

Governor McCrory Announces More Than \$5.1 Million in Infrastructure Funding

Loans and grants support 197 new jobs statewide

Release: IMMEDIATE
Date: 8/18/2016

Contact: Governor's Press Office
Phone: 919 814-2100

Raleigh, N.C. – Governor Pat McCrory announced today that the North Carolina Rural Infrastructure Authority (RIA) approved 19 grant and loan requests totaling \$5,153,475. The requests include commitments to create a total of 197 new jobs.

“Quality buildings, sites and infrastructure remain fundamental for every business, and these grants and loans enable North Carolina communities to attract, grow and retain companies and jobs,” said Governor McCrory. **“RIA programs move the needle for our smaller towns and counties when opportunities for economic development arise.”**

The RIA reviews and approves funding requests for grant and loan programs. The programs are operated by the Rural Economic Development Division at the N.C. Department of Commerce, which is led by Secretary John E. Skvarla, III, and Assistant Secretary Dr. Patricia Mitchell. Grants support infrastructure development, building renovation and site improvements. Since its creation by Governor McCrory and the North Carolina General Assembly in 2013, the Authority has approved more than \$111 million in awards.

The RIA approved two requests under the state’s Industrial Development Fund (IDF) - Utility Account program.

Craven County: A \$320,000 grant to assist with industrial access to the Craven County Industrial Park. The new access opens up development opportunities for an additional 100 acres of land at the park, which is home to major industrial employers such as BSH Home Appliances, Craven Wood Energy and Minges Bottling Group. The park’s expansion could accommodate the creation of as many as 1,000 new jobs for the county. The grant supports a total capital investment of \$426,880.

Robeson County: A \$1,000,000 grant to assist in the upgrade and repair of a wastewater treatment facility serving Prestage Farms’ turkey processing facility in St. Pauls. The company maintains a local workforce of 380, making it one of the county’s largest private employers. The project is expected to extend the viability of the plant for another 30 years. The grant supports a total capital investment of \$5,000,000.

The Industrial Development Fund – Utility Account provides grants to units of local government of the 80 most distressed counties in the state. Funds may be used for publicly-owned infrastructure projects that are reasonably expected to result in the creation of new jobs. IDF – Utility Account funding is derived from set-asides of Job Development Investment Grants (JDIG) awarded in Tier 2 and Tier 3 counties.

The RIA approved three loans under the state’s Community Development Block Grant (CDBG) – Downtown Redevelopment Fund program and one loan under the CDBG-Economic Development program:

Town of Hayesville (Clay County): A \$500,000 loan to support the reuse of two vacant buildings near the county's historic courthouse. One building, constructed in 1947 and vacant for the past two years, will house a microbrewery and restaurant. The second building, constructed in 1940 and vacant since 2013, will house a retail business, an advertising/design firm and eight artist studios. Funds will be used to improve roofing, electrical, plumbing, masonry and HVAC systems, as well as make bathrooms handicap-accessible. The loan will support a total capital investment of \$814,000.

Town of Williamston (Martin County): A \$335,000 loan to support the reuse of three vacant buildings in downtown Williamston. The first building, constructed in 1910 and vacant for the past two years, will house Patriot House Coffee Shop. The second building, constructed in 1947 and vacant for the past four years, will house the administrative offices of Northeast Construction Services. The third building, built in 1901 and vacant for the past year due damage from an electrical fire, will house Mitchell's Photography, its previous occupant. Funds will replace and repair roofing, electrical, plumbing and HVAC systems, and build handicapped-accessible bathrooms. The loan will support a total capital investment of \$387,500.

Town of Rutherfordton (Rutherford County): A \$311,000 loan to support the reuse of a vacant building. The building was constructed in 1923 and has been vacant for 21 years. It will house McConnell Group Public Relations, Inc., and Artfacturing, a design and manufacturing consulting firm. Funds will be used to replace and repair roofing and flooring, electrical, plumbing and HVAC systems, and install handicapped-accessible bathrooms. The loan will support a total capital investment of \$411,000.

Richmond County: a \$545,000 loan to support the reuse of a vacant industrial building in the Rockingham by Direct Pack, Inc. The California-based company is a leading manufacturer of packaging for produce and prepared foods. Governor McCrory announced the company's choice of Richmond County for a 94-job East Coast operations hub earlier this month. The building was constructed in 1961 and has been vacant 15 months. Funds will be used to renovate and repair roofing, flooring and electrical systems. The loan supports a total capital investment of \$6,245,000.

The Community Development Block Grant program is a U.S. Department of Housing and Urban Development (HUD) program administered in part by the North Carolina Department of Commerce. CDBG's economic development funds provide grants to local governments for creating and retaining jobs. Project funding is based on the number of jobs to be created and the level of economic distress of applicant communities.

The Downtown Redevelopment Fund of the North Carolina Main Street Center supports efforts to correct code deficiencies in underutilized downtown commercial buildings.

The RIA approved a total of 10 grants under the state's Building Reuse program:

Healthcare Facilities Category

City of Goldsboro (Wayne County): A \$200,000 grant to support the reuse of a vacant building by Goldsboro Pediatric Dentistry & Orthodontics, a start-up practice that will create 20 jobs. The building was constructed in 1979 and has been vacant for 10 years. Renovations will include flooring, plumbing and electrical. The grant will support a total capital investment of \$1,478,000.

Existing Business Building Category

Alexander County: A \$300,000 grant to support the renovation of a vacant building in Taylorsville that will facilitate a 30-job expansion at Craftmaster Furniture. The company manufactures upholstery for buyers that include Better Homes & Gardens and Rachel Ray. Renovations include roofing, electrical systems, lighting, ventilation systems and interior offices. The building was constructed in 1950 and occupied by Craftmaster since 2010. The grant is part of a total capital investment of \$1,754,000.

Mitchell County: A \$46,850 grant to support the expansion of a building in Spruce Pine to support New Buck Corporation's five-job expansion. The family-owned company manufactures wood stoves. Its building was constructed in 1989. The project renovates a portion of the facility to house a certified emissions lab. Work will include roofing and HVAC. The grant is part of a total capital investment of \$154,675.

Vacant Building Category

City of Lenoir (Caldwell County): A \$500,000 grant to support the reuse of a vacant building that will house an expansion by Exela. The pharmaceutical manufacturer will create 40 new jobs. The building was constructed in 1997 and has been vacant for three months. Renovations include interior room construction, electrical, drainage, HVAC and flooring. The grant is part of a total capital investment of \$2,553,462.

Town of Granite Falls (Caldwell County): A \$125,000 grant to support the reuse of a vacant building by 80 Acres Investments. The company, which manufactures vertical farming systems, will create ten jobs. The building was constructed in 2001 and has been vacant for three months. Upgrades include HVAC, air filtration systems, electrical, lighting and roofing. The grant is part of a total capital investment of \$250,000.

City of Newton (Catawba County): A \$253,750 grant to support the reuse of a vacant building by Temprano Techvestors. The start-up company, which provides marketing and technology services, will create 21 jobs. The building was constructed in 2008 and has been vacant for three months. Renovations include flooring, ceiling repair, HVAC and painting. The grant is part of a total capital investment of \$520,188.

Town of Scotland Neck (Halifax County): A \$25,000 grant to support the reuse of a vacant building by Café 59. The café and coffee shop, a subsidiary of La Casetta, LLC, will create five new jobs. The building was constructed in 1900 and has been vacant for three years. Renovations will include upgrades to flooring, electrical systems, HVAC and plumbing. The grant is part of a total capital investment of \$154,895.

Lee County: A \$80,000 grant to support reuse of a vacant building in Sanford that will facilitate the relocation of Boston Fruit Slice & Confectionery, creating 16 jobs. The 70-year-old company is currently based in Massachusetts. The building was constructed in 1970 and has been vacant for two years. Renovations will include electrical, plumbing and flooring upgrades, as well as the configuration of new office space. The grant is part of a total capital investment of \$611,850.

Macon County – A \$187,500 grant to support reuse of a vacant building in Franklin that will house TekTone Sounds & Signal Mfg. The company manufactures nurse-call communications systems for healthcare facilities and senior living environments. Governor McCrory announced the company's 70-job expansion in June. The building was constructed in 1996 and has been vacant for six months. The renovation will include HVAC, electrical and flooring. The grant is part of a total capital investment of \$554,222.

City of Marion (McDowell County) – A \$25,000 grant for reuse of a vacant building that will house Fat Boy's Burritos. The start-up eatery will create five jobs. The building was constructed in 1980 and has been vacant

for one year. The renovation includes HVAC and electrical systems. The grant supports a total capital investment of \$51,250.

The Building Reuse Program provides grants to local governments to renovate vacant buildings, renovate and/or expand buildings occupied by existing North Carolina companies, and renovate, expand or construct healthcare facilities that will lead to the creation of new jobs in Tier 1 and Tier 2 counties and in rural Census tracts of Tier 3 counties.

The RIA approved a total of three grants under the state's Economic Infrastructure program:

City of Shelby (Cleveland County) – A grant of \$250,000 for sewer service to support an expansion by Huesker, Inc. The German-based company manufactures geo-synthetic, industrial and agricultural textiles for use in earthwork, foundations and roads. Its expansion is creating 20 new jobs. The project connects the company's expanded facilities to city sewer service. The grant supports a total capital investment of \$8,000,000.

Harnett County – A \$125,000 grant for water service in support of a sweet potato processing operation at Dupree Farms Produce, LLL, a third-generation family farm in Angier. The facility will create 25 new jobs. The project constructs a waterline connecting the new operations to the county's water system. The grant supports a total capital investment of \$2,000,000.

Town of Bethel (Pitt County) – A \$24,375 grant to support the demolition of a former police station. The building was constructed in 1952 and is not salvageable. The project will enable the town to market the site to a private developer. The grant supports a total capital investment of \$32,500.

The Economic Infrastructure Program provides grants to local governments to assist with infrastructure projects that will lead to job-creation. Water and sewer lines, wastewater treatment plants, natural gas lines, public broadband infrastructure, roadways and rail spurs are examples of infrastructure covered under program guidelines. The program also supports building demolition in cases where infrastructure-rich sites can be redeveloped with a reasonable expectation of future job creation.

In addition to reviewing and approving funding requests, the N.C. Rural Infrastructure Authority formulates policies and priorities for grant and loan programs administered by N.C. Commerce's Rural Economic Development team. Its 15 voting members are appointed by the governor, Speaker of the House and Senate President Pro Tem. The North Carolina Secretary of Commerce serves as a non-voting member of the Authority.

"These projects help businesses large and small succeed and grow in North Carolina," said Secretary Skvarla. "The results-oriented team at N.C. Commerce, working under the RIA's guidance, applies considerable creativity in partnering with communities around our state to maximize prospects for job creation."

For additional information about N.C. Commerce's Rural Economic Development Division, visit nccommerce.com.