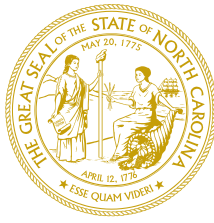


NC DEPARTMENT
of **COMMERCE**
RURAL ECONOMIC
DEVELOPMENT



2021 ANNUAL REPORT

*Engaging, Enhancing,
and Transforming Rural North Carolina*



*State of North Carolina
Office of the Governor*

*Roy Cooper
Governor*

*20301 Mail Service Center
Raleigh, N.C. 27699-0301*

Fellow North Carolinians:

As a native of rural North Carolina, I know that rural communities are a wonderful place to live, work, raise a family and run a business. I also know there are great opportunities and unique challenges that our rural communities face.



Collaboration among the Rural Economic Development Division of the North Carolina Department of Commerce, my Hometown Strong initiative, other state agencies, nonprofit organizations and local leaders helps strengthen North Carolina's rural communities and increase economic competitiveness across our state. These partnerships are more vital than ever as we continue to recover from the impacts of COVID-19.

The Rural Division's FY2021 Annual Report highlights the programs, investments and partnerships that are building stronger, more competitive, and more resilient rural communities in North Carolina. The Division's new Community Economic Recovery and Resiliency Initiative (CERRI) pilot is aligned with my Hometown Strong program to broaden engagement and leverage additional resources across state government. CERRI helps local governments plan viable pathways to recovery, and identifies strategies that support small business growth, sustainability, and community resiliency.

The achievements highlighted in this year's report include \$119.6 million in grant awards that support 219 projects, serving as catalysts for job creation, infrastructure upgrades, downtown revitalization, and improved housing in our state's rural communities. These awards include \$28 million in Community Development Block Grant - Coronavirus funding to help communities and families address the immediate needs and critical issues because of the pandemic.

The pandemic is shining a spotlight on many rural needs, including high-speed internet access, availability of health care, and economic opportunity. During these difficult times, our partnership to help rural North Carolina thrive is critical for our future.

Very truly yours,

A handwritten signature in black ink that reads "Roy Cooper". The signature is fluid and cursive, with the first name "Roy" being more prominent.

Governor Roy Cooper

The Rural Economic Development Division

ENGAGING, ENHANCING, AND TRANSFORMING RURAL NORTH CAROLINA

From the Secretary of Commerce

As a native of a small, rural North Carolina community, I am honored to further the North Carolina Department of Commerce's work that supports and elevates rural North Carolina. I know the quality of the workforce and spirit of these communities are second to none. The success of our rural communities is critical to our post-pandemic economic recovery and future resiliency. The prosperity of North Carolina's rural communities is at the center of my vision for an economy that works for everyone and is the mission of the Rural Economic Development Division. Together, we will continue to revitalize communities across the state to attract innovative companies that will create more jobs and impactful investments in rural North Carolina. By building a world-class workforce, modernizing infrastructure, and using equitable, inclusive practices, we can ensure greater access to opportunity and continued economic growth for the present and the future.

Machelle Baker Sanders, Secretary,
North Carolina Department of Commerce



N.C. Commerce Secretary Machelle Baker Sanders addresses attendees at EUE/Screen Gem Studios in Wilmington. Governor Roy Cooper announced that filmmakers are on track to invest more than \$409 million in N.C., the largest tally since the creation of the North Carolina Film and Entertainment Grant in 2014.

2021 STRATEGIC PRIORITIES

The Division's 2021 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



Assistant Secretary Flowers with Golden LEAF Foundation (GLF) Chair Bo Biggs, Governor Roy Cooper, RIA Chair Charles Brown, and GLF President Scott Hamilton after an announcement of new jobs and investments in Robeson County.

Rural Partners,

As our state continues to emerge from the COVID-19 pandemic, the Rural Economic Development Division (REDD) remains committed to our mission of engaging, enhancing, and helping transform rural communities. In these historic times, REDD is laser focused on advancing the Commerce mission and building strong partnerships in support of rural North Carolina. Building a solid foundation for economic development success and expanding rural prosperity are our top priorities, and that focus is even more critical as we help communities recover, increase resiliency, and prepare for economic growth.

In FY 2021, REDD expanded our base of community partners, increased investments in rural communities, and elevated our level of engagement with communities and external stakeholders. Our programs generated record grant awards of \$119.6 million that support 219 projects and 5,300 new jobs.

REDD activities remain mission driven and focused on delivering impactful programs. Through continued engagement, investment, and collaboration, we will enhance our state's competitive profile and help create the best environment for rural prosperity and economic development success.

We look forward to continued partnership and collaboration!

Sincerest Regards,

Kenny Flowers

Assistant Secretary, Rural Economic Development

About the Cover: In 2021, the NC Main Street Conference was held virtually. In 2022, the conference will reconvene, in person, in Statesville, NC.

APPALACHIAN REGIONAL COMMISSION



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. Twenty-nine counties in North Carolina are eligible to receive ARC funds for economic development activities. These counties are: Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Davie, Forsyth, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Stokes, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey.

Program Contact: Olivia Collier, Program Manager, ARC
919 814 4656 | ocollier@nccommerce.com

2021 ARC Results

266 Businesses Created and/or Strengthened	32 Grants Approved	\$9.5 M Amount Granted
1,803 Jobs Created and/or Retained	1,815 Households Served*	35 Communities Served

*Improved Infrastructure, Healthcare, and Educational Services

COMMUNITY DEVELOPMENT BLOCK GRANTS

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.

Program Contact: Iris Payne, Program Director, CDBG
919 814 4663 | ipayne@nccommerce.com

2021 CDBG Results

\$194.2 M All Open Grants	273 All Open Grants	\$27.3 M Infrastructure
\$20.5 M Neighborhood Revitalization	\$6.6 M Economic Development	\$29.1 M New Awards CDBG-CV (Coronavirus)

ARC Supports Recovery to Work Program

ARC awarded \$474,805 to the Land of Sky Regional Council, in partnership with the Southwestern Commission, to strengthen the recovery ecosystem in 11 counties. Funding supports Peer Support Specialists, who assist individuals as they navigate recovery and find meaningful employment. ARC is committed to support a recovery ecosystem that leads to workforce entry or reentry.



Jennifer Boggs works at PLI and is receiving recovery support from an ARC-funded Peer Support Specialist.

This program has been a major success in connecting good, hardworking individuals with our open career opportunities. The work being done in this program is vital in connecting people within our community and giving them an opportunity to be a part of their community again and make a difference in the local businesses they are being connected with.

Dexter Hazel, General Manager, Aloft Asheville Downtown, Project Partner

Crown Equipment Expansion Will Create 132 Jobs

Crown Equipment produces a line of high quality lift trucks. Funding from a \$320,000 CDBG-Economic Development Building Reuse grant will help the company expand its Kinston operation into a vacant 255,000 square-foot building next to its current site and create 132 jobs over the next five years.



Empty building to be used for Crown Equipment expansion.

As a rural community, projects of this significance go to show the economic vitality and potential of Lenoir County and also this region of North Carolina. This expansion provides more opportunity for the residents of the greater Kinston area. Crown is a longtime corporate member of our community and we are grateful for their continued investment and dedication to Kinston and Lenoir County. We continue to have a mutually beneficial relationship.

Michael S. James, County Manager, Lenoir County Government

INDUSTRIAL DEVELOPMENT FUND/UTILITY ACCOUNT

The Industrial Development Fund Utility Account (IDF) 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.

Program Contact: Mark N. Poole, Director, Commerce Finance Center, IDF
919 814 4616 | mpoole@nccommerce.com

2021 IDF Results

13
Grants Approved

\$11.2 M
Funds Granted

77%
Awards in Tier 1 Locations

RURAL GRANTS

Rural Grant Programs (RGP) administers grants authorized by the North Carolina General Assembly to support economic development projects that lead to job creation and investment. The Building Reuse, Infrastructure, and Demolition programs support local governments for the transformation of buildings and public infrastructure development. RGP also manages the Housing Infrastructure, Revitalization and Economic Development, and Disaster Recovery grant programs.

Program Contact: Melody Adams, Director, RGP
919 814 4661 | melody.adams@nccommerce.com

2021 Rural Grant Program Results

2,458
Jobs Committed

72
Grants Awarded

\$15.5 M
Granted

94%
Funds to
Targeted Industries

96%
Funds to
Tier 1 & 2 Counties

76%
Funds to
N.C. Businesses

Cross County Cooperation Pays Big Dividends

The IDF invested \$2.1 million in sewer infrastructure to serve the International Logistics Park, a cooperative undertaking by Columbus and Brunswick Counties.

With the project's completion, the park has seen the construction of a \$10 million, 150,000 square-foot, spec building and the location of two companies. Other companies have shown interest in the park and more announcements are expected soon.



Sewer lift station at the International Logistics Park.

Few people really understand how critical it is to a rural county like ours to have the kind of partners that we have at the North Carolina Department of Commerce. We have always found them to be right there with us as we work to bring new jobs to Columbus County. Without the help of programs like the IDF Utility Account, we would simply not be in the game when it comes to landing projects and creating jobs in our county, as well as this region of North Carolina.

Dr. Gary Lanier, Director, Columbus County Economic Development

Warren County: Glen Raven, Inc.

Warren County received a \$500,000 Building Reuse grant to assist with the construction of a 35,000 square-foot addition to the Glen Raven facility

in Norlina. Glen Raven, Inc., a leading provider of innovative performance textiles for widely recognized brands including Sunbrella and Dickson, will invest up to \$82 million in the Norlina facility and has committed to create 205 new jobs.



Glen Raven, Inc., received Rural Building Reuse funding.

Glen Raven supports our community with good jobs and economic vitality. We welcome this important new expansion in Norlina.

N.C. Representative Terry Garrison

There's no greater testimonial to our region's strength as a business location than when a local company expands.

N.C. Senator Ernestine Bazemore

MAIN STREET

The NC Main Street & Rural Planning Center (NC MS&RP) 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. The NC Main Street program staff provide downtown strategic economic development planning and project-specific technical assistance to 86 communities in the Main Street programs. A robust calendar of training and educational opportunities, that includes the largest statewide downtown revitalization conference in the country, is offered annually. NC Main Street initiatives build local capacity for downtown revitalization, small business development, and the rehabilitation of historic properties.

Program Contact: Liz Parham, CSM, Director, NC MS&RP
919 814 4658 | lparham@nccommerce.com

2021 Main Street Results

\$453.8 M Downtown Investment	267 Downtown Buildings Rehabilitated	411 Downtown Façades Improved
381 New Downtown Businesses	1,829 New Downtown Jobs	171 Communities Served

RURAL PLANNING

Part of the NC Main Street & Rural Planning Center, the Rural Planning program works with local governments and other organizations in rural areas to provide strategic economic development planning and implementation services, technical support, and training. Such services help communities prepare for and respond to economic growth opportunities in ways that improve quality of life and prosperity, build community capacity, and maintain rural character.

Program Contact: Darren Rhodes, CPM, Rural Planning Manager
336 618 5117 | drhodes@nccommerce.com

2021 Rural Planning Results

14 Strategic Plans	16 GIS Services	14 Market Studies
135 Implementation Services	2 Downtown Policy Reviews	156 Communities Served

Mount Airy's Market Street Arts & Entertainment District



People gathering at the new Market Street Arts and Entertainment District.

Mount Airy Downtown, Incorporated, recipient of a 2021 NC Main

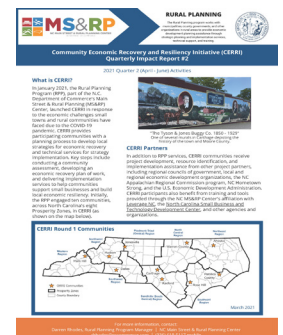
Street Award for Organization – Economic Recovery, developed the Market Street Arts and Entertainment District as a COVID Recovery and Community Culture Building Initiative. This district is a hub of activity in downtown that spills out onto the streets on the weekends with artists, musicians, food, and events.

The Market Street Arts & Entertainment District is a source of pride and joy for our local community. Downtown districts are outlets for creative energy, and people of all backgrounds and cultures feel welcome on Market Street. We have actively involved minority representation through the Melva Houston mural installation, booking a diverse group of artists, hosting the first Juneteenth festival, and cohosting a Multicultural Arts Festival.

Lizzie Morrison, Executive Director, Mount Airy Downtown, Inc.

Community Economic Recovery & Resiliency Initiative (CERRI)

Launched in 2021, CERRI aims to help rural communities recover from the pandemic's economic impacts. It offers a planning process for creating local strategies to support small businesses as well as build economic resiliency, and assistance with implementing them. CERRI initially engaged 10 communities across the state's eight Prosperity Zones and will serve more next fiscal year.



CERRI Quarterly Impact Report by Rural Planning.

Ahoskie has benefited from involvement with the Rural Planning program's CERRI program. The CERRI process brought the right people to the table to discuss resiliency and recovery in an uncertain time, gathered key regional partners, and helped us craft a list of projects that support our small business community while bolstering the town's role in growing our local economy.

Amy Braswell, Executive Vice President, Ahoskie Chamber of Commerce

Being part of this unique partnership with other organizations that focus on community economic development is inspiring and rewarding. The NC League of Municipalities (NCLM) considers Leverage NC and its endeavors to be one of its most significant successes. The NCLM has a strong understanding of municipalities' needs, one of which is a strong economy. The collaboration within Leverage NC allows our organization to stretch its capacity and offer additional training to the communities we serve.

Julie Metz, NCLM Business & Membership Development Assistant Director, and Leverage NC Co-Chairperson

Leveraging Partnership for Economic Development Education



In 2021, the NC Main Street & Rural Planning Center partnered with the NC League of Municipalities, the NC

Department of Natural and Cultural Resources State Historic Preservation Office, and the NC Downtown Development Association to launch Leverage NC. Leverage NC helps further local government economic development efforts by providing a carefully curated catalog of educational offerings and expert resources. Communities statewide can use the Leverage NC tools to strengthen local economies and support enhanced business opportunity.

Engaged, Connected, Collaborative, and Inclusive: A Pathway to Responsive Solutions

The Rural Economic Development Division (REDD) is committed to being engaged and having an active voice in critical community conversations. To that end, it is important that our team understands the local issues driving such conversations and is sensitive and responsive to how they impact our colleagues and community partners.

During FY 2021, Team REDD completed a four-part Diversity, Equity, and Inclusion training program that provided guidance on how to appropriately and effectively engage with each other internally, and in the community. The sessions were developed and facilitated by the National Conference for Community and Justice of the Piedmont Triad.



In 2021, the Rural Economic Development staff took part in diversity, equity, and inclusion training, facilitated by the National Conference for Community and Justice (NCCJ).



Assistant Secretary Flowers with RIA Chair Charles Brown and Vice Chair Jan Hayes at the Pfeiffer University Center for Health Sciences campus in Albemarle.

The Rural Infrastructure Authority: Making Critical Investments in Rural NC

The Rural Infrastructure Authority (RIA) plays a vital role in helping build stronger and more economically viable rural communities. The RIA, established by N.C. General Statute in 2013, awards grants from the Rural Economic Development Division's program areas including Rural Grant Programs, the Community Development Block Grant-Economic Development category, and the Industrial Development Fund Utility Account.

In FY 2021, the RIA awarded more than \$41 million in grant funds that will support the creation of 5,363 new jobs. Since 2013, the RIA has approved grant awards that exceed \$316 million and support 29,423 new jobs.

STATEWIDE ENGAGEMENT AND IMPACT

NORTHWEST Caldwell County



Jonas Hill Hospital

PIEDMONT-TRIAD Mount Airy/Surry County



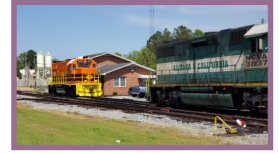
Airport Strategic Plan

NORTH CENTRAL Nash County

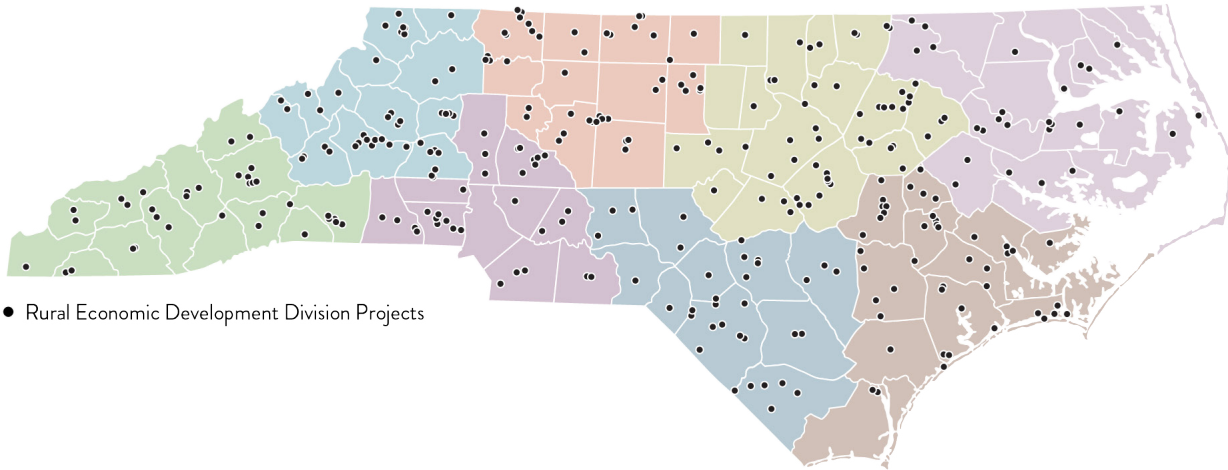


The Crump Group

NORTHEAST Ahoskie



**CERRI Economic Recovery
Plan of Work**



● Rural Economic Development Division Projects

WESTERN 3 Regions | 25 Counties



**Outdoor Recreation Powering
Economic Growth & Recovery**

SOUTHWEST Lincoln County



**Robert Bosch Tool, LLC
Building Reuse Grant**

SOUTH CENTRAL Carthage



**CERRI Economic Recovery
Plan of Work**

SOUTHEAST Pamlico County



**Pamlico County
Technical Assistance**

RURAL ECONOMIC DEVELOPMENT DIVISION

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For a complete list of contacts, please visit the Programs and Services Directory nccommerce.com/employee-directory

For more information about the programs, visit: nccommerce.com/rd | arc.gov | mainstreet.org | hud.gov