.49     | Open Grants            | To support launch of the Apprentice Line Technician Academy which is a training program that will provide students with the skills necessary to become entry-level technicians qualified for employment with electric utility companies, co-ops, and private cable and power companies. The college intends to enroll 10 students in the first academy and grow to 20 per class. The electrical operations pathway, which will be offered in the area high schools in Fall 2020, will help with recruiting for the program. Key industry partners (Dominion Power, Edgecombe/Martin Electric, Halifax Electric, Electric Cities, and Roanoke Electric) have provided input in curriculum development, some equipment for the program, and/or job opportunities for which program participants/completers may interview. These partners project their demand to be 240 to 450 workers over the next 3 to 5 years. Golden LEAF funds will be used for supplies, student materials/equipment and training equipment. The college expects State funding based on student enrollment to sustain the program in future years.   |
| Mayland Community<br>College Foundation | \$531,908.00    | CBGI                   | To assist with the renovation of a former coliseum in Spruce Pine to create the Three Peaks Enrichment Center. The renovation is a multimillion-dollar project in Spruce Pine that has received significant State support. The overall project also includes renovation of a hotel that Mayland Community College (MCC) will operate and an improved physical connection between the center and the Town. MCC will offer education and workforce training at the center. The college is also relocating its small business services to the center, supporting the growth of entrepreneurs and small businesses which are a major industry sector in the region. Golden LEAF previously awarded funding for MCC's Resource Center for Entrepreneurs which will be housed at Three Peaks. The college expects the renovated center will result in increase of 29 students completing curriculum programs annually, as well as an increase in the number of students enrolled in continuing education programs. Golden LEAF funding for this project will be used for the purchase and installation of an HVAC system and chill tower to support the portions of the building that will be dedicated to education and workforce programs.  |
| North Carolina State<br>University      | \$989,418.00    | Special Initiative     | To support new programs and students at the Agricultural Institute (AGI), a two-year degree program based at NCSU that provides training for careers in agriculture and related fields. AGI has identified several challenges and opportunities for North Carolina agriculture, many of which directly affect rural and economically distressed communities and livestock producers and processors. This grant will support new programs to address those challenges, including creation of an Agricultural Operations Certificate and of a Food Animal and Poultry Processing Curriculum based on needs of industry in rural Tier 1 and 2 counties. It will also support a peer mentorship collaborative that connects AGI students and high school students with faculty and graduate students at NCSU to help with the recruitment of AGI students from Tier 1 and Tier 2 counties, and creation of an internship support program that will make it easier for students to participate in internships provided by agricultural businesses in Tier 1 and 2 counties. Golden LEAF funds will be used over the five-year term of the grant for personnel, travel, recruiting costs, mentoring team participant stipends, internship scholarships, and other costs of the program. |
| Northampton County<br>Schools           | \$150,000.00    | Open Grants            | To establish the Northampton Career & Technical Academy of Innovation (Academy) to provide students with technical skills in fields in demand in the county and surrounding areas. The Academy will be housed in a renovated section of a former high school. Students who enroll in the Academy will attend their traditional high school three days per week and will be transported to the Academy the other two days. Northampton County Schools (NCS) will partner with Roanoke-Chowan Community College to offer five College and Career Promise Pathways including HVAC, Welding, Nursing, Cosmetology, and EMT. NCS will also offer Career and Technical Education pathways including Automotive Technology/Diesel Mechanic, health careers, Agriculture Science/Agribusiness, and Industrial Systems Technology. Golden LEAF funds will be used for some upfit of the old high school, transportation, certifications, supplies and materials, and outreach.   |

| Grantee                               | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |
|---------------------------------------|-----------------|------------------------|---|
| The Industrial<br>Commons             | \$500,000.00    | CBGI                   | To provide training opportunities for workers in the furniture and textile industries and to support the development and growth of an innovative closed loop production system. The Industrial Commons (TIC) will partner with Western Piedmont Community College to provide programs to meet the workforce demand of the network of 40 textiles companies that make up the Carolina Textile District (CTD). Additionally, Material Return, a company controlled by TIC, will work with local manufacturers to convert post-production textile waste into new yarn, creating a closed loop of production system, and adding value to these materials that are currently used for low-value purposes such as insulation. Companies in the CTD have identified demand for 80 employees in the next two years. Wages for these jobs are expected to start near \$33,000 and to average \$45,000. Golden LEAF funds will be used for equipment, project management and trainers, leased space, and supplies.  |
| Town of Old Fort                      | \$800,000.00    | CBGI                   | To support renovation of a building which the Town of Old Fort will lease to McDowell Technical Community College (MTCC) for use as a satellite campus. MTCC will provide training to meet the needs of business and industry for workers trained in manufacturing, construction, and trail design. MTCC expects 70 students will enroll in a National Center for Construction Education Research (NCCER) Core Curriculum course, 40 students will enroll in a trail development, maintenance, and sustainability course, and 50 NCCER students and 25 trail development students will successfully complete their coursework and earn a certificate or third-party credential. Golden LEAF funds will be used to renovate a 4,000 square foot building to house at least two classrooms, a computer lab, and up to three offices.  |
| Southwestern<br>Community College     | \$198,400.00    | Open Grants            | To purchase simulation training equipment that will support the expansion of Southwestern Community College's (SCC) health sciences programs. SCC is constructing a new health science building that is expected to open in Fall 2021. The expanded program will increase capacity from 440 to 638 students by 2023 and the college projects that it will produce 508 highly trained regional health care employees over ten years to meet demand and employer needs. The simulation training equipment, which was selected by instructors, local business leaders, and medical experts, will support SCC's nursing, physical therapy assistant, and medical sonography curriculum programs. Golden LEAF funds will be used for this simulation training equipment.   |
| Western Piedmont<br>Community College | \$1,500,000.00  | CBGI                   | To assist in the construction of a 30,000 square foot Construction Trades Solution Center with labs and classroom space to house the construction trades program. The Center will offer training in carpentry, masonry, electrical technologies, HVAC, plumbing, and green construction principles. Western Piedmont CommunityCollege (WPCC) will offer the courses through continuing education and curriculum programs, allowing students to earn stackable certificates in specific skill areas. Caldwell Community College and Catawba Valley Community College will be project collaborators. In addition, WPCC is developing Career and College Promise pathways in construction trades/heavy equipment and estimates 85 high school Career and Technical Education students from the Alexander, Burke, and Catawba county school districts will participate in the program. The Center will also serve traditional post-secondary students, new job seekers, and incumbent workers. Five-year projections for regional workforce need in construction trades are at a critical point, with 3,734 openings for the period. Golden LEAF funds will be used for construction-related costs. |

# Agriculture

Golden LEAF supports agriculture as an economic engine in rural communities. Projects include education or training opportunities to enable transition to a career in agriculture or technical assistance and research projects to support existing farmers. Eligible uses of Golden LEAF funds include salary, equipment, and other program costs.

| Grantee   | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |  |
|---|-----------------|------------------------|---|--|
| Blue Ridge Women in<br>Agriculture (BRWIA)                              | \$108,000.00    | CBGI                   | To develop five satellite pick-up locations in Watauga and Ashe Counties for BRWIA's High Country Food Hub online marketplace. This project is designed to retain existing customers and meet increased consumer demand. By making pick-up sites more convenient, BRWIA anticipates increasing the number of consumers who make monthly use of the High Country Food Hub by 150. Golden LEAF funds will be used for equipment delivery vehicle, and other Food Hub distribution-related expansion costs   |  |
| County of Watauga   | \$1,000,000.00  | CBGI                   | To construct a livestock slaughter and processing center located in Watauga County that will serve producers from several western North Carolina counties, including Ashe, Alleghany, Avery, Caldwell, Mitchell, and Watauga. The livestock processing center (primarily for beef and pork) is critically needed due to a shortage of local slaughter and processing capacity, with the nearest USDA-inspected slaughter facility a 1-to-2-hour drive from the Watauga County site. Widespread shortages of meat during the COVID-19 shutdown revealed how fragile the meat production system is, even without disruptions to energy and transportation systems. Watauga County will lease the facility to Watauga Butchery which will operate the facility under USDA inspection. The slaughter facility will serve an estimated 500 producers. Watauga County has committed a two-acre site and will provide support for site development. Golden LEAF dollars will be used for building construction and publicly owned infrastructure.  |  |
| Isothermal<br>Community College   | \$200,000.00    | Open Grants            | To support construction of a covered riding arena at Isothermal Community College (ICC) to accommodate growth in its Agribusiness: Equine Business, and Human Services Technology: Animal Assisted Interaction programs. The new ring will also allow students to be trained on-site instead of traveling up to one hour to other horse facilities or farms that volunteer their covered arenas and horses for training conducted by ICC. The arena will serve as a training area for programs, students, and individuals. Users in addition to ICC include, Therapeutic Riding of Tryon, and Rutherford and Polk County Schools. Enrollment in the college's agribusiness and equine-related curriculum programs has increased by over 63% from 55 in fall 2019 to 90 in fall 2020, and the college has added new sections of equine-related courses in response to enrollment growth in continuing education. Programs will provide training and workforce development to prepare more than 175 students for full-time jobs in the growing local and regional equine and agribusiness industries. Those students who complete therapeutic horsemanship courses will be prepared to earn industry-recognized certifications from Professional Association of Therapeutic Horsemanship International that will make them eligible for over 345 full-time certified equine therapeutic instructor positions across North Carolina. |  |
| North Carolina<br>Department of<br>Agriculture and<br>Consumer Services | \$2,093,377.00  | Special<br>Initiative  | To add new and expanded testing services at the newly constructed 225,000 square foot Agricultural Sciences Center (ASC). The total cost of the facility is \$107 million, supported by \$94 million in Connect NC bond funds and a \$13 million appropriation from the General Assembly. The General Assembly provided an additional \$10 million for costs of relocating labs to the ASC and for the outfitting and start-up of the center. NCDA&CS will consolidate five laboratories from four divisions in the ASC: Food and Drug Protection Division, Veterinary Diagnosis Laboratory Services, Standards Division, and Structural Pest Control and Pesticides Division. Golden LEAF funds will be used for equipment for the Veterinary Diagnostic Lab, Standards Lab, Motor Fuels Lab, and the Food and Drug Protection Lab. All of the equipment purchased with Golden LEAF funding will allow NCDA&CS to provide new testing services or expand testing services currently available. The equipment will result in outcomes   |  |

|                                    |                 |                        | important to the agricultural industry in the state, including savings of between \$1 million-\$4 million for farmers by reducing the amount they spend on out-of-state lab services; testing of stored diesel and of hydraulic fluid and motor oil for farmers, reducing potential damage to farm equipment; increased testing of grain moisture meters at buying stations, ensuring farmers receive a fair price for their crop; increased diagnostic testing capacity of the veterinary lab; reduced turnaround time for analyses of feed and forage and of fertilizer; and, others.   |  |
|------------------------------------|-----------------|------------------------|---|--|
| Grantee                            | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |  |
| North Carolina State<br>University | \$198,843.00    | Special<br>Initiative  | To leverage \$10 million in COVID-19 relief funds directed to North Carolina livestock processors by providing assistance to help them use those funds effectively. It will also support livestock producers who sell bulk meat into the direct-to-consumer market by offering technical assistance and expanding their options for processing. Because some existing processors are operating at full capacity without the ability to schedule producers for services for a year, this project will also address some of the pressures faced by those producers in getting their products to market. Golden LEAF funds will be used for contract personnel, travel, marketing, supplies, and meetings.   |  |
| North Carolina State<br>University | \$76,500.00     | Open Grants            | The guava root-knot nematode (GRKN), is an invasive and aggressive soilborne pathogen. GRKN overcomes all known crop resistance genes that are effective in controlling other RKN species. The threat GRKN is a threat to North Carolina's sweet potato industry which is estimated at 95,000 harvested acres valued at \$342 million. A significant hindrance to research to investigate solutions for this threat is identifying field locations with sufficient GRKN populations to perform the work. This project will establish a contained research farm site infested with GRKN at the Border Belt Tobacco Research Station. The site will allow for management studies and the ability to screen sweet potato, soybean, tobacco, and vegetable cultivars for resistance to GRKN under field conditions. Success will be demonstrated through research and management trials and sharing findings with stakeholders through field days and other communications. Golden LEAF funding will be used for costs including site preparation, construction, and equipment. |  |

# Community Capacity, Competitiveness, and Vitality

Golden LEAF invests and supports healthcare as an economic engine in rural, economically distressed and/or tobacco dependent communities. Eligible uses of Golden LEAF funds include: faculty training, technology and equipment, and building and site improvements to create new healthcare jobs.

| Grantee                                | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |  |
|--|-----------------|------------------------|---|--|
| Brunswick Christian<br>Recovery Center | \$44,866.00     | Open Grants            | To provide 80 individuals with a degree, diploma, or certificate through its Workforce Redevelopment Program. BRCC will expand the Workforce Redevelopment Program which includes its landscaping and commercial cleaning businesses. These businesses provide basic workforce development opportunities for the Center's residential clients. The Program also offers short-term skills training provided by Brunswick Community College in small engine repair, carpentry, masonry and electrical. BCRC operates a residential recovery center for men and will open a recovery center for women this fall. Expanding the landscaping and commercial cleaning businesses will provide greater workforce development opportunities for the residents and will also provide revenue to support the Center's operations. Golden LEAF funds will be used for supplies and equipment to support the landscaping and cleaning businesses. |  |
| Grantee                                | Award<br>Amount | Golden LEAF<br>Program | Purpose & Outcomes  |  |

|   |              |                    | To provide leadership and capacity-building outreach in the Western   |
|---|--------------|--------------------|---|
| Rural Economic<br>Development Center,<br>Inc.         | \$150,000.00 | Open Grants        | Prosperity Zone in advance of Golden LEAF's launching its Community Based Grants Initiative there in 2021. The Rural Center has previously engaged in similar efforts in the Northeast Prosperity Zone in 2018- 2019, the Sandhills Prosperity Zone in 2019-2020, and in the Northwest Prosperity Zone (2020-2021). The primary goal of the program is to ensure that participating counties have an increased readiness to pursue economic development funding opportunities, particularly Golden LEAF's. The Rural Center will work within the region with county managers, Council of Government staff, community college and university staff, economic development partners, and other key stakeholders to equip them with the knowledge and tools to understand comprehensive rural economic development. Identifying low-hanging fruit and "shovel-ready" projects will be a priority in the capacity-building process. The project will review regional and local strategic plans to inform project ideas and ensure that new projects are supporting a broader vision for the community and region. The Rural Center will also provide coaching to the communities, meeting at least once a month, in person if possible and remotely if necessary, with each team in the region and guiding the teams through an exploration of a variety of state and national best practice models, drawing on sources of innovation from other rural communities around the country. |
| The University of<br>North Carolina at<br>Chapel Hill | \$493,546.00 | Special Initiative | To offer financial support for training of mid- and entry-level professionals (department director and below) and local elected officials from municipalities with a mayor-council form of government. All recipients will be from Tier 1 counties. The training will provide the fundamental skills needed to help communities operate efficiently and effectively. The program supports attendance in the following programs: 1) Fundamental and Advanced Supervisory Practices courses, which provide basic management and supervisory competencies to professionals; 2) continuing education courses in core competencies for local government professionals, and skills in basic legal and fiduciary obligations, service management, and planning and administration for elected officials; and 3) organizational scholarships for customized advising and training to allow small jurisdictions to address specific capacity development priorities. The Center expects that funding will support 144 participants in the Fundamental and Advanced Supervisory Practices programs, 840 scholarships for public professionals, 150 scholarships for elected officials, and 210 participants in customized advising and training programs. Golden LEAF funds will be used for sponsorship of supervisory practices courses, scholarships, customized advising and training, and outreach, management, and administration.  |

## **Golden LEAF Priority Area Activities**

#### Golden LEAF Scholarships

Since 2000, Golden LEAF has awarded 67 scholarship grants totaling \$70,792,877.73 to assist more than 22,855 students from rural counties to attend two- and four-year colleges and universities in North Carolina.

Scholarships target students who (1) reside in rural N.C. counties that are tobacco-dependent and/or designated economically distressed, (2) who demonstrate financial need, and (3) who show an interest in staying in a rural North Carolina county after graduation. Recipients may attend the participating North Carolina college or university of their choice.

#### Four-Year Colleges and Universities

The North Carolina State Education Assistance Authority is the manager of the Golden LEAF scholarship program for four-year colleges and universities. Golden LEAF awarded \$2,420,500.00 to support 215 new and 554 renewal scholarships for students to attend public and private universities and colleges in North Carolina. Each scholarship is valued at \$3,000.00 per year. The program also supports four scholarships to students in the Regionally Increasing Baccalaureate Nurses program (RIBN) valued at \$1,500.00 per year for the first 3 years and \$3,000.00 for the fourth year.

Golden LEAF Scholarship recipients enrolled in four-year colleges and universities are eligible to participate in a leadership development program that includes paid summer internships. These internships provide students with work experience in rural communities. The goal of the program is to prepare the next generation of rural leaders and expose students to career opportunities in rural communities. Golden LEAF awarded the Center for Creative Leadership \$2,036,704 to support 301 freshman, sophomore, junior, and senior scholars who participated this year. Funding supports leadership development activities and the costs of the summer internships.

## Community Colleges

The Foundation awarded \$1,750,000.00 to the North Carolina Community College System to support at least 1,000 new scholarships for students enrolled in the Curriculum and Continuing Education programs from rural counties to attend a participating community college. The scholarship provides students with up to \$2,250.000 per year to students in curriculum programs and up to \$1,850.00 per year to students in occupational programs. Funds can be used for tuition and approved educational subsistence expenses.

## **Golden LEAF Foundation Annual Report**

Planned Activities and Goals

## Performance on FY 2020-2021 Goals

1. Provide funding for economic development projects across North Carolina that create jobs and add investment.

√ The Golden LEAF Foundation Board of Directors awarded \$45,853,039.67 to support 53 projects across 34 counties to enable implementation of agricultural, workforce preparedness, job creation and economic investment,and scholarship initiatives. Funds awarded to local government entities and 501(c)(3) nonprofit organizations through the Economic Catalyst Program are projected to support the creation of at least 1,905 jobs over the next few years.

2. Close-out many of the grants awarded to aid local governments and small businesses affected by natural disasters.

√ Following Hurricane Matthew, Hurricane Florence, and Hurricane Dorian the Disaster Recovery Acts of 2016, 2017, 2018 and 2019 appropriated a total of \$114.5 million to the Golden LEAF Foundation for repair or replacement of equipment and infrastructure damaged or destroyed as a result of one or more of the recent named storms, as well as to provide loans for small business recovery. With the exception of a small amount of funding held to address project modifications, all available funds have been awarded to support 215 projects. As of this report, 126 projects are complete.

3. Complete Northwest Prosperity Zone capacity building and grantmaking through the Community-Based Grants Initiative.

√ Capacity building efforts concluded in the fall of 2020 with grantees submitting Letters of Inquiry (LOIs) for developed projects. LOIs were reviewed by the Golden LEAF Foundation Board at its December 2020 meeting. The Board reviewed full applications and made awards at the April 2021 meeting.

4. Implement initiatives targeting workforce development in a changing environment.

√ Following a thorough development process, the Golden LEAF Foundation launched the Golden LEAF Opportunities for Work (GLOW) initiative in January 2020. Applications were submitted in March and awards were made in June 2020. GLOW is intended to provide funding to address the urgent workforce issues facing North Carolina. Priorities of the program include closing the skills gap by targeting working-age adults who are pursuing work but who face significant barriers to employment, are underemployed, or are experiencing long-term unemployment; providing opportunity for working-age adults to obtain post-secondary credentials; preparing working-age adults for employment in high demand fields in their community or region. Awarded projects are underway.

5. Complete a strategic planning process, including review and evaluation of existing programs.

√ In July 2020, the Golden LEAF Board launched a strategic planning process that culminated in the adoption of a FY2022-2026 strategic plan in February of 2021. The goal of the strategic planning process was to assess how Golden LEAF can increase the impact of our mission through implementation of programs that support outcomes in key priority areas. The planning process included stakeholder engagement and a comprehensive review of the prior work of the Foundation.

6. Complete and review results of a third-party evaluation of the Golden LEAF 4-year scholarship program.

√ Golden LEAF contracted with RTI International, a nonprofit research organization, to conduct an evaluation of the Golden LEAF 4-year scholarship program. RTI conducted surveys and interviewed Golden LEAF Scholars to assess the effectiveness of the scholarship program in reaching the goals set by the Golden LEAF

Board. The primary goal for the scholarship program is for students receiving scholarships to return to live and work in a rural community following graduation.

- 7. Increase outreach efforts to encourage more and higher quality applications from priority counties.
- √ Although the pandemic has delayed in-person outreach, Golden LEAF has increased the frequency of our electronic communications, enhancements to our social media and website, and conducted direct outreach to all 58 community college presidents.

## Planned Activities and Goals for FY 2021-2022

- 1. Provide funding for economic development projects across North Carolina that create jobs and add investment.
- 2. Close-out many of the grants awarded to aid local governments and small businesses affected by natural disasters.
- 3. Complete WesternProsperity Zone capacity building and grantmaking through the Community-Based Grants Initiative.
- 4. Implement initiatives targeting workforce development in a changing environment.
- 5. Continue implementation of FY2022-2026 strategic plan.
- 6. Launch a new SITE Program to increase the number of sites available for economic development activity in rural areas.
- 7. Increase outreach efforts to encourage more and higher quality applications from priority counties.
- 8. Develop effort to support economic opportunity focused on serving Tier 1 communities east of I-95.

# **Golden LEAF Foundation**

Annual Report of Foundation Activities July 1, 2020 - June 30, 2021

# Appendix

# **Funds Received by Golden LEAF**

| (in millions) | MSA Payments | Investment Income | Total Income |
|---------------|--------------|-------------------|--------------|
| FY 2009       | \$87.5       | <\$142>           | <\$54>       |
| FY 2010       | \$73         | \$67              | \$140        |
| FY 2011       | \$69         | \$122             | \$191        |
| FY 2012       | \$70.5       | <\$10>            | \$61         |
| FY 2013       | \$105.5      | \$99              | \$205        |
| FY 2014       | \$0          | \$125             | \$125        |
| FY 2015       | \$0          | \$21              | \$22         |
| FY 2016       | \$10         | <\$4>             | \$7          |
| FY 2017       | \$10         | \$117             | \$152*       |
| FY 2018       | \$17.5       | \$83              | \$130*       |
| FY 2019       | \$17.5       | \$57              | \$115*       |
| FY 2020       | \$17.5       | \$2               | \$45*        |
| FY 2021       | \$17.5       | \$290             | \$385*       |
| Cumulative    | \$1,203      | \$1,032           | \$2,435      |

<sup>\*</sup>Includes state general fund appropriation for disaster recovery and COVID-19 recovery.

#### **Active Golden LEAF Foundation Programs**

Overview

#### **Open Grants Program**

Up to \$200,000 in funding available year-round to local governments and 501(c)(3) nonprofit organizations. Program places priority on agriculture, job creation and retention and workforce preparedness.

#### **Economic Catalyst**

Focuses on job creation and retention projects associated with business locations or expansions that are at risk without Golden LEAF participation. Specific criteria include urgent need, eligible use of funds, and economic impact of the project (jobs and capital investment).

#### **Community-Based Grants Initiative (CBGI)**

Golden LEAF invites participation from one or more prosperity zone each year. CBGI awards are limited to three projects per county, totaling no more than \$1,500,000 per county. This program is a competitive process and not all counties in a region receive funds in support of their projects.

#### **Scholarships**

Four-Year Scholarship Program

The Golden LEAF Scholarship Program four-year scholarship program assists current high school seniors and North Carolina community college transfer students. Recipients must be from certain rural counties, demonstrate both financial need and merit, and plan to attend participating North Carolina colleges and universities. Scholarships for students attending four-year colleges and universities worth \$3,000 each are funded through a grant to the North Carolina State Education Assistance Authority. Students awarded Golden LEAF Scholarships attending four-year colleges and universities are also eligible to participate in the Golden LEAF Scholars Leadership Program. The program provides Golden LEAF Scholars with leadership training at the Center for Creative Leadership, one of the nation's leading leadership development organizations. Students participating in the leadership development program also engage in a paid internship in rural communities.

## Community College Scholarship Program

The Golden LEAF Community College Scholarship Program supports students from certain rural counties to attend a participating community college. The scholarship provides students with up to \$2,250.00 per year to students in curriculum programs and up to \$1,850.00 per year to students in continuing education and occupational programs. Funds can be used for tuition and other components of the total cost of attendance.

#### **Active Golden LEAF Foundation Programs**

Priority Goals and Outcomes Tracked

#### **Job Creation and Economic Investment**

Collaborate with EDPNC, N.C. Department of Commerce, and local governments and organizations to provide gap funding to assist with job creation. Support healthcare as an economic development engine in rural and economically distressed areas of North Carolina.

- Investment in publicly owned infrastructure
- Investment in privately owned property, plant, and equipment
- New full-time jobs created
- Average annual wage of new full-time jobs

Golden LEAF will also collect information regarding jobs retained that were at risk without Golden LEAF support; comparison to county wages; etc.

## **Workforce Preparedness**

Increase the number of qualified individuals with skills aligned with current and future needs of North Carolina businesses. Prepare students with the technical and life skills necessary to enter work.

- Increase in students completing at least one curriculum program in the area funded.
- Increase in students completing at least one continuing education course or program in the area funded.
- Increase in students earning at least one industry/third party certification, license, or other credential (non-academic) in the area funded.
- Increase in students completing CTE pathways in the area funded.
- Increase in students participating in work-based learning.
- Increase in students receiving meaningful exposure and opportunities to explore local career opportunities.

Golden LEAF will also collect information regarding students employed; incumbent workers trained; employer input and feedback; survey results; etc.

#### **Agriculture**

Support agriculture as a means of promoting economic development.

- Number of participants at agricultural training
- Publication of research outcomes directed towards benefit of farmers
- Monthly use of agricultural facilities that benefit farmers

Golden LEAF will also collect information regarding increased revenues; acres in production; new crops/products grown or produced; etc

#### **Community Capacity, Competitiveness, and Vitality**

Golden LEAF awards funds to invest in improving economic competitiveness. Projects include opportunities to promote economic development through critical infrastructure and needs to enable employment of health care professionals.

## **Active Golden LEAF Foundation Programs**

Priority Goals and Outcomes Tracked

- Investment in public infrastructure
- Number of homes, businesses, and institutions served by new broadband access
- Number of rural leaders receiving training or coaching
- Number of people employed in targeted fields

Golden LEAF will also collect information regarding private investment; new broadband miles; new connections to infrastructure; business start-ups or expansions; number of patient visits in healthcare facilities; improved financial position of rural healthcare facilities; etc.

# **Golden LEAF Foundation Awards**

| Project Area (years active)   | Number | Amount             |
|---|--------|--------------------|
| Annual / Open Grants (2000 - present)                                     |        |                    |
| Agriculture   | 255    | \$33,597,549.24    |
| Community Capacity, Competitiveness, and Vitality                         | 27     | \$6,859,352.92     |
| Economic Development  | 255    | \$34,914,350.33    |
| Education   | 106    | \$23,784,701.30    |
| Healthcare  | 78     | \$15,154,588.28    |
| Workforce Preparedness  | 161    | \$26,254,827.90    |
| Economic Catalyst (2005- present)   | 140    | \$194,480,064.03   |
| Scholarships / Scholars Leadership Program (2000 - present)               | 66     | \$68,992,877.32    |
| Strategic Initiatives   |        |                    |
| Aerospace Alliance (2005 - 2008)  | 6      | \$10,231,884.27    |
| AgBiotech Initiative (2010)   | 4      | \$1,140,243.09     |
| Agriculture Special Initiative (2014)                                     | 2      | \$183,378.50       |
| Biotechnology (2003 - 2006)   | 9      | \$67,493,935.25    |
| Community Assistance Initiative (2007 - 2013)                             | 194    | \$85,103,504.15    |
| Community-Based Grantsmaking Initiative (2013 - present)                  | 161    | \$99,282,758.76    |
| Disaster Recovery Grant Program (2017 - 2020)                             | 202    | \$89,608,293.80    |
| Disaster Relief Grant Program (2018-2019)                                 | 47     | \$5,468,493.30     |
| Disaster Recovery Loan Program (2017-2020)                                | 4      | \$14,888,709.71    |
| Economic Stimulus (2002- 2004)  | 16     | \$6,543,402.86     |
| Essential Skills in Advanced Manufacturing (2012 - 2013)                  | 23     | \$10,533,647.40    |
| Financial Markets Access (2009)   | 1      | \$5,000,000.00     |
| Golden LEAF Opportunities for Work (GLOW) (2009)                          | 22     | \$3,003,239.64     |
| Golden LEAF Opportunities for Work - Advanced Manufacturing (2009 - 2010) | 10     | \$4,614,830.40     |
| Golden LEAF Opportunities for Work (GLOW) (2020)                          | 10     | \$3,494,142.00     |
| Healthcare Workforce Initiative (2015)                                    | 9      | \$2,532,213.67     |
| Local Foods Initiative (2010)   | 12     | \$1,855,677.94     |
| Major Site Development Initiative (2016)                                  | 5      | \$25,179,727.55    |
| Rural Broadband Initiative (2010, 2016, 2019)                             | 4      | \$26,836,171.43    |
| Rural Health Care (2009 - 2012)   | 20     | \$3,098,247.14     |
| Site Certification (2002- 2006)   | 20     | \$438,695.21       |
| Special Programs Initiative (2011 - present)                              | 24     | \$216,669,372.34   |
| STEM Initiative (2010 - 2011)   | 16     | \$5,369,201.63     |
| UNC-CH Initiative (2007 - 2011)   | 25     | \$3,789,964.19     |
| Total   | 1,934  | \$1,102,231,541.67 |

<sup>\*</sup>Numbers do not include awards made and then rescinded with no funds released.

# **Golden LEAF Foundation Awards**

FY2000 - 2021 by County

| County   | Amount Awarded<br>FY 2000 - 2021 | Number of Projects<br>FY2000 - 2021 | 2021 Tier |
|--|----------------------------------|-------------------------------------|-----------|
| Alamance   | \$3,671,243.59                   | 10                                  | 2         |
| Alexander  | \$2,175,281.74                   | 5                                   | 2         |
| Alleghany  | \$2,757,572.55                   | 9                                   | 2         |
| Anson  | \$3,817,851.30                   | 12                                  | 1         |
| Ashe   | \$2,322.005.36                   | 7                                   | 2         |
| Avery  | \$739,581.67                     | 1                                   | 2         |
| Beaufort   | \$7,387,817.41                   | 27                                  | 2         |
| Bertie   | \$2,276,312.35                   | 10                                  | 1         |
| Bladen   | \$6,403,972.44                   | 20                                  | 1         |
| Brunswick  | \$1,088,538.75                   | 6                                   | 3         |
| Buncombe   | \$19,494,337.59                  | 43                                  | 3         |
| Burke  | \$5,864,544.87                   | 16                                  | 2         |
| Cabarrus   | \$767,179.75                     | 4                                   | 3         |
| Caldwell   | \$4,689,293.07                   | 13                                  | 1         |
| Camden   | \$2,239,100.00                   | 3                                   | 3         |
| Carteret   | \$1,628,024.58                   | 9                                   | 3         |
| Caswell  | \$3,431,245.21                   | 8                                   | 1         |
| Catawba  | \$7,644,133.22                   | 26                                  | 2         |
| Chatham  | \$7,953,337.55                   | 15                                  | 3         |
| Cherokee   | \$4,425,594.18                   | 12                                  | 1         |
| Chowan   | \$1,425,348.02                   | 6                                   | 2         |
| Clay   | \$2,105,571.00                   | 6                                   | 2         |
| Cleveland  | \$11,281,416.21                  | 20                                  | 1         |
| Columbus   | \$5,348,529.03                   | 17                                  | 1         |
| Craven   | \$5,274,455.04                   | 11                                  | 2         |
| Cumberland   | \$4,610,284.82                   | 17                                  | 1         |
| Currituck  | \$1,000,000.00                   | 1                                   | 3         |
| Dare   | \$2,243,944.56                   | 10                                  | 2         |
| Davidson   | \$4,190,962.11                   | 11                                  | 2         |
| Davie  | \$4,755,362.13                   | 6                                   | 2         |
| Duplin   | \$5,678,737.69                   | 19                                  | 1         |
| Durham including organizations based in the Triangle that serve other counties | \$81,077,878.42                  | 60                                  | 3         |
| Edgecombe  | \$27,813,108.89                  | 44                                  | 1         |
| Forsyth  | \$12,057,617.04                  | 31                                  | 2         |
| •  |                                  | <u>i</u>                            |           |

| County   | Amount Awarded<br>FY 2000 - 2020 | Number of Projects<br>FY2000 - 2020 | 2020 Tier |
|--|----------------------------------|-------------------------------------|-----------|
| Franklin   | \$1,722,347.49                   | 4                                   | 2         |
| Gaston   | \$2,408,011.65                   | 6                                   | 2         |
| Gates  | \$1,040,424.03                   | 3                                   | 2         |
| Graham   | \$2,629,980.81                   | 9                                   | 1         |
| Granville  | \$1,930,332.85                   | 10                                  | 2         |
| Greene   | \$3,841,427.65                   | 15                                  | 1         |
| Guilford including organizations based in the Triangle that serve other counties | \$29,644,609.13                  | 34                                  | 2         |
| Halifax  | \$6,194,076.20                   | 27                                  | 1         |
| Harnett  | \$4,609,683.50                   | 11                                  | 2         |
| Haywood  | \$3,666,579.74                   | 12                                  | 2         |
| Henderson  | \$4,705,441.27                   | 11                                  | 3         |
| Hertford   | \$3,724,270.27                   | 11                                  | 1         |
| Hoke   | \$3,447,155.92                   | 5                                   | 1         |
| Hyde   | \$2,528,464.84                   | 8                                   | 1         |
| Iredell  | \$1,647,243.41                   | 5                                   | 3         |
| Jackson  | \$5,317,679.08                   | 19                                  | 2         |
| Johnston   | \$8,848,156.34                   | 27                                  | 3         |
| Jones  | \$3,802,740.07                   | 10                                  | 2         |
| Lee  | \$9,309,947.33                   | 11                                  | 2         |
| Lenoir <sup>3</sup>  | \$109,346,689.62                 | 38                                  | 1         |
| Lincoln  | \$200,000.00                     | 1                                   | 3         |
| Macon  | \$549,556.49                     | 1                                   | 3         |
| Madison  | \$2,567,606.48                   | 11                                  | 2         |
| Martin   | \$4,605,675.38                   | 18                                  | 1         |
| McDowell   | \$3,696,797.01                   | 8                                   | 2         |
| Mecklenburg  | \$93,906.52                      | 1                                   | 3         |
| Mitchell   | \$4,917,043.60                   | 18                                  | 1         |
| Montgomery   | \$3,804,175.00                   | 16                                  | 2         |
| Moore  | \$2,427,254.41                   | 9                                   | 3         |
| Nash   | \$5,505,956.95                   | 20                                  | 1         |
| New Hanover  | \$1,177,146.35                   | 8                                   | 2         |
| Northampton  | \$3,209,405.53                   | 12                                  | 1         |
| Onslow   | \$1,516,660.57                   | 6                                   | 2         |
| Orange including organizations based in the Triangle that serve other counties   | \$19,049,371.90                  | 62                                  | 3         |
| Pamlico  | \$1,317,358.20                   | 3                                   | 2         |
| Pasquotank   | \$7,391,150.17                   | 20                                  | 1         |

| County   | Amount Awarded<br>FY 2000 - 2020 | Number of Projects<br>FY2000 - 2020 | 2020 Tier |
|--|----------------------------------|-------------------------------------|-----------|
| Pender   | \$1,207,562.64                   | 5                                   | 3         |
| Perquimans   | \$2,530,709.72                   | 5                                   | 2         |
| Person   | \$2,031,135.91                   | 7                                   | 2         |
| Pitt   | \$28,163,326.84                  | 57                                  | 2         |
| Polk   | \$400,000.00                     | 1                                   | 3         |
| Randolph   | \$2,239,140.07                   | 11                                  | 1         |
| Richmond   | \$5,949,452.35                   | 13                                  | 1         |
| Robeson  | \$11,315,815.31                  | 34                                  | 1         |
| Rockingham   | \$8,131,233.03                   | 21                                  | 1         |
| Rowan  | \$2,340,988.05                   | 6                                   | 1         |
| Rutherford   | \$6,593,201.88                   | 13                                  | 1         |
| Sampson  | \$4,104,415.03                   | 13                                  | 1         |
| Scotland   | \$6,321,507.00                   | 10                                  | 1         |
| Stanly   | \$4,839,998.26                   | 14                                  | 2         |
| Stokes   | \$2,698,882.50                   | 5                                   | 2         |
| Surry  | \$8,788,578.18                   | 31                                  | 2         |
| Swain  | \$3,446,820.53                   | 5                                   | 1         |
| Transylvania   | \$1,798,343.04                   | 6                                   | 3         |
| Tyrrell  | \$2,963,862.07                   | 8                                   | 1         |
| Union  | \$280,000.00                     | 1                                   | 3         |
| Vance  | \$5,141,244.49                   | 21                                  | 1         |
| Wake including organizations based in the Triangle that serve other counties | \$186,161,723.88                 | 269                                 | 3         |
| Warren   | \$2,330,027.59                   | 6                                   | 1         |
| Washington   | \$3,601,393.97                   | 13                                  | 1         |
| Watauga  | \$4,070,075.88                   | 18                                  | 3         |
| Wayne  | \$6,295,097.17                   | 17                                  | 1         |
| Wilkes   | \$8,032,112.64                   | 21                                  | 1         |
| Wilson   | \$8,092,386.66                   | 25                                  | 1         |
| Yadkin   | \$1,067,321.50                   | 8                                   | 2         |
| Yancey   | \$2,901,398.79                   | 10                                  | 2         |
| Out-of-State   | \$1,000,000.00                   | 1                                   |           |

Awards to entities based in Durham, Orange or Wake to support projects throughout the state are included.
 Awards to entities based in Durham, Guilford, Wake and Orange for administration of the Golden LEAF Scholarships and Golden LEAF Scholars Leadership Program are included.
3. Lenoir County includes \$99,370,109 awarded to the N.C. Global TransPark Authority for Project "Marco Polo" involving Spirit

AeroSystems.

<sup>5.</sup> Disaster relief and recovery projects are not reflected.6. Funding for the N.C. COVID-19 Loan Program is not reflected.

# **Golden LEAF Foundation Additional Information**





# Strategic Plan

Golden LEAF Strategic Plan FY 2022-2026

Economic Leadership, Creative Economic Development Consulting

# Golden LEAF Strategic Plan

The Golden LEAF Foundation was established in 1999 to receive a portion of North Carolina's proceeds from the Master Settlement Agreement with tobacco companies and to use those funds to support the economies of North Carolina's rural, tobacco-dependent, and economically distressed communities. For more than 20 years, Golden LEAF has partnered with state and local governments and other foundations and nonprofit organizations to build economic opportunity across North Carolina through leadership in grantmaking, collaboration, innovation, and stewardship as an independent and perpetual foundation.

The Golden LEAF Foundation, governed by a board of directors appointed by leaders of North Carolina's legislative and executive branches, has focused on critical issues facing rural communities, including bringing jobs and building industry, by providing resources to communities, awarding scholarships to local students, and administering the state's relief efforts following natural disasters.

Golden LEAF has provided a lasting impact to tobacco-dependent, economically distressed and rural areas of the state by helping create 65,318 jobs; adding \$695 million in new payrolls and more than 85,000 workers trained or retrained for higher wages. Golden LEAF has awarded 1,915 grants worth over \$1.06 billion since its inception.

# **Overview**

Golden LEAF's new strategic plan is designed to increase Golden LEAF's effectiveness, efficiency, and impact, establish priorities, provide organizational direction, communicate to internal and external stakeholders, and simplify decision-making. It positions Golden LEAF as a source of thought leadership and innovation that makes grants and leverages additional resources to achieve its mission. The goal of the strategic planning process was to stay true to the mission and to create a new strategic plan that helps Golden LEAF become more effective, efficient, and impactful.

Throughout the planning process, stakeholders from across North Carolina shared stories of Golden LEAF's positive impact on economic opportunity in rural and tobacco-dependent places. They reinforced Golden LEAF as a leader in grantmaking, collaboration, innovation, and stewardship. People from all regions of the state see Golden LEAF as an important leader in North Carolina's economic recovery and long-term resiliency.

The strategic plan reaffirms the current mission, emphasizing job creation, investment, workforce preparedness, and agriculture. The strategic plan encourages regional thinking and actions, expands funding to additional best practices, uses new and additional methods to tell the Golden LEAF story, and ensures the board and staff have the research, best practices, and analysis to achieve strategic priorities.

# **Mission Statement**

Golden LEAF's mission is to increase economic opportunity in North Carolina's rural and tobacco-dependent communities through leadership in grantmaking, collaboration, innovation, and stewardship as an independent and perpetual foundation.

# **Golden LEAF Strategic Priorities FY 2022-2026**

- To increase job creation and economic investment in rural, economically distressed, and tobacco-dependent communities
- To **improve workforce preparedness** in rural, economically distressed, and tobacco-dependent communities
- To increase the value of North Carolina's agriculture industry
- To improve the competitiveness, capacity, and vitality of targeted communities
- To have, and be recognized for, excellence in organizational collaboration, innovation, and impact



# **Priority Area: Job Creation and Economic Investment**

# **Outcomes**

- Investment in publicly owned infrastructure
- Investment in privately owned property, plant, and equipment
- New full-time jobs created
- Average annual wage of new full-time jobs
- Business start-ups

*Narrative Outcomes:* Jobs retained that were at risk without Golden LEAF support; comparison to county wages; job creation in identified job sectors; etc.

# 1. Goal - Attract and Retain Jobs and Investment

As the national economy has continued to evolve, many rural and tobacco-dependent places have been losing population and quality jobs, and tax base growth has not kept up with the demand for public services. Developing quality sites to attract and retain jobs and investment is central in addressing those trends. North Carolina has only a couple of limited programs to aid communities in the development of sites. The burden heavily falls to localities, many of which do not have the resources to develop quality, competitive business locations.

# Strategy: Support projects that lead to job creation and new investment

Action Examples

- o Continue to operate the Open Grants Program and Economic Catalyst Program
- o Develop special initiatives and grant programs to address strategic funding opportunities

# Strategy: Invest in site preparation

Action Example

o Fund matching grants for site preparation

# Strategy: Encourage regional (or multi-county) projects that improve regional competitiveness and have regional impact

- o Designate annual funding for regional projects
- Complete the current round of the Community-Based Grants Initiative (CBGI) in the remaining prosperity zones

# 2. Goal - Increase Locally Owned Businesses

The wealth generated in locally owned businesses typically stays local; whereas most of the wealth generated by companies headquartered outside the state leaves the state. Locally owned businesses are more likely to buy and invest locally. They contribute to the leadership base in rural and tobacco-dependent communities. Golden LEAF's goal of increasing locally owned businesses addresses several of the negative economic trends facing rural and tobacco-dependent places – job creation, increasing local wealth, business diversification, and leadership capacity.

# Strategy: Support the development of entrepreneurial ecosystems

- Support implementation of incubators or other entrepreneurship facilities resulting from U.S. EDA-funded feasibility studies
- o Engage in the research and development of entrepreneurial ecosystems in rural counties

# **Priority Area: Workforce Preparedness**

## **Outcomes**

- Increase in students completing at least one curriculum program in the area funded.
- Increase in students completing at least one continuing education course or program in the area funded.
- Increase in students earning at least one industry/third party certification, license, or other credential (non-academic) in the area funded.
- Increase in students completing CTE pathways in the area funded.
- Increase in students participating in work-based learning.
- Increase in students receiving meaningful exposure and opportunities to explore local career opportunities.
- Scholarships awarded
- Number of degree or certificate completers of those that received scholarship funds

*Narrative:* Students employed; incumbent workers trained; employer input and feedback; survey results; etc.

# 3. Goal - Strengthen the Talent Pipeline

The number one challenge and opportunity in economic development is to strengthen the talent pipeline. The ability of a community to supply enough workers with the right skills is often the difference between economic development success and failure. Rural and tobacco-dependent places struggle to retain their best and brightest young people, attract and retain in-demand skilled workers, and fund workforce preparedness programs that provide a talent pipeline for the future. Golden LEAF's investment in people focuses on scholarships, skills development, and expanding work experiences.

# Strategy: Provide scholarships to improve the skills of rural citizens

# Action Examples

- Continue to offer scholarships at two- and four-year North Carolina colleges and universities
- Strengthen connections to current and former scholars; leverage alumni network to promote the program

# Strategy: Identify gaps in the rural talent pipeline and provide targeted scholarships

- Leverage existing research to identify middle-skilled talent pipeline gaps in rural regions across the state; fund gaps as needed
- o Provide scholarships for degrees/certificates/credentials in high-demand gap areas

# Strategy: Invest in local skill training capacity (facilities, equipment, trainers, talent) that meets business needs

# Action Example

o Continue to fund in-demand skill training across the state

# Strategy: Increase opportunities for work experience to improve employment

- o Identify opportunities to leverage existing programs for internships, apprenticeships, and summer work experience
- o Fund pilots for new or modified programs to fill gaps

# **Priority Area: Agriculture**

## **Outcomes**

- Number of participants at agricultural trainings
- New publications directed towards farmers
- Monthly use of agricultural facilities that benefit farmers

*Narrative:* Jobs; revenue growth; new agricultural business formations; economic output; changes in agricultural practices; acres in production; new crops/products grown or produced; and, other measures of agriculture projects

# 4. Goal - Enhance the Agriculture Ecosystem

Agriculture is an \$87 billion industry in North Carolina. The industry impacts all areas of the state through production, processing, and distribution. Golden LEAF's mission includes leadership in collaboration, making Golden LEAF the ideal entity to spark an integrated and strategic state-level approach to maximizing the potential of North Carolina's agriculture industry.

Strategy: Support an integrated, strategic approach to identify future agricultural opportunities

Action Example

 Collaborate with statewide agriculture agencies and allies to support their goals and strategies to further agriculture opportunities

# 5. Goal - Increase Agricultural Output with a Focus on Expanding Value-Added Operations

Rural and tobacco-dependent places see greater benefits from value-added agriculture operations and increased output. Golden LEAF seeks to build upon its history of helping farmers increase production and develop more profitable crops, and helping communities to attract value-added facilities.

# Strategy: Invest in research to support and expand agriculture production

Action Example

 Continue to fund research efforts to develop new crops or address threats to existing crops in North Carolina

# Strategy: Support projects that increase agriculture output and value-added agriculture

Action Example

o Support statewide efforts to grow and expand food and beverage processing facilities

# Strategy: Increase agricultural exports

Action Example

o Engage with economic developers and others to increase agriculture exports

# Priority Area: Community Competitiveness, Capacity, and Vitality

#### **Outcomes**

- Investment in public infrastructure
- Number of homes, businesses, and institutions served by new broadband access
- Number of rural leaders receiving training or coaching
- Number of people employed in targeted fields

*Narrative:* Private investment; new fiber miles; new connections to infrastructure; business startups or expansions; number of patient visits; improved financial position of rural healthcare facilities; etc.

#### 6. Goal - Improve Community Economic Competitiveness

Rural and tobacco-dependent places often lack foundational building blocks for sustainable economic growth. Golden LEAF will address two of those foundational blocks – the number of health care professionals and critical infrastructure. The health care crisis in rural North Carolina is far beyond the scope of Golden LEAF's mission; however, the development and recruitment of health care professionals align with the focus on job creation and community capacity building. Critical infrastructure is another wide-ranging need that undergirds community competitiveness. In this case, Golden LEAF will focus on leveraging research and innovations.

#### Strategy: Increase the number of health care professionals in rural and tobaccodependent communities

Action Examples

- o Leverage research that identifies health care professional gaps by region; fund additional research needs as necessary
- o Provide scholarships for in-demand health care occupations
- o Fund incentive programs for critical need professionals in the most distressed areas with demonstrated gaps

#### Strategy: Facilitate the extension of critical infrastructure, including broadband

Action Examples

o Leverage studies addressing "last mile" connections and innovative concepts to bring broadband to rural North Carolina

#### 7. Goal - Increase Local Leadership Capacity

Leadership capacity may well be the most important defining success factor in economic development. "Brain drain" coupled with the silver tsunami has left many rural and tobaccodependent places with leadership voids. Strengthening public service leadership is an opportunity to help communities identify, develop, fund, and implement strategies for economic success and resiliency.

#### Strategy: Support rural leadership development initiatives

Action Example

 Continue to fund scholarships for local government employees to attend professional development opportunities

# Strategy: Increase community capacity to identify, design, and seek funding for projects

Action Examples

- o Fund organizations to conduct regional strategic planning and capacity building training in connection with Golden LEAF grant opportunities
- Leverage existing available strategic planning efforts to identify and design projects and help communities identify and seek potential funding

### **Priority Area: Organizational Excellence**

#### **Outcomes**

- Additional funding leveraged through collaboration
- Positive feedback from statewide, regional, local, and internal stakeholders
- Overall economic impact of investments
- Policies promote employee development and success

# 8. Goal - Increase Funding Impact through Leveraging Resources with Strategic Partners

Leveraging Golden LEAF's investments with other partner investments will significantly increase opportunities for communities. Golden LEAF's leadership in grantmaking can be used to secure additional resources for projects, expanding the impact of Golden LEAF. There are institutional partners both inside and outside North Carolina whose mission and work align with this strategic plan priority.

## Strategy: Fund institutional partners that dedicate additional funding for special initiatives

Action Example

• Be a consistent convener of funders and partners to leverage funds for Golden LEAF priorities

#### Strategy: Leverage in- and out-of-state funders for special initiatives

Action Example

o Approach potential partners with specific ideas for joint funding

# 9. Goal - Raise Awareness of Golden LEAF across North Carolina as an Independent, Innovative, Proactive, Bold, and Aggressive Facilitator of Economic Growth

Tell your story. Tell it so often that others tell it for you. Golden LEAF has a story of inspiration, transformation, lift, impact, and innovation. Telling that story to stakeholders, potential grantees, funders, and allies stands to increase the quality of applications and projects and the number of funding partners, thereby increasing impact.

## Strategy: Communicate Golden LEAF's mission to stakeholders, potential grantees, funders, and allies

Action Examples

- o Increase marketing and communications capacity
- o Develop new vehicles and content to tell the Golden LEAF story
- o Add personal stories to communications

#### Strategy: Measure economic impact

Action Example

o Conduct an economic impact analysis for major projects

# 10. Goal - Ensure Golden LEAF has the Capacity to Accomplish its Mission

Golden LEAF's mission includes leadership, innovation, and stewardship in addition to grantmaking. In order to support a culture of innovation, maintain the high level of stewardship, and ensure board and staff leadership capacity, Golden LEAF must invest in organizational development strategies. It must also institutionalize strategic planning so this document is dynamic, reflecting the changing opportunities for rural and tobacco-dependent North Carolina.

#### Strategy: Broaden board and staff development

#### Action Examples

- o Fund board members to attend one professional development program a year
- o Host speakers/webinars/seminars quarterly on topics pertinent to Golden LEAF focus areas
- o Fund staff development, education, and certifications
- o Network with other, similar foundations out of state to engage in brainstorming, best practice review, and collaboration

#### Strategy: Institutionalize strategic planning

#### Action Examples

- o Develop an implementation plan
- o Hold an annual board retreat to update/course correct the strategic plan
- o Develop a new strategic plan at least every five years
- Develop a dashboard on the website to share and track strategic plan implementation progress

#### Strategy: Maintain and enhance a culture of "No Wrong Door" for grant seekers

#### Action Examples

- o Work with the N.C. Network of Grantmakers and other state, federal, and nonprofit funders to develop a referral network database of funding agencies
- $\circ \quad \text{Improve Golden LEAF processes to streamline access for applicants} \\$

### **The Strategic Planning Process**

### Methodology

Input into the strategic planning process was widespread. In all, more than 1,000 people were invited to provide input through interviews, small group meetings, and surveys. Approximately 570 people participated through these avenues:

- One-on-one interviews with Board of Directors and key stakeholders (approximately 30 people)
- Twelve virtual, small-group input sessions (approximately 140 people)
- Surveys (approximately 400 responses)
  - o General Assembly
  - Stakeholders
  - Business and Economic Development
  - o Government Leaders
  - Higher Education
  - o Grantees
  - Applicants

Input from all venues was very positive. There is a high level of familiarity with Golden LEAF among stakeholder groups, but more work to be done raising awareness beyond stakeholders.

Overwhelmingly, participants view Golden LEAF as successful and having a high impact on rural and tobacco-dependent places.

Participants are able to discuss specific projects and how those

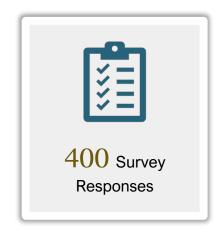
projects made a difference to a place and people. To stakeholders, Golden LEAF's mission of "increasing economic opportunity" means jobs, investments in infrastructure, supporting education and workforce development, and supporting economic recovery. They recommend that Golden LEAF continue to invest its resources in education and workforce development, infrastructure, and making communities competitive for economic development projects.

The strategic planning process was guided by a strategic planning workgroup made up of four board members and staff leadership. This group received status updates on the planning process and reviewed and provided input into draft documents and presentations.

The Golden LEAF Board of Directors held several strategic planning workshops to review input gathered; trends in rural economic development and best practices; reflect upon mission and strategic priorities; and establish goals and strategies.

Golden LEAF staff was instrumental in the development of the strategic plan lending their many years' experience and expertise to the process.





### **Study Consulting Team**



As economic strategists, Economic Leadership helps clients anticipate and prepare for the future. Change is accelerating and competition is fierce. Effective economic and workforce development is crucial. We believe leadership determines success.

https://econleadership.com/



Creative EDC is the "Go-To" economic development consulting firm for innovation, creativity, and implementable solutions. We deliver unique approaches to economic development challenges that help our clients reach their goals. <a href="https://www.creativeedc.com/">https://www.creativeedc.com/</a>



### NC COVID-19 Rapid Recovery **UPDATE: LOANS APPROVED**

APPROVAL DATA AS OF 9/10/21 1&2

\$134,821,969

\$62,766

**TOTAL LOAN AMOUNT** 

**AVERAGE LOAN AMOUNT** 

#### **DISTRIBUTION OF LOANS**

2,210

**APPROVED** 

12,636 **DECLINED OR WITHDRAWN** 

660 **WAITLISTED** 

■ 1 to 9 13,470 JOBS ■ 10 to 20 ■ 21 to 364 No Loans **RETAINED BY BUSINESSES** 

IN ANNUAL WAGES

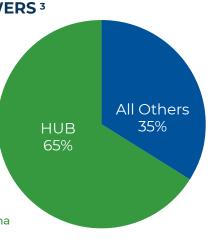
WITH **\$316,039,861 MILLION** 

#### HISTORICALLY UNDERUTILIZED **BUSINESS BORROWERS 3**

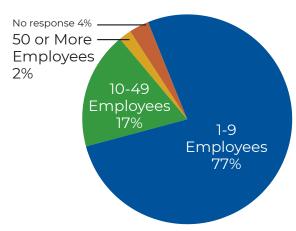
**65%** 

Percentage of borrowers that are minority or femaleowned. Historically Underutilized Businesses.

45 percent of employer businesses in North Carolina meet this definition.



#### LOANS BY BUSINESS SIZE



For more information on how data was collected, please see explanation here >

#### **BUSINESS DEMOGRAPHICS**

**RECOVERY** LOANS 4

NORTH CAROLINA<sup>5</sup>

7.0% 5.9%

**ASIAN** 

22.0% 3.6% BLACK OR AFRICAN-AMERICAN 5.0% 1.0% LATINO OR

HISPANIC

0.6% **AMERICAN** INDIAN

7.0% OTHER

59.0%



# NC COVID-19 Rapid Recovery UPDATE: LOANS APPROVED

APPROVAL DATA AS OF 9/10/21

#### **DATA FOOTNOTES**

- 1. North Carolina business demographic data sourced from the U.S. Census Bureau 2017 Statistics of U.S. Businesses for firms with classified data. Racial classifications are non-Hispanic.
- 2. Total Loan Amount and Average Loan Amount are based on loans that have completed the administrative process through the Rural Center.

The number of unique businesses that received loans through this program is 1,658.

Total number of Approved Loans and Total Loan Amount reflected includes 481 refinanced loans that totaled \$17,900,848. Data from the 481 refinanced loans are also reflected in the following data points: Average Loan Amount and Total Declined, Withdrawn, or Waitlisted Loans.

Data from the refinanced loans *are not* reflected in the following data points: Total Number of Jobs Retained, Total Annual Wages, Distribution of Loans by County, Loans by Business Size, HUB Borrowers, and Business Demographics.

Business data, including jobs retained, wages, and ownership demographics is self-reported by borrowers.

- 3. This program defines a historically underutilized business as a business with 50 percent or more ownership by a non-Hispanic white female or a person of color. Prior iterations of the datasheet did not include businesses reported as jointly owned businesses to the U.S. Census (where only one of the owners was a non-Hispanic white female or person of color) in the comparison data of North Carolina businesses.
  - The North Carolina measure has been revised to now include those jointly owned businesses with one owner who meets the historically underutilized business classification for this program.
- 4. The "Other" category represented in the Rapid Recovery loan demographics comprises the following demographic categories listed on the loan application: "Native Hawaiian/Pacific Islander," "Multiracial," "Other," and "Prefer Not To Say." Prior iterations of the program data sheet did not include the "Prefer Not to Say" responses in the "Other" category. Including that category increases the previous percentage of "Other" from 1.0 percent to 7.0 percent.
- 5. There is no comparable "Other" category captured in the U.S. Census Bureau 2017 Statistics of U.S. Business data set, although the census has included that in the past. The only reference of "Other" in the 2017 Census data is the category "Native Hawaiian and Other Pacific Islanders." That value is not captured separately in the table due to size (0.02%) and that the "Other" category captured in the program lending data includes multiple categories, of which "Native Hawaiian/Pacific Islander" is one.

#### **Golden LEAF Foundation Financial Information**

### The Golden LEAF, Inc. FY2022 Budget

|  | Budget<br>FY 2022 |                                       |  |  |  |
|--|-------------------|---------------------------------------|--|--|--|
| Budget Sources: MSA Payment (Appropriated) Budget Carryforward Endowment | \$                | 17,500,000<br>4,890,972<br>42,200,000 |  |  |  |
| Total Budget Sources   | \$                | 64,590,972                            |  |  |  |
| Administration/Capital Grants:   | \$                | 3,700,000                             |  |  |  |
| Open Grants Program  |                   | 8,500,000                             |  |  |  |
| Economic Catalyst  |                   | 10,000,000                            |  |  |  |
| Community Based Grantsmaking   |                   | 11,000,000                            |  |  |  |
| Subtotal Grants  |                   | 29,500,000                            |  |  |  |
| Other Initiatives:   |                   |                                       |  |  |  |
| Scholarships   |                   | 7,000,000                             |  |  |  |
| Disaster Recovery Grant Program  |                   | 177,971                               |  |  |  |
| New Site Development Program   |                   | 10,000,000                            |  |  |  |
| Site Infrastructure*   |                   | 3,500,000                             |  |  |  |
| Plant Sciences Initiative*<br>Other                                      |                   | <i>3,500,000</i><br>7,213,001         |  |  |  |
| Total Grants   |                   | 60,890,972                            |  |  |  |
| Total Budget   | \$                | 64,590,972                            |  |  |  |
| % of Net Assets - Budget from Endowment                                  |                   | 4.35%_**                              |  |  |  |
| % of Net Assets - Budget from Endowment/MSA                              |                   | 6.16% **                              |  |  |  |
| Admin/Capital as % of Budget   |                   | 6.08%_**                              |  |  |  |

<sup>\*</sup>Does not represent new awards in FY2022, but rather shows when funds awarded in FY2017 how the prior year awards count toward FY2022 spending targets.

<sup>\*\*</sup>Does not include carryforward from FY2021.

## The Golden LEAF, Inc. FY2022 Administrative Expenses/Capital Budget

|                              | Budget<br>FY2022 |           |  |
|------------------------------|------------------|-----------|--|
| Administrative Expense       |                  |           |  |
| Board of Directors Expenses  | \$               | 67,770    |  |
| Depreciation Expense         |                  | 103,717   |  |
| Insurance                    |                  | 26,196    |  |
| Miscellaneous & Bank Charges |                  | 4,800     |  |
| Occupancy Expenses           |                  | 90,998    |  |
| Office Operations Expenses   |                  | 33,844    |  |
| Personnel Expenses           |                  | 2,640,669 |  |
| Professional Fees            |                  | 406,571   |  |
| Program Expenses             |                  | 5,000     |  |
| Technology                   |                  | 184,435   |  |
| Contingency                  |                  | 100,000   |  |
| Total Administrative Expense | \$               | 3,664,000 |  |
| Total Capital Budget         | \$               | 36,000    |  |

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

### Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance (Unaudited)

|  | Reclassifications |                   |    |            |              |               |
|--|-------------------|-------------------|----|------------|--------------|---------------|
|  |                   | General and       |    | and        | Statement of |               |
| Year ended June 30, 2021                     |                   | Fund Eliminations |    | Activities |              |               |
|  |                   |                   |    |            |              | _             |
| Revenues                                     |                   |                   |    |            |              |               |
| Net investment income                        | \$                | 289,566,425       | \$ | -          | \$           | 289,566,425   |
| State aid - Coronavirus Relief Fund          |                   | 77,952,392        |    | -          |              | 77,952,392    |
| Proceeds from state settlement               |                   | 17,500,000        |    | -          |              | 17,500,000    |
| Grant revenue                                |                   | 257,701           |    | -          |              | 257,701       |
| Total Revenues                               |                   | 385,276,518       |    | -          |              | 385,276,518   |
| Expenditures/Expenses                        |                   |                   |    |            |              |               |
| Grant distributions                          |                   | 130,480,583       |    | -          |              | 130,480,583   |
| Administrative costs                         |                   | 3,095,815         |    | -          |              | 3,095,815     |
| Capital outlays                              |                   | 39,137            |    | (39,137)   |              | -             |
| Depreciation expense                         | - 99,970          |                   |    | 99,970     |              |               |
| Unrelated business income tax                |                   | 2,238             |    | -          |              | 2,238         |
| Total Expenditures/Expenses                  |                   | 133,617,773       |    | 60,833     |              | 133,678,606   |
| Excess Revenues Over (Under)                 |                   |                   |    |            |              |               |
| Expenditures/Expenses                        |                   | 251,658,745       |    | (60,833)   |              | 251,597,912   |
| Change in Fund Balance/Net Position          |                   | 251,658,745       |    | (60,833)   |              | 251,597,912   |
| Fund Balance/Net Position, beginning of year |                   | 973,314,606       |    | 3,196,939  |              | 976,511,545   |
| Fund Balance/Net Position, end of year       | \$                | 1,224,973,351     | \$ | 3,136,106  | \$           | 1,228,109,457 |