



The Utility Account, as authorized under [N.C.G.S. 143B-437.01](#) of the Industrial Development Fund, provides grants to units of local government of the 80 lowest ranked counties in the state to assist in job creation. The funds may be used for publicly owned infrastructure and are used for projects that are reasonably anticipated to result in the creation of jobs.

ELIGIBLE APPLICANTS

Eligible applicants are units of local government in the 80 most distressed counties in the state, click for a list of [Tier 1 and Tier 2 counties](#).

ELIGIBLE PROJECTS AND EXPENSES

Funds may be used for construction or improvements to water, sewer, gas, telecommunications, transportation infrastructure or electrical utility lines.

To be eligible for funding, the infrastructure is required to be on the building site or if not located on the site, directly related to the operation of the specific industrial activity.

The site must be publicly owned and there must be a reasonable expectation that jobs will be created as a result of the project being funded.

JOB CREATION REQUIREMENTS

- Applicants must show that the improvements will result in the creation of new, full-time jobs in the private sector within 24 months of the grant award. *Part-time, Full-Time Equivalents (FTE) positions, or contract and consulting jobs are ineligible.*
- If a specific named company has committed jobs, the company must agree to provide the local government and the Department of Commerce access to company employment records necessary to verify the creation of new jobs.
- Each position must be filled with one full-time employee. Full-time employment is defined as one person working at least 35 hours per week, whose wages are subject to withholding, and who is employed in a permanent position.
- Priority will be given to projects that offer higher salaries/wages and provide at least 50% employer-paid health benefits to employees.
- The company must pay North Carolina Unemployment Insurance on each employee for whom a job is committed.
- The company will be expected to maintain all existing full-time jobs in North Carolina reported at the time of application (baseline) plus create the new, full-time jobs committed.
- The baseline will be established using the most recently filed NCUI 101 Form filed with the NC Department of Commerce Division of Employment Security at the time of application submittal.
- To meet the terms of the grant the company must maintain the baseline number plus the new, full-time jobs concurrently for at least six consecutive months.

LOCAL GOVERNMENT REQUIREMENTS & LIABILITIES

- The local government will coordinate and oversee all aspects of the project, including the application process, contracting process, reporting requirements, payments, job verification, and loan repayment if required.
- The local government is required to analyze the participating company's financial and organizational strength regarding its ability to successfully meet the terms of the job creation and maintenance requirements, and the ability to meet the potential for repayment of loan funds.
- In the event the company defaults on the job commitment, the local government is required to repay the loan to Commerce irrespective of whether the funds are collected from the property/business owner.
- When the improvements are owned by the local government, state regulations regarding procurement, including [N.C.G.S.14-234](#), are required.
- Local governments are subject to state audit and reporting requirements.



MATCH REQUIREMENTS

- A cash match equivalent to at least 25% of the grant amount is required for projects not located in one of the state's 25 most distressed counties.
- In-kind match is not allowable.

REPAYMENT REQUIREMENTS

- If job creation goals are not met, a pro-rata share of funds for each job not created must be repaid to the Department of Commerce by the local government.
- For projects involving a named company, the local government will secure the funds through a Legally Binding Commitment agreement executed between the local government and the company owner.

PRE-APPLICATION SUBMISSION

Pre-applications should be received 45 days prior to the published date of the next scheduled Rural Infrastructure Authority (RIA) meeting. Full applications will only be invited after pre-application approval by the RIA.

RIA Meeting schedule:

- **June 20, 2024**
- **August 15, 2024**
- **October 17, 2024**
- **December 5, 2024**
- **February 20, 2025**
- **April 17, 2025**
- **June 19, 2025**

Following successful submission, a mandatory due diligence meeting to discuss the project will be scheduled.

REQUEST a pre-application or for further information.