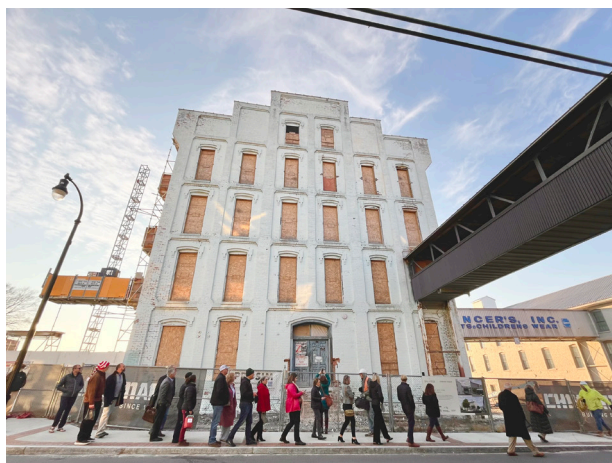


**NC DEPARTMENT
of COMMERCE**
RURAL ECONOMIC
DEVELOPMENT



Annual Report FY2025

ENGAGING • ENHANCING • TRANSFORMING

The Rural Economic Development Division

ENGAGING, ENHANCING, AND TRANSFORMING RURAL NORTH CAROLINA

FROM THE SECRETARY OF COMMERCE



I was born and raised in rural North Carolina, and I know that rural communities are the backbone of our state's economy. The 2025 Rural Economic Development Division Annual Report highlights

the progress we've made in helping these communities grow stronger, attract new investment, and cultivate the conditions for prosperity.

This year, we have brought renewed focus and intention to help Western North Carolina recover and rebuild from the damage caused by Hurricane Helene, the worst natural disaster in our state's history. Through the Small Business Infrastructure Grant Program and other targeted efforts, we're working with local partners to restore infrastructure, support small businesses, and strengthen long-term resilience in affected communities. From infrastructure improvements and building reuse projects to small business and downtown revitalization, our team helps communities reimagine their future while staying true to their past, and this report reflects our commitment to ensuring every corner of North Carolina can thrive.

I'm proud of the partnerships that make this work possible, with local leaders, businesses, and the dedicated team at the Department of Commerce, as we continue to build a more prosperous and resilient future for rural North Carolina.

Secretary Lee Lilley
North Carolina Department of Commerce

Cover Images feature North Carolina Counties: Greenville greenway mural, Blue Ridge Parkway in Alleghany, the Albermarle Queen in Elizabeth City, Salisbury Farmer's Market, arial view of Downtown Burnsville, CORE workshop in Black Mountain, HTC workshop in Ashville, Recovery Together ENC mural in downtown Kinston.



Reginald Speight at the Eco-King announcement in Robbinsville, highlighting the administration's commitment to sustainable economic development in Western North Carolina.

Left to right: Reginald Speight, NC Department of Commerce; Josh Carpenter, Mountain West Partnership; Solange Tricanowicz, Economic Development Partnership of North Carolina; Chris Kouri, Maynard Nexsen.

Rural Partners:

First, thank you so much for embracing me in my new role as Assistant Secretary for the Rural Economic Development Division (REDD). I have spent a considerable amount of time visiting with some of you in your communities, and I promise to continue my engagements with you as I continue in my role.

Many of my visits have been intentionally directed towards the Helene-impacted areas and the implementation of the N.C. General Assembly-approved Small Business Infrastructure Grant program. However, REDD is still in business in your communities, and we continue to stand ready to engage, enhance, and transform rural spaces with your leadership and partnership.

Second, as most of you know, NC was selected as the #1 state for doing business in the U.S.—the third time in four years. We at REDD are clear that aspirations for similar designations in the future are only possible if we work to strengthen rural communities in their economic endeavors.

We will strengthen and expand upon our service delivery within the Community Development Block Grant, Rural Engagement and Investment, Rural Downtown/Main Street/Rural Planning, Industrial Development Utility Account Fund, and Regional Commissions portfolios. Since 2024, REDD has generated more than \$72 million in grants supporting 216 projects. We will build on these successes and continue to promote rural places as great places to do business.

Lastly, I have heard about three pillars since my arrival to Commerce/REDD: people, places, and partnerships. Through your leadership and our continued collaboration, we are transforming rural North Carolina into a place where businesses thrive, people succeed, and communities grow.

Sincerely,

Reginald Speight

Assistant Secretary for Rural Economic Development Division (REDD)
North Carolina Department of Commerce

SMALL BUSINESS INFRASTRUCTURE GRANT PROGRAM

The **Small Business Infrastructure Grant Program (SmbBIZ)** is a **\$55 million initiative** designed to help local governments and small businesses impacted by **Hurricane Helene** rebuild, recover, and strengthen their long-term resilience. The program provides targeted financial assistance to accelerate recovery and sustain economic vitality in affected communities.

- **Support Community Recovery & Resilience:** Provide direct financial resources to help communities bring back vital services for small businesses and entrepreneurs.
- **Restore Critical Infrastructure:** Repair and rebuild essential infrastructure so businesses can resume operations and contribute to local economic recovery.
- **Revitalize Business Districts:** Restore or expand the ability of small businesses to attract customers, retain and grow businesses, spur private investment, and build long-term economic stability and resilience.

Since June 30, a total of \$8.3 million in grants has been awarded to communities impacted by Hurricane Helene.

Note: This number will change on October 31, the next award date.



In July, Governor Stein visited the western NC town of Clyde, a recipient of the Small Business Infrastructure Grant program, to celebrate their recovery progress. Left to right: Mayor Pro Tem Dann Jesse, Alderwoman Diane Fore, Governor Josh Stein, Mayor Jim Trantham, and Town Administrator Joy Garland.

2025 STRATEGIC PRIORITIES

The Rural Economic Development Division's Strategic Priorities focus on statewide collaboration and program enhancements to ensure continued growth and development in rural NC.



Build a Strong Ecosystem
for Rural Prosperity



Increase Job Growth
& Investment



Strengthen Capacity of
Stakeholders & Partners



Statewide Engagement
& Collaboration

THE RURAL INFRASTRUCTURE AUTHORITY

The **Rural Infrastructure Authority (RIA)**, established by N.C. General Statute in 2013, awards grants from the Rural Economic Development Division's program areas, including Rural Development Programs, the Rural Downtown Economic Development Program, the Community Development Block Grant Program – Economic Development category, and the Industrial Development Fund Utility Account.

In FY 2025, the RIA awarded more than \$26 million in grant funds that will support the creation of 1,788 new jobs. Since 2013, the RIA has approved grant awards that exceed \$419 million and support 39,379 new jobs.

Below: Rob Tiger, center, owner of Tiger's Store in Hayesville NC, is the great-grandson of the original Tiger who started the business 150 years ago.

On his right, his wife and business partner, Holly Tiger, and on his left, his daughter, business partner, and future successor, Lauren Tiger, are interviewed by Dr. Matt Wagner for the Main Street Business Insights podcast.



The Rural Economic Development Division
FY2025 PROGRAM RESULTS

APPALACHIAN REGIONAL COMMISSION

The **Appalachian Regional Commission (ARC)** works to build community capacity and strengthen economic growth for the people in the thirteen-state Appalachian region. Thirty-one counties in North Carolina are eligible to receive ARC funds for economic development activities. ARC counties are: Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Catawba, Cherokee, Clay, Cleveland, Davie, Forsyth, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Stokes, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey.

\$33,479,331

Amount Granted

37

Grants Approved

497

Students/Workers
Improved

1,694

Businesses Improved

COMMUNITY DEVELOPMENT BLOCK GRANT

The **State of North Carolina's Community Development Block Grant (CDBG)** Program is administered by the Rural Economic Development Division (REDD) within the Department of Commerce. The CDBG Infrastructure Program is administered by the North Carolina Department of Environmental Quality. CDBG funding is available to local units of government to spur job creation, job retention, infrastructure, and housing activities. The CDBG Program prioritizes low to moderate income households and is available to non-entitlement communities in our state.

\$390,863,665

Open Grants

\$14,443,975

Infrastructure

\$40,580,602

Neighborhood
Revitalization

\$222,375

Economic Development

INDUSTRIAL DEVELOPMENT FUND

The **Industrial Development Fund (IDF)** Utility Account provides grants to support economic development in the 80 most distressed counties in North Carolina. Grants support publicly owned infrastructure projects that are reasonably expected to result in the creation of jobs. Utility Account projects include water, sewer, industrial access, natural gas, and rail. The Utility Account allows the Department of Commerce to consistently invest in rural communities and build a stronger grid of infrastructure across our state. The Utility Account is funded by the Jobs Development Investment Grant (JDIG) program.

\$8.4 M

Funds Granted

7

Grants Approved

57%

Awarded in Tier 1
Counties

NC MAIN STREET & RURAL PLANNING CENTER

The **NC Main Street & Rural Planning Center (MS&RP Center)** works in regions, counties, cities, towns, downtown districts, and in designated North Carolina Main Street communities, to inspire placemaking through building asset-based economic development strategies that achieve measurable results such as investment, business growth, and jobs.

\$46,286,637

Open Downtown Grants

225

Communities Served

29

Strategic Economic
Development Plans

212

Economic Data Reports

1,925

New Downtown Jobs

288

New Downtown
Businesses

1,629

Individuals Trained

\$518,729,406

Downtown Investment

The Rural Economic Development Division

FY2025 PROGRAM RESULTS

NORTH CAROLINA OUTDOOR ECONOMY OFFICE

The **NC Outdoor Economy Office (OEO)**, within the NC Department of Commerce, works to grow the state's outdoor recreation economy and serves as a central contact to coordinate efforts across state agencies, local governments, and the outdoor industry. The Office identifies opportunities for growth, connects communities to the benefits of time outside, and promotes responsible recreation in NC's most treasured places.

\$16.2B

Economic Impact

145,433

Jobs in NC

2.8%

Employees in NC

SOUTHEAST CRESCENT REGIONAL COMMISSION

The **Southeast Crescent Regional Commission (SCRC)** is an economic development partnership between the federal government and seven state governments, including North Carolina. The SCRC's mission is to build sustainable communities and strengthen economic growth across the SCRC region. The SCRC supports economic development activities in the 69 North Carolina counties not included within the Appalachian Regional Commission.

\$4,035,620

Amount Granted

10

Grants Approved

56

Businesses Served

1,430

Households Served

330

Students/Workers Trained

RURAL ENGAGEMENT & INVESTMENT

The **Rural Engagement & Investment (RE&I)** program provides grants and technical assistance to help local governments strengthen communities through building renovations, infrastructure, demolition, remediation, and downtown revitalization.

Programs include:

- Rural Reuse and Development Grants
- Rural Downtown Economic Development Grants (managed by the Main Street & Rural Planning Center)
- Small Business Infrastructure Grants

\$8,388,000

Amount Granted

1,475

Jobs Committed

92%

*Funds to Tier 1 and
Tier 2 Counties*

62%

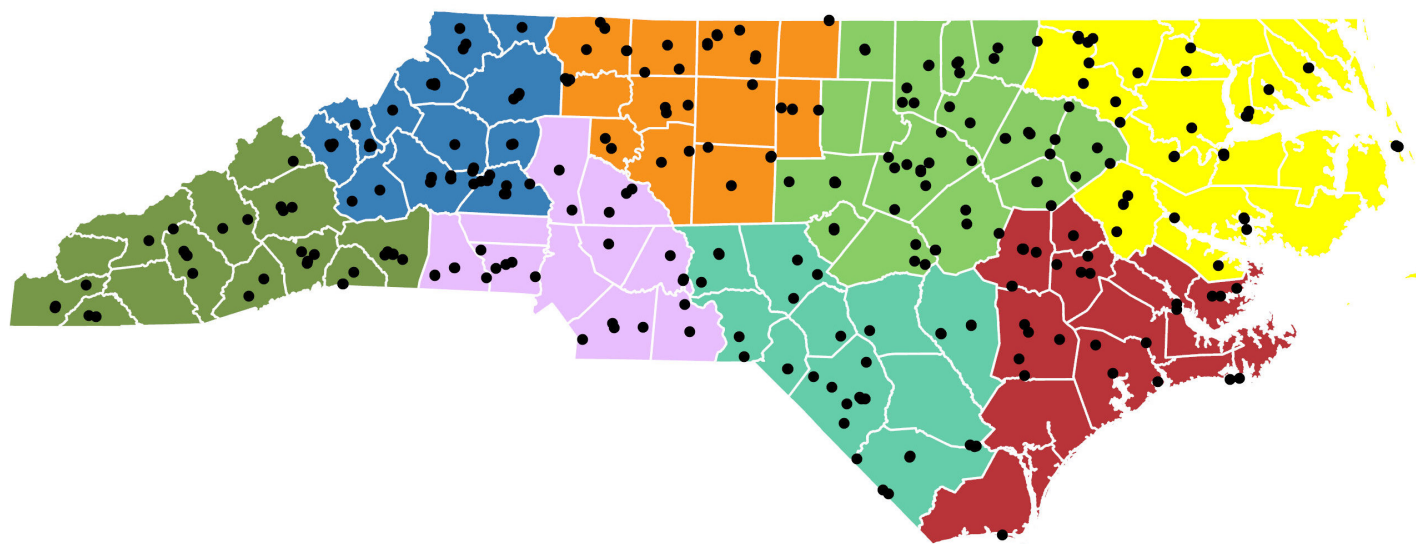
Manufacturing Projects

Note: Statistics reflect Rural Reuse and Development projects only

Right: Downtown Marshall, Madison County, North Carolina — one of the areas impacted by Hurricane Helene. While recovery efforts continue, businesses are steadily reopening and welcoming visitors back.



STATEWIDE ENGAGEMENT & IMPACT



THE RURAL ECONOMIC DEVELOPMENT DIVISION

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commerce.nc.gov/about-us/divisions-programs/rural-economic-development-division

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NC MAIN STREET & RURAL PLANNING CENTER

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The accomplishments in the Community Development Block Grant program highlighted in this report were under the leadership of Mrs. Valerie Fegans, who retired on November 1st after 19 years of dedicated service.

We acknowledge her work and wish her the best in her retirement.

NC OUTDOOR ECONOMY OFFICE

Amy Allison

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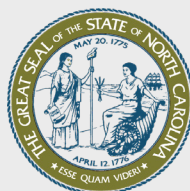
RURAL ENGAGEMENT & INVESTMENT

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For additional program information, please visit:

commerce.nc.gov | arc.gov | ncmainstreetandplanning.com | hud.gov/nc | srcr.gov



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