



Press Release

Governor McCrory Announces More Than \$10.4 Million in Infrastructure Funding Supporting 622 New Jobs Statewide

FOR IMMEDIATE RELEASE
Thursday, June 23, 2016

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Raleigh, N.C. – Governor Pat McCrory announced today that the North Carolina Rural Infrastructure Authority (RIA) approved 31 grant and loan requests totaling \$10,433,899. The requests include commitments to create a total of 622 new jobs.

“Job growth favors communities that have ready-to-go sites, buildings and infrastructure,” said Governor McCrory. **“These grants will help provide the assets and amenities company’s seek when growing their businesses and creating jobs.”**

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 approximately \$106 million in awards.

The RIA approved three requests under the state’s Industrial Development Fund - Utility Account program.

Town of Tarboro (Edgecombe County): A \$949,750 grant to assist with water, sewer and a 500,000-gallon storage tank at Tarboro Commerce Center. The 185-acre industrial park is being developed by the Town of Tarboro and Edgecombe County. The infrastructure will ready the property for new businesses and jobs. The grant supports a total capital investment of nearly \$1.2 million.

Northampton County: A \$568,769 grant to improve sewer service in support of the retention of West Fraser Timber Co. The company is upgrading its production equipment and requires additional wastewater capacity. West Fraser Timber is one of the largest lumber manufacturers in North America. The company plans to invest almost \$18 million in upgrades. The county is pursuing the funds in partnership with the Town of Seaboard.

City of Laurinburg (Scotland County): A grant of \$708,000 to assist with providing sewer and industrial access to a new industrial property off Highway 74. The access will open the property up to at least 60

developable acres. The improvements will ready the site for the arrival of new businesses and jobs. Scotland County is partnering with Electricities in marketing the property at the national and global level.

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 eight loans under the state’s Community Development Block Grant (CDBG) program:

Town of Denton (Davidson County): A \$750,000 loan to support the reuse of a vacant building by Kaufman Trailers of North Carolina, which is creating 38 new jobs. The company, which manufactures car haulers and utility trailers, has operated in Denton for 20 years. The building has been vacant for over a year. Funds will be used to improve roofing, electrical, plumbing, exterior walls and HVAC systems. The loan will support a total capital investment of \$1.5 million.

Town of Denton (Davidson County): A \$750,000 loan to support the reuse of a vacant building by Construction Implements Depot Inc., a manufacturer of skid steer and tractor implements whose expansion is creating 38 new jobs. The company has operated in Denton for 13 years. The building has been vacant for over a year. Funds will be used to repair roofing, electrical, plumbing, HVAC systems and overhead doors. The loan will support a total capital investment of \$2.5 million.

City of Lexington (Davidson County): A \$500,000 loan to support the reuse of a vacant building by Westport Bay, a bathroom-cabinetry manufacturer whose expansion is creating 25 new jobs. The building has been vacant for 10 years. Funds will be used to improve roofing, electrical, plumbing, HVAC system and lighting. The loan will support a total capital investment of \$1 million.

Town of Belhaven (Beaufort County): A \$500,000 loan to support the redevelopment of two vacant downtown buildings for use by Spoon River Art Works and Market. The company will expand its existing restaurant space and open a retail operation for locally produced goods, anticipating the creation of 10 new jobs. Funds will support a new HVAC system, roofing, electrical, plumbing and handicapped-accessible bathrooms. The loan, which supports a total capital investment of \$910,000, is a collaborative solution between CDBG and the Downtown Redevelopment Fund of the North Carolina Main Street Center.

The Town of Edenton (Chowan County): A \$500,000 loan to support the renovation of a 64-room boutique hotel. Hotel Hinton will create 69 jobs, positions ranging from sales and marketing to food service and management. Renovation of the vacant building will include new HVAC systems, electrical work, new roofing, window restoration and accessibility improvements to its stairs and bathrooms. The loan, which supports a total capital investment of \$12 million, is a collaborative solution between CDBG and the Downtown Redevelopment Fund of the North Carolina Main Street Center.

Town of Troy (Montgomery County): A \$322,830 loan to support the renovation of a vacant building for use as Caroline’s Diner, which is creating four new jobs. The business will help serve the community’s eco-tourism industry. The project replaces the building’s HVAC, brings electrical systems up to code, installs new roofing and creates handicapped-accessible bathrooms. The loan, which supports a total capital investment of \$365,737, is a collaborative solution between CDBG and the Downtown Redevelopment Fund of the North Carolina Main Street Center.

The City of Elizabeth City (Pasquotank County): A \$500,000 loan to support the renovation of the vacant New Southern Hotel. The building, which has been unoccupied for the past 30 years, will house a new 50-room hotel that will create 50 new jobs. The renovation includes bringing electrical systems up to code, repairing damaged windows, installing new roofing and HVAC, and making bathrooms handicap accessible. The loan supports a total capital investment of \$11.2 million. The loan is a collaborative solution between CDBG and the Downtown Redevelopment Fund of the North Carolina Main Street Center.

The City of Wilson (Wilson County): A \$500,000 loan to support the renovation of a vacant grocery store for use by Thomas Drug Store and Home Medical Supply. The project includes removal and replacement of asbestos-based flooring and walls, installation of new HVAC and electrical systems, and upgrades to bathrooms that will make them handicapped-accessible. The loan supports a total capital investment of

\$1,115,289. The loan is a collaborative solution between CDBG and the Downtown Redevelopment Fund of the North Carolina Main Street Center.

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 in Tier 1 and Tier 2 counties 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 14 grants under the state's Building Reuse program:

Existing Business Building Category

Burke County: A \$500,000 grant to support the renovation of four buildings in Hildebran that will facilitate a 50-job expansion at Peds Legware. The company makes legware products for sale to major retailers such as Walmart, Target and Payless. The project renovates HVAC, renovates bathrooms, repairs walls and expands office space. The buildings were constructed in 1967 and occupied by Peds since 2011. The grant is part of a total capital investment of \$2,939,932.

Caldwell County: A \$222,450 grant to support the expansion of a building in Granite Falls to support Jordan-Holman Lumber's 23-job expansion. The company processes timber and manufactures plywood. Its building was constructed in 1984. The project adds 7,500 sq. ft. to the building, enabling the company to meet demand for stock lumber products by the furniture industry. The grant is part of a total capital investment of \$444,901.

Town of Denton (Davidson County): A \$90,000 grant to support a nine-job expansion by Thermo Products, a manufacturer of high-quality furnaces under the Thermo Pride brand name and other private labels. The project adds 5,000 sq. ft. to the building, which was constructed in 1957. The grant is part of a total capital investment of \$298,348.

Rockingham County: A \$500,000 grant to expand a building in Reidsville that will house an expansion by Unifi. The manufacturer of multifilament polyester and nylon textured yarns will be creating 87 new jobs. The project will add 80,000 sq. ft. to Unifi's facility, which was constructed in 1970. The grant is part of a total capital investment of \$2,701,199.

Yadkin County: A \$190,000 grant to expand a building in Yadkinville that will house an expansion by Unifi. The manufacturer of multifilament polyester and nylon textured yarns will be creating 19 new jobs. The proposed project will add 47,000 sq. ft. to the current facility, which was constructed in 1997. The grant is part of a total capital investment of \$3,535,000.

Vacant Building Category

Bertie County: A \$100,000 grant to support the reuse of a vacant building in Roxobel by Baker's Southern Traditions. The female-owned peanut processing company will create eight new jobs. Upgrades include wall installation, electrical, plumbing, HVAC and flooring. The building was constructed in 1984 and has been vacant for seven months. The grant is part of a total capital investment of \$353,895.

Burke County: A \$150,000 grant to support the reuse of a vacant building near Morganton by Fonta Flora Brewery. The company, which will brew, bottle and package its products at the historic Whippoorwill dairy farm adjacent Lake James State Park, will create 12 jobs. Upgrades include HVAC, plumbing, electrical, flooring and doors. The building was constructed in 1940 and has been vacant for 10 years. The grant is part of a total capital investment of \$504,500.

City of Lenoir (Caldwell County): A \$49,250 grant to support the reuse of a vacant building by Bella Torte Bistro & Bakery. The female-owned full service restaurant and bakery will create 10 jobs. Upgrades will be made to the electrical system, doors, windows and entryway. The building was constructed in 1913 and has been vacant for two years. The grant is part of a total capital investment of \$98,500.

Franklin County: A \$125,000 reuse grant for a building in Youngsville that will support a 10-job expansion by Network South. The company sells and services business telecommunications and security systems. The building was constructed in 2000 and has been vacant for one year. The renovation will include upgrades to electrical systems, HVAC and office space. The grant is part of a total capital investment of \$806,074.

Hyde County: A \$50,000 reuse grant for a building in Swan Quarter that will support a five-job expansion by Courthouse Cafe, a full-service restaurant. The building was constructed in 1954 and has been vacant for 13 years. Renovations will include HVAC, electrical, plumbing, flooring and painting. The grant is part of a total capital investment of \$186,000.

City of Greenville (Pitt County): A \$60,000 reuse grant for a building that will support Uptown Brewing Company, a full-production brewery and tap house that is creating 12 jobs. The company's product will be distributed to bars and restaurants across eastern North Carolina. The building was constructed in 1930 and has been vacant for 30 years. The renovation will include HVAC, plumbing, electrical and flooring. The grant is part of a total capital investment of \$465,528.

Rowan County: A \$180,935 reuse grant for a building in Salisbury that will support the 15-job expansion of Aldo Products. The company manufactures a full line of roof coatings for use by commercial builders. The building was constructed in 1998 and has been vacant for eight months. The renovation includes HVAC, electrical system and cabinetry. The grant supports a total capital investment of \$1,511,074.

Sampson County: A \$180,000 reuse grant for a vacant building in Clinton that will support a 36-job expansion by Farm Fresh Produce Distribution. The company will operate a year-round sweet potato curing, storing, sorting, packaging and distribution facility. The building was constructed in 2010 and has been vacant five years. Renovation includes flooring, walls, doors, electrical, plumbing and HVAC. The grant supports a total capital investment of \$3,983,000.

Vance County: A \$150,000 reuse grant for a vacant building in Henderson that will support a 12-job expansion by Hoyle's Tire & Axle. The company refurbishes, sells and services used axles. The building was constructed in 1976 and has been vacant for seven years. Renovations include lighting and electrical systems. The grant supports a total capital investment of \$1,235,392.

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 health care 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 six grants under the state's Economic Infrastructure program:

City of Kings Mountain (Cleveland County): A grant of \$297,600 for water and sewer service to support the arrival of A&A Transfer. The Virginia-based company provides full-service rigging and transfer services for large-load commercial and industrial customers. It is creating 24 new jobs. The project builds 300 linear feet of 16" water line and 1,400 linear feet of 8" sewer line. The grant supports a total capital investment of \$3.85 million.

Town of Clayton and Johnston County: A \$250,000 grant for water service and a \$250,000 grant for sewer service in support of Novo Nordisk's current expansion. The Denmark-based bio-manufacturer is a global supplier of insulin and diabetes treatment solutions. One project will construct 2,020 linear feet of 8" sewer line. The other makes improvements to the Clayton #2 Booster Pump Station serving the company's site. The two grants support a total capital investment of \$1.23 billion.

City of Marion (McDowell County): A \$150,000 grant to support the demolition and clean-up of an abandoned industrial building. The project enables local leaders to redevelop and market an amenity-rich 15.3-acre site for new businesses, facilitating job creation. The grant supports a total capital investment of \$900,000.

Town of Nashville (Nash County): A \$292,425 grant for sewer service to support the start-up of Carolina Innovative Food Ingredients. The company, which produces fruit and vegetable juices, is creating 36 new jobs. The project constructs a 30" sewer line that will allow the abandonment of a lift station currently

operating at full capacity. The grant, which increases a \$157,575 infrastructure award made in November 2014, supports a total capital investment of \$20.9 million.

Town of Rutherfordton (Rutherford County): A grant of \$96,890 to support sewer service to Tryon Fairways, LLC – Cleghorn Inn and Restaurant. The company is developing a 70-room hotel, restaurant and banquet hall that will create 20 new jobs. The project creates 2,125 linear feet of 8” gravity sewer line. The grant supports a total capital investment of \$9 million.

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.

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 NC 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.

“The Rural Infrastructure Authority and our Commerce team are dedicated to customizing job-growth solutions around the unique challenges and opportunities faced by communities in every region of our diverse state,” said Commerce Secretary Skvarla. “From upgraded water and sewer service for expanding manufacturers to the renovation of downtown hotels, today’s list of grant awards underscores how the Carolina Comeback is bringing exciting possibilities to less populated towns and counties.”

Sec. Skvarla, Dr. Mitchell and other team members are now completing a 22-stop “NC Competes for Jobs” tour across all regions of the state. The presentation showcases job-creation programs and strategies for local business, governmental, educational and community leaders. The tour concludes at Appalachian State University on Monday, June 27th. For more information contact: info@nccommerce.com.

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