

NORTH CAROLINA DEPT OF COMMERCE
SUMMARY OF ACTIVE ECONOMIC DEVELOPMENT “TOOLS” & POINTS OF CONTACT

ACTIVE ECONOMIC DEVELOPMENT “TOOLS”

JOB DEVELOPMENT INVESTMENT GRANTS (JDIG) – Seeks to stimulate economic activity and create new jobs by providing a discretionary incentive that offers sustained annual grants directly to new and expanding businesses statewide, measured against a percentage of withholding taxes (10% to 75%) paid by new employees. Fiscal Year (FY) 2014-15 funding totals \$54 million to cover existing award commitments.¹ Commerce is authorized to award new grants; the total amount paid out in any single grant year to all companies awarded a grant in the same calendar year cannot exceed \$15 million.²

ONE NORTH CAROLINA FUND (ONE NC) – Seeks to stimulate economic activity and create new jobs by providing a discretionary incentive “allocated to local governments for use in connection with securing commitments for the recruitment, expansion, or retention of new and existing businesses.” FY 2014-15 funding totals \$11.4 million to cover existing award commitments. Commerce is authorized to award new grants up to \$28 million over the biennium.

JOB MAINTENANCE & CAPITAL DEVELOPMENT FUND (JMAC) – Seeks to stimulate economic activity, maintain significant numbers of high-paying jobs, and encourage addition of large-scale capital investment by providing a discretionary incentive that offers sustained annual grants directly to businesses located in Tier 1 and 2 counties. A total of five grants may be awarded to major employers and/or large manufacturing employers; terms may be up to 10 years. The sum of all grants awarded under the program may not exceed \$79 million and the total annual cost of an agreement may not exceed \$6 million. FY 2014-15 funding totals \$7.5 million for three companies: Bridgestone, Goodyear, and Domtar.

JOINT ECONOMIC DEVELOPMENT PROGRAM WITH DEPT OF TRANSPORTATION – Provides grants for prioritized transportation improvements and infrastructure that expedite commercial growth as well as either job creation or job retention.³ FY 2014-15 funding totals \$4 million.

ONE NC SMALL BUSINESS FUND – Leverages the federal Small Business innovative Research (SBIR) and Small Business Technology Transfer (STTR) program, which provide early-state technology development grants for small business. FY 2014-15 funding totals \$2.5 million.

AGRICULTURE GAS EXPANSION FUND – Provides funding for farmers to pay for excess infrastructure costs for a project requiring new or expanded natural gas or propane gas service. Commerce is authorized to award new grants totaling up to \$5 million per biennium.⁴

FILM & ENTERTAINMENT GRANT FUND – Effective January 1, 2015, provides grants to production companies that meet a minimum of qualifying expenses, including \$5 million for a film and \$250,000 for a television series episode or commercial. FY 2014-15 funding totals \$10 million.⁵

¹ Actual payments are based on company performance.

² This cap translates to a maximum potential liability of \$180 million over a 12-year grant period (maximum term length) for all businesses awarded a grant in the same calendar year (S.L. 2013-360 modified liability to be \$22.5 million for FY 2013-15 Biennium and \$7.5 million for 7/1/15 to 12/31/15). Authority to award new grants expires January 1, 2016.

³ See [Section 34.29 of the 2014 Appropriation Act](#).

⁴ See [Section 15.13 of the 2014 Appropriations Act](#).

⁵ See [Section 15.14B of the 2014 Appropriation Act](#).

RURAL ECONOMIC DEVELOPMENT DIVISION GRANTS – Provides grants to local governments for partnering with businesses to create jobs through two programs: [Economic Infrastructure](#) , [Building/Site Reuse, and Health Care Facility Construction/ Expansion](#). FY 2014-15 funding totals \$14.2 million (including admin allowance).

COMMUNITY DEVELOPMENT BLOCK GRANT FOR ECONOMIC DEVELOPMENT (CDBG-ED) – Provides funds to local governments for partnering with businesses to create or retain jobs; 60% of jobs must be for persons qualifying as prior low and moderate income. Annual federal funds available totals \$15.7 million.

INDUSTRIAL DEVELOPMENT FUND UTILITY ACCOUNT (IDF-UA) – Provides grants to local governments in [Tier One and Tier Two Counties](#) for infrastructure that will lead to job creation.⁶

UNDERSERVED & LIMITED RESOURCE COMMUNITIES GRANT PROGRAM – Provides grants to local governments and/or nonprofits that demonstrate the best ability to encourage the development of economic development activities, services, and projects that benefit underserved populations and limited resource communities across the State. FY 2014-15 funding totals \$1.75 million.⁷

MAIN STREET SOLUTIONS FUND – Provides reimbursable, matching grants to local governments to assist planning agencies and small businesses with efforts to revitalize downtowns by creating jobs, funding infrastructure improvements and rehabilitating buildings, all of which are framed in the context of historic preservation. FY 2014-15 funding totals \$1 million.

APPALACHIAN REGIONAL COMMISSION (ARC) – Provides economic development assistance to the 29 counties in Appalachia and is based on the Governor's priorities. Each year ARC provides funding for projects that improve educational opportunities and workforce skills, improve infrastructure for community and economic development, increase civic and leadership capacity, increase entrepreneurial opportunities, and Improve health care resources. Annual federal funding varies, next cycle projected to be \$3.6 million.

POINTS OF CONTACT

JDIG, One NC, JMAC, Joint Economic Development Program with Dept of Transportation:

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Stewart Dickinson, Director of Commerce Finance: (919) 715-6560, sdickinson@nccommerce.com

One NC Small Business Fund:

Dr. John Hardin, Executive Director for the Office of Science & Technology: (919) 715-0516, jhardin@nccommerce.com

Rural Economic Development Division Grants, CDBG-ED, IDF-UA, Underserved & Limited Resource Communities Grants:

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Mark Poole, Utility Account, Agriculture Gas Expansion Fund, Film & Entertainment Grant Fund: (919) 733-4907, mpoole@nccommerce.com

Main Street Solutions Fund:

Liz Parham, Director of NC Main Street Center: (919) 715-0527, lparham@nccommerce.com

Appalachian Regional Commission:

Olivia Collier, Chief of Local & Regional Affairs: (919) 715-0535, ocollier@nccommerce.com

⁶ This program receives revenue based on JDIG company performance, so annual funding varies.

⁷ See [Section 15.8 of the 2014 Appropriations Act](#).