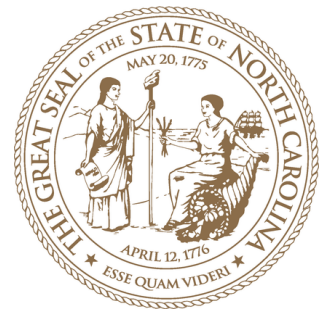


North Carolina Southeast Crescent Regional Commission

FY 2023 Strategy Statement



SOUTHEAST CRESCENT
REGIONAL COMMISSION





STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

ROY COOPER
GOVERNOR

July 14, 2023

Dr. Jennifer Clyburn Reed
Federal Co-Chair
Southeast Crescent Regional Commission
1901 Assembly Street, Suite 370
Columbia, SC 29201

Dear Dr. Reed:

I am pleased to submit the State of North Carolina's Annual Strategy Statement for FY 2023 for the Southeast Crescent Regional Commission (SCRC or Commission). This document identifies our strategies, objectives, and priorities for investing SCRC funds to enhance the community economic development potential of North Carolina's portion of the region. The information in this submission is consistent with the authorizing language in Public Law 110-246, the Food, Conservation, and Energy Act of 2008.

We look forward to working with the Commission to build sustainable communities and strengthen economic growth for the people in our SCRC counties. Please contact Jim McCleskey, my SCRC alternate, or Olivia Collier, my SCRC Program Manager, if there are any questions about this material.

Sincerely,

A handwritten signature in black ink that reads "Roy Cooper". The signature is written in a cursive style.

Roy Cooper

cc: Jim McCleskey
Olivia Collier

Enclosures

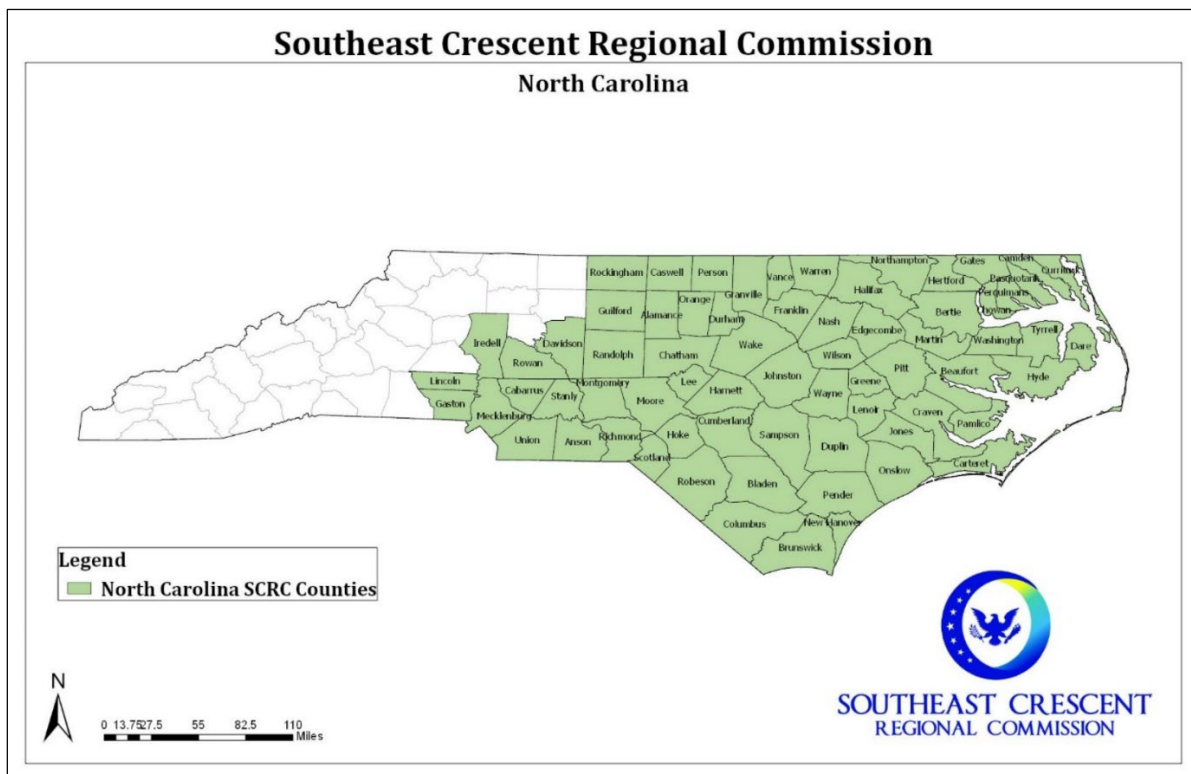
North Carolina SCRC FY2023 Strategy Statement

This document, in accordance with Section 15731 of the Food, Conservation, and Energy Act of 2008 (The Farm Bill), will serve as North Carolina's Annual State Strategy. The purpose of this document is to establish a process that sets forth goals, objectives, priorities, and policies for North Carolina's Southeast Crescent Regional Commission (SCRC) Program. This Strategy Statement also identifies broad issues and needs that the Governor has chosen to address with SCRC resources and sets priorities for project development. The program in NC will continue to meet the diverse and changing needs of this region by targeting resources to accomplish the defined goals and objectives of both SCRC and the Governor. The FY2023 Strategy Statement:

1. Discusses the economic challenges and opportunities, as well as new developments and resources, that are impacting the state's Southeast Crescent counties;
2. Provides an overview of targeted investment priorities for the program year; and
3. Sets forth state operating program policies.

Governor Roy Cooper serves as North Carolina's Commission member; Jim McCleskey, Director, Washington D.C. Office, serves as his Alternate. The North Carolina Department of Commerce is responsible for the administration of the North Carolina SCRC Program.

The SCRC portion of North Carolina consists of 69 counties: Alamance, Anson, Beaufort, Bertie, Bladen, Brunswick, Cabarrus, Camden, Carteret, Caswell, Chatham, Chowan, Columbus, Craven, Cumberland, Currituck, Dare, Davidson, Duplin, Durham, Edgecombe, Franklin, Gaston, Gates, Granville, Greene, Guilford, Halifax, Harnett, Hertford, Hoke, Hyde, Iredell, Johnston, Jones, Lee, Lenoir, Lincoln, Martin, Mecklenburg, Montgomery, Moore, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Randolph, Richmond, Robeson, Rockingham, Rowan, Sampson, Scotland, Stanly, Tyrrell, Union, Vance, Wake, Warren, Washington, Wayne, and Wilson.



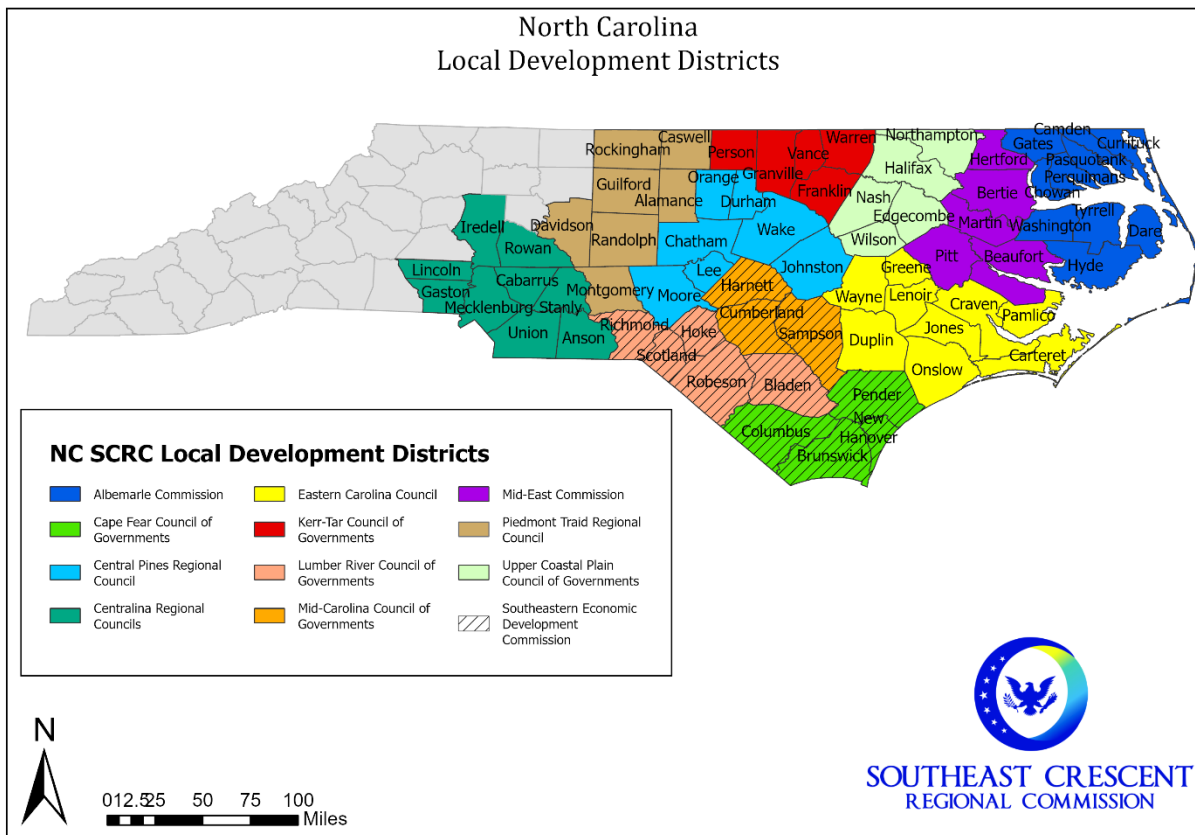
The 69 counties are served by twelve Local Development Districts (LDDs), which are either Economic Development Districts established under the U.S. Economic Development Administration or Regional Councils established under [G.S. 143-341](#) and [G.S. 160A-470-478](#). They serve as the lead regional organizations. The LDDs are:

- **Albemarle Commission (Region R):** Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell, and Washington
- **Cape Fear Council of Governments* (Region O):** Brunswick, Columbus, New Hanover, and Pender
- **Central Pines Regional Council (Region J):** Chatham, Durham, Johnston, Lee, Moore, Orange, and Wake
- **Centralina Regional Council (Region F):** Anson, Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, and Union
- **Eastern Carolina Council (Region P):** Carteret, Craven, Duplin, Greene, Jones, Lenoir, Onslow, Pamlico, and Wayne
- **Kerr-Tar Council of Governments (Region K):** Franklin, Granville, Person, Vance, and Warren
- **Lumber River Council of Governments* (Region N):** Bladen, Hoke, Richmond, Robeson, and Scotland
- **Mid-Carolina Council of Governments* (Region M):** Cumberland, Harnett, and Sampson
- **Mid-East Commission (Region Q):** Beaufort, Bertie, Hertford, Martin, and Pitt
- **Piedmont Triad Regional Council (Region G):** Alamance, Caswell, Davidson, Guilford, Montgomery, Randolph, Rockingham, Davie, Forsyth, Stokes, Surry, and Yadkin
- **Southeastern Economic Development Commission*:** Bladen, Brunswick, Columbus, Cumberland, Harnett, Hoke, New Hanover, Pender, Richmond, Robeson, Sampson, and Scotland
- **Upper Coastal Plain Council of Governments (Region L):** Edgecombe, Halifax, Nash, Northampton, and Wilson

*The Southeastern Economic Development Commission is an Economic Development District designated by the U.S. Economic Development Administration. It serves the same counties as the Cape Fear Council of Governments, Lumber River Council of Governments, and the Mid-Carolina Council of Governments.

The North Carolina SCRC Program works closely with the LDDs to develop projects that are consistent with the SCRC Authorizing Legislation and guidelines and gauge the need for SCRC resources. Each LDD is governed by a Board of Directors comprised of local government representatives. The LDDs are an active and critical part of the SCRC partnership.

Southeast Crescent Regional Commission



Federal, State, and Local Partners:

The close cooperation between the federal, state, and local governments, along with the non-profit sector, ensures transparency and comprehensiveness in development of the North Carolina ARC Program. The Program collaborates with federal agencies that include: the United States Department of Agriculture, the Environmental Protection Agency, the Economic Development Administration, and the Department of Housing and Urban Development. State agency partners include: the North Carolina Departments of Commerce, Information Technology, Administration, Agriculture and Consumer Services, Transportation, Health and Human Services, Environmental Quality, and Natural and Cultural Resources. The North Carolina ARC Program also relies heavily on partnerships with various non-profits including, but not limited to: the Economic Development Partnership of North Carolina, the Carolina

Small Business Development Fund, the North Carolina Rural Center, the Conservation Fund, the Golden Leaf Foundation, NC Electric Cooperatives, The National Institute of Minority Economic Development, and the North Carolina Community Foundation.

Economic Challenges

The Southeast Crescent region of North Carolina faces many economic challenges. The SCRC program will work with our partners and grantees to develop solutions to these challenges which include:

Educating and Sustaining a Skilled, Healthy Workforce

The lack of a skilled workforce to meet the needs of a global economy is a challenge in addressing the region's needs. The State's Strategic Economic Development Plan, [First in Talent](#), describes the workforce challenges in North Carolina in depth. Those challenges include insufficient access to affordable healthcare, housing, childcare, and transportation. These obstacles hinder residents from accessing job opportunities as well as participating in training and educational programs. The region, as well as the State, faces difficulty matching the current workforce with the available jobs. The region also struggles to guarantee that educational (including k-12 schools) programs and workforce training reach the populations in need of skills to gain employment and address skill gaps in the region. Attracting and retaining younger individuals in the local workforce is an additional challenge.



Photo Credit: NC Community Colleges

Building and Managing Infrastructure

Outdated and scarce infrastructure continues to be problematic and impedes the region's ability to retain and grow businesses. Infrastructure requires continual investments and many communities have financial difficulty maintaining and improving systems to meet state requirements and economic development goals. Access to, maintenance, and expansion of quality infrastructure is an ongoing challenge for many communities in the Southeast Crescent. The full range of infrastructure necessary for economic development includes water, sewer, broadband, transportation, gas and more which need improvement.

Water and Sewer

According to the [Statewide Water and Wastewater Infrastructure Master Plan](#), aging water and sewer infrastructure, maintenance costs, and the need for expansion of services all present a challenge to continued economic development. This often creates a financial burden on local governments. This is particularly true for jurisdictions with small, often declining, populations.

Broadband

Many areas of the region lack access to broadband internet. According to the [State Department of Information Technology](#), even when broadband is available there is a significant digital divide regionwide. Increased access to adoption of broadband, and improved digital literacy are needed for residents of the region. This will allow them to fully engage in economic opportunities, education and lifelong learning, civic and cultural participation, and access to essential services that are made possible by the internet.

Natural Disasters

North Carolina's extensive coastline makes the region prone to frequent natural disasters. The Region has experienced intense weather events that have caused damage to roads, businesses, and homes. The area has had long term drought that caused water restrictions and increased heat which affects those who work outdoors and affects crops. These natural disasters have devastating impacts on peoples' lives, local economies, and community vitality.

Strategies to make communities less susceptible to natural disaster damage and more resilient in the wake of these disasters are needed. Two recent major hurricanes, Hurricane Matthew (2016) and Hurricane Florence (2018), significantly impacted North Carolina.

After each storm, numerous counties across the State were declared [Federal Disaster Areas](#), including 23 of the 26 counties currently designated as economically distressed by the SCRC. In 2019, Governor Cooper created the

[North Carolina Office of Recovery and Resiliency](#) (NCORR) to focus efforts to rebuild impacted communities that are more resilient to future disasters. These efforts include initiation of a grassroots community planning process in 50 counties to effectively align and structure recovery programs. This organization works to address the housing recovery needs of low to moderate income persons; coordinates local, state, and federal disaster responses; and assists small business and agricultural sectors disaster recovery needs.



Figure 1: Flooding from Hurricane Florence in 2018 devastated the Town of Belhaven (Beaufort County)

Building Local Leadership Capacity

Rural communities face significant systemic and economic challenges that limit their competitiveness and stifle efforts to build strong, vibrant, and sustainable communities. Those challenges have been magnified as shrinking resources, talent drain, and changes in public policy approaches which have fueled an ever widening "rural and urban divide". Staff at local governments and non-profit organizations are stretched thin with a limited number of personnel often responsible for multiple duties. This places a strain on employees and often does not allow time for staff to engage in additional tasks that are needed for community and economic development.

Access to Affordable Housing

According to the State's [Consolidated Plan 2021-2025](#), the affordability and availability of quality housing remains a need in North Carolina. The State conducted a Housing Needs Assessment that underscored the need for affordable housing. The Assessment showed that the cost of housing is continuing to rise and is not affordable for many. In addition to housing, communities are struggling to provide public services such as short-term housing, emergency payments for rent, mortgage, and utilities, and food distribution; and preserving and creating public facilities such as community centers, parks, transitional housing, supportive housing, and emergency shelters. There is a growing understanding that access to quality, affordable housing is critical to attracting and retaining adequate workforce.

Economic Opportunities

Establishment of Economic Development Products

For communities across the Southeast Crescent Region to be successful in attracting new businesses and supporting expansion of current businesses, they must have sites available for those businesses. Several organizations, including the NC Department of Commerce, Economic Development Partnership of North Carolina and the Golden Leaf Foundation work with communities to support the preparation of sites, extend public infrastructure, site grading, and clearing.

Enhancement of Digital Infrastructure

Expansion of broadband throughout the region will provide access to increased educational and workforce training opportunities and encourage business and industry development. In addition to providing access to the physical infrastructure, communities need support in creating digital inclusion plans designed to deliver appropriate technology, business and funding plans necessary to ensure the infrastructure is affordable for all. In addition, communities need support with procurement of devices and digital literacy training. The North Carolina Department of Information Technology and North Carolina State University's Institute of Emerging Issues develop digital inclusion plans for local governments. This program, [BAND-NC](#), provides technical assistance, training, and mini-grants to communities across the state to develop and implement digital inclusion plans. They are currently working with 64 communities; 39 are from the region.

Growing Workforce Development Opportunities

Economic opportunity is dependent on a highly skilled workforce and the Region proudly boasts eleven public state universities in the University of North Carolina System, as well as 44 Community Colleges and numerous private liberal arts colleges. With a strong network of accessible and customized educational training programs, students and adults who return for further education have access to the resources needed to compete in emerging business and industry opportunities. In July of 2018, Governor Cooper created the Finish Line Grant program, which allows community college students to complete their education when an unforeseen financial emergency occurs. To date, more than 3,000 Finish Line Grants have been awarded statewide to students in need, totaling more than \$3 million. An ongoing priority for the State's Division of Workforce Solutions (DWS) is to support businesses affected by COVID-19. In partnership with local Workforce Development Boards, NCWorks Career Center staff provide virtual and in-person services for job seekers and employers.



FTCC Career and Education Success Center Staff. Credit: Fayetteville Technical Community College

There are several efforts underway across the region to provide enhanced recovery supports to individuals with substance use disorder. Recovery networks are designed to help individuals in substance abuse recovery access a diverse array of support services and training needed to maintain recovery and successfully obtain employment. This is a critical solution to workforce availability concerns at a time when many businesses are having trouble filling positions. A good example of this work is a program at Fayetteville Technical and Community College. 'Project Cumberland GROW' provides job training and job placement assistance for individuals considered hard to employ. In conjunction with this program, a network of local county ReEntry Councils provides a comprehensive

array of reentry programs, services and resources to help justice-involved individuals rebuild their lives and successfully reintegrate into their communities with assistance to increase employment opportunities.

Transportation

A safe, reliable, and strategic multi-modal transportation network is critical to economic development and quality of life. [NC Moves 2050](#), the statewide strategic transportation plan, focuses on the future of transportation in North Carolina. A key objective of the plan is to support a strong economy. Strategies to achieve these goals include connections to statewide opportunities, improved access to regional jobs and services, and links to industry clusters. NCDOT's [Strategic Transportation Corridors](#) form a well-connected network of multi-modal transportation routes serving nearly all areas of the state's Southeast Crescent region. These routes can move high volumes of people, goods and services over longer distances and provide high-quality access to principal economic activity centers within and outside of North Carolina.

Agricultural Economy

According to the [North Carolina Department of Agriculture and Consumer Services](#), agriculture is the largest industry in North Carolina. It contributes over \$91.8 billion to the state's economy and employs more than 700,000 individuals.

The state is the largest producer of sweet potatoes, poultry and eggs, and tobacco in the nation, and ranks highly among the top producers of many other agricultural commodities.

Forestry is a major component of the agricultural economy, and the state has a robust forestry industry especially in the Region. According to NCSU Forestry Extension, the forestry industry had total contributions of over 138,000 employment and industry output of \$32.8 billion for the state in 2020. In addition to commodity agriculture, there are growing opportunities for



*Warren County Farmers Market.
Credit: Warren County EDC*

small-scale agricultural producers and value-added products. The state has university extension offices in every county which provide researched based information, training and resources for production and marketing of local foods and value-added production. A network of local food advocate organizations operate throughout the state to promote economic opportunity, healthy communities, and vibrant farms and fisheries through enhancing the local food system.

Developing Rural Community Capacity

For communities across North Carolina, local community capacity is essential for sustained community economic development. This is especially true for the 69 counties in the Southeast Crescent Region.

Communities in the Region have access to several programs that can enhance community engagement with targeted training programs and targeted training programs. These programs can support communities to position themselves for economic growth and prosperity.

Hometown Strong

Governor Cooper has made rural North Carolina a top priority and, in 2018, he launched the Hometown STRONG initiative to leverage local, state, and federal resources to support the needs of local communities. The following 34 SCRC counties are currently participating in this effort: Anson, Beaufort, Bertie, Bladen, Caswell, Chowan, Columbus, Duplin, Edgecombe, Gates, Granville, Greene, Halifax, Hertford, Hoke, Jones, Lenoir, Martin, Montgomery, Nash, Northampton, Pamlico, Pasquotank, Perquimans, Person, Richmond, Robeson, Rockingham, Sampson, Scotland, Tyrrell, Vance, Warren, Washington. The Hometown STRONG initiative provides counties with direct access to state government leaders who work in tandem with local leaders to identify local priorities and work to implement focused projects that boost the economy, improve infrastructure, and strengthen these communities. The state is focused on supporting local priorities and leveraging resources to assist with projects identified in these communities.

Rural Community Capacity (RC2)

The Rural Community Capacity (RC2) program, a creative partnership between the NC Department of Commerce's Rural Economic Development Division and Appalachian State University's Walker College of Business, provides educational programming, technical assistance, grants, and focused guidance to local government staff in rural and distressed communities. The first cohort included 13 rural communities from the SCRC region of the state. The communities participated in program activities, which included on-campus and virtual classes, community-level engagement, and targeted training programs. After completion of the program, each community was given the opportunity to apply for funding to implement a project that they collaboratively developed during the training program.

As a result of this opportunity, the Town of Garysburg is taking steps to renovate the former Garysburg Elementary School to provide a multi-use Town Center. Once completed, the center will provide small business incubator spaces, business development resources, meeting space for area nonprofits and support service groups, event space, and more. Local leaders hope this project will revitalize the community by transforming an underutilized asset, provide a more active community gathering space, and spur economic opportunity.



*Garysburg Community Center Mural, By Napoleon Hill
Credit: Northampton County Tourism Development Authority*

Homegrown Leaders/REDI – NC Rural Center

The NC Rural Center’s mission is to develop, promote, and implement sound economic strategies to improve the quality of life of rural North Carolinians. The Center fosters leadership development and capacity building in rural communities as a core building block to fulfill their mission. Their flagship program, Rural Economic Development Institute (REDI), is held annually and has trained over 1,300 individuals statewide to make meaningful impacts in their communities. Similarly, their Homegrown Leaders program provide an abridged, geographically focused training program intent on assembling local leaders from specific areas of the state to equip them with the skills needed to lead to long-term economic advancement in their community. In 2022, the Center trained individuals in the 42 easternmost counties, many of which are designated as distressed by the SCRC.

Supporting Placed Based Economic Development

From quaint coastal communities to the bustling metro cities and everywhere in between, North Carolina’s Southeast Crescent region offers outstanding tourism destinations and significant economic opportunities within this sector. According to [VisitNC](#), all 100 counties in NC experienced an increase in visitor spending in 2021. There is significant opportunity to develop new attractions, services, and venues to draw visitors into rural communities. Local culture, arts, food and beverage, history and heritage, outdoor recreation and much more contribute to a tourism sector that draws individuals from around the state and the country to visit North Carolina. Additionally, strategic planning to leverage the outdoor recreation economy in the region offers opportunities in related industries including manufacturing, small business, hospitality, and more.



Rosenwald River Center, Hamilton, NC. A community project to capture memories and local history and bring sustainable economic development to the Roanoke River Region.

A wonderful example of placed based economic development is happening in Bertie County. With a rich natural and cultural landscape, Bertie County, NC assembled a committee to examine how their abundant natural amenities could be utilized for community and economic development, while preserving the environment. This planning process resulted in the 'Tall Glass of Water (TGOW) Master Plan' which outlined the development of their natural and cultural assets centered around educational and recreational opportunities and economic development. One of the first major accomplishments in plan implementation was the purchase of a strategically important 147-acre waterfront parcel of land at the confluence of the Chowan River and the Albemarle Sound. This site will provide the first public beach access to recreational waters within Bertie County. This site will serve as an impetus to a phased implementation of the Master Plan which will increase community amenities and facilities to draw in tourists. The County recently received a Rural Transformation Grant from the NC Department of Commerce to undertake economic development activities that complement the TGOW project.



Chowan River in Bertie County. Photo Credit: Bertie County.

The State is leveraging this region's unique assets in several ways that are providing unique economic development opportunities for numerous communities. These opportunities include:

United States Economic Development Administration Tourism Grant

North Carolina was awarded \$6.4 million to establish a new tourism-focused economic recovery initiative. The new program, Supporting and Strengthening Resiliency in North Carolina's Travel, Tourism, and Outdoor Recreation Sectors Initiative. This initiative will develop and implement economic-building strategies for the recovery of North Carolina's travel and tourism industries that suffered economic losses due to the pandemic. As part of this initiative, the following programs will be implemented:

Creating Outdoor Recreation Economies (CORE)

The NC Department of Commerce's Main Street & Rural Planning Center will lead a technical assistance program that offers Outdoor Recreation Economy Strategic Planning and Asset Development services. The outdoor recreation industry is a significant economic driver within North Carolina contributing over \$11 billion in value added economic input to the state's GDP and employing over 130,000 individuals. CORE will offer planning and asset development to leverage the abundant outdoor recreation assets available across the state of North Carolina to bolster local economic vitality. Strategic planning will focus on how communities can leverage outdoor recreation activities to positively impact local economies by: increasing tourism; encouraging small business development; enhancing quality of life for residents; planning for outdoor recreation asset and infrastructure development; and positioning communities to grow and attract

outdoor gear manufacturing industries. The individual planning or asset development process will be tailored to meet the needs and objectives of each specific community.

Main to Main Trail

The NC Main to Main Trail is a community economic development initiative, led by the North Carolina Main Street Program, that leverages North Carolina's regional natural assets for economic prosperity and COVID-19 recovery in North Carolina Main Street communities. Program goals include developing regional connections among neighboring Main Street programs, attracting new and diverse visitors, and enhancing the experiences that both visitors and locals have within each community. Program staff will work with Main Street towns to market and promote the communities' and regions' best assets and attractions, destination creation for small businesses, and regional itinerary development.

UPLIFT

This program, led by Appalachian State University, will work with rural and under resourced communities to strengthen and connect tourism sites, services, and businesses in targeted regions across the state. Program partners will work with tourism practitioners and local leaders to improve local economies with opportunities to leverage natural, recreational, cultural, agricultural, culinary, and other physical assets UPLIFT will bring together several multi-county cohorts to collaborate regionally. The UPLIFT regions include the following counties, many of which are designated as distressed by the SCRC:

- Caswell, Granville, Person
- Montgomery, Richmond, Stanly
- Bladen, Columbus, Robeson, Sampson
- Bertie, Edgecombe, Martin

SCRC Investment Focus for North Carolina

Governor Cooper will engage the resources provided by the SCRC to attract more jobs, improve higher educational attainment rates, and support investments that improve the region's health status. The state will utilize SCRC resources to provide technical assistance and, when appropriate, financial investments in the 69 SCRC counties with a special emphasis on isolated areas of distress.

Governor Cooper will utilize SCRC resources to support the region's ability to respond to the challenges of the 21st century workplace and keep pace with advances in technology. SCRC investments in North Carolina will be used to enhance economic opportunity in the region. The Governor believes that economic development requires leadership, planning, and action. Therefore, it is critical for communities in the region to have access to SCRC resources that will allow them to prepare for and then compete for economic development. All SCRC investments in North Carolina will assist communities moving towards economic success and support efforts to create more equity across the region.

The North Carolina SCRC Program will also support the implementation of the First in Talent: Strategic Economic Development Plan for North Carolina. In July of 2021, the North Carolina Department of Commerce released the Economic Development Strategic Plan for the State of North Carolina. The plan, titled First in Talent, recognizes that investment in North Carolina's workforce is the key to building a more prosperous and resilient economy for all North Carolinians.

The plan highlights three key goals critical to the state's economic development strategy:

- Prepare North Carolina’s workforce for career and entrepreneurial success.
- Prepare North Carolina’s businesses for success by growing and attracting a talented workforce.
- Prepare communities across North Carolina to be more competitive in growing and attracting a talented workforce and businesses.

The NC SCRC program will support the implementation of the plan by focusing on the following Investment Priorities:

- Projects that enhance long-term infrastructure commitments that allow for the creation and retention of jobs.
- Enrichment of partnerships between local industries, k-12 schools, and community colleges to expand and enhance workforce development opportunities to ensure a pipeline of skilled workers in the region.
- Efforts that support local school systems’ ability to enhance k-12 education opportunities.
- Projects that spur economic activity in the health care sector and improve the quality of health care services in rural communities throughout the region while supporting local efforts to tackle health care challenges.
- Encourage project design and development to specifically target Distressed Counties and Areas that will help improve economic conditions.
- Support the strategic deployment of digital infrastructure that promotes conditions that allow individuals to access educational and job opportunities.

NC ARC Investment Opportunities (Project Types) Overview

Governor Cooper is focused on ensuring that all North Carolinians are better educated, healthier and have more money in their pockets. The Governor will utilize SCRC resources to make investments in projects throughout the region that will enable communities and the region to ensure they are prepared and ready to compete for economic development.

The following are examples of types of projects Governor Cooper would like to support with SCRC resources. (Examples are listed by SCRC Strategic Goals)

Strategic Goal 1: Invest in Critical Infrastructure

- Objective 1.1 – Expand the region’s basic water and sewer infrastructure to be more resilient.
- Objective 1.2 – Expand and improve access to affordable and reliable digital infrastructure (e.g., broadband, cellular).
- Objective 1.3 – Support expanded regional transportation infrastructure systems and transit services.

Examples of potential projects include downtown Wi-Fi, industrial access roads, water and sewer projects that result in job creation and/or retention, industrial site development, infrastructure planning and transportation planning.

Strategic Goal 2: Improve Health and Support Services Access and Outcomes

- Objective 2.1 – Support initiatives that expand access to affordable, high-quality healthcare and services that support overall mental and physical health.
- Objective 2.2 – Provide support to build capacity for navigating and accessing support services.

Examples of potential projects include telehealth programs, peer support programs, health care training programs, and rural health care clinics.

Strategic Goal 3: Strengthen Workforce Capacity

- Objective 3.1 – Promote workforce development programs (e.g., apprenticeships, internships, on the job training, programs at technical and community colleges) for local high-demand job opportunities (e.g., plumbers, electricians, etc.).
- Objective 3.2 – Increase enrollment in and completion of critical training programs by investing in wrap-around services.

Examples of potential projects include k-12 education programs, career pathway program development, college access programs, supporting programs that offer employees wrap-round services and workforce development programs.

Strategic Goal 4 – Foster Entrepreneurial and Business Development Activities Objectives

- Objective 4.1 – Support the expansion of access to business capital (e.g., micro loans) to support innovation, entrepreneurship, and economic equity.
- Objective 4.2 – Invest in programs and business opportunities that address critical challenges facing SCRC communities while providing opportunities to attract and retain talent locally.

Examples of potential projects include shared-use kitchens, co-package plants, small business incubators, regional agriculture markets, community loan funds, industry cluster development, small business plan competitions, and small business mentorship programs.

Strategic Goal 5 – Expand Affordable Housing Stock and Access

- Objective 5.1 – Increase access to wrap-around services and legal assistance to resolve title, heirship, land tenure, and eviction issues.
- Objective 5.2 – Support enrollment in and access to homebuyer programs.
- Objective 5.3 – Invest in efforts to improve the affordability and availability of quality housing across the region.

Examples of potential projects include programs that provide services on title, heirship, land tenure and eviction issues, support programs that provide homebuyer education and training and regional planning projects, community economic development planning efforts. Programs benefiting under this goal should aid a wide-ranging population and strive to build capacity to provide these services over a long period of time.

Strategic Goal 6 - Promote Environmental Conservation, Preservation, and Access

- Objective 6.1– Invest in air, water, and soil clean-up efforts that impact historically disadvantaged communities.
- Objective 6.2– Preserve and expand access to the SCRC region’s natural resources to increase outdoor recreation and tourism opportunities.

Examples of potential projects include regional planning projects, community economic development planning, local food, farm and forestry programs, downtown streetscape projects, downtown revitalization, agritourism development, establishment of gateway community programs, and outdoor recreation economy planning and development.

State Program Operating Policies

The Governor, as the State’s member of the Commission, establishes the program’s direction and priorities. North Carolina’s SCRC priorities track the Governor’s agenda for North Carolina and the input received from the region and its leaders. Governor Cooper’s Alternate, Jim McCleskey, Director of the

Governor's Washington D.C. Office, works closely with the Governor's senior staff and oversees daily operation of the program and coordinates the state's work on behalf of the program. The program administration is housed within the Rural Economic Development Division of the North Carolina Department of Commerce. Policy and program direction are provided by the senior staff in the Governor's Office.

The North Carolina SCRC Program partners with several organizations both at the state and federal level, along with a number of nonprofits. Staff work daily with colleagues in the Rural Economic Development Division including the North Carolina Main Street and Rural Planning Center and the Community Development Block Grant Program. Staff also work with the staff with the Division's Rural Grants Program. These programs provide assistance for building reuse and restoration, water and sewer infrastructure, and economic innovation in rural communities. Other Commerce ties include all elements of business and industry development, tourism, and workforce development. Coordination also occurs with other state agencies include:

- The Department of Environmental Quality which currently includes water and wastewater programs for the state as well as other environmental programs;
- The Department of Health and Human Services, which provides rural health and child development services;
- The State Treasurer's Office, which oversees and regulates local fiscal affairs;
- The Department of Public Instruction, which governs elementary and secondary education;
- The North Carolina Community College System which oversees 58 public, two-year institutions; and
- The University of North Carolina System, which oversees 16 institutions, including 5 historically black colleges and universities.

The program has strong relationships with these federal agencies:

- The United States Department of Agriculture state and district offices that serve SCRC counties;
- The Economic Development Administration's state representative as well as the regional office in Atlanta; and
- The United States Department of Housing and Urban Development area office in Greensboro, North Carolina.

Program staff relies extensively on state and federal agencies for technical review of proposed project activities and request their aid in assessment of project readiness, if a potential project duplicates already existing efforts, and for joint funding of projects, when applicable. Close cooperative relationships also are maintained with several non-profits such as the Economic Development Partnership of North Carolina, the North Carolina Rural Center, the National Institute of Minority Economic Development, the Carolina Small Business Development Fund and the Golden LEAF Foundation. Contact with and information shared among the agencies and partners promotes a coordinated development effort for the state and can resolve problems as well as meet the needs of its communities, especially in efforts to support or develop local capacity.

The 11 LDDs serving North Carolina's SCRC region are agents of their member governments. They maintain constant contact with the state and provide feedback, suggest areas of efforts, and supply multicounty perspectives on issues. The LDDs also provide most of the direct technical assistance to applicants in the region. Technical assistance runs from the development of projects to the packaging of

applications and in some cases, includes aid in bidding, administering, and closing out projects. The state relies heavily on input from the LDDs to develop new project directions and solicit input from other organizations in the region.

Public input comes in many forms. Contacts may be made:

- Through the LDDs;
- Directly with the Governor, their Alternate, or members of the Governor's staff;
- Through local government associations (the NC League of Municipalities and the NC Association of County Commissioners);
- Through referrals from other agencies and partners; or
- Through advisory groups used as a source of program development (such as the State Economic Development Board).

In North Carolina, the level of SCRC funds requested may not exceed 50% of the total project cost except: 1) in designated distressed counties where the state determines the project is not feasible without the injection of a higher percentage of Southeast Crescent dollars and, 2) in multijurisdictional projects that meet requirements set out in the [2008 Farm Bill](#) which generally involve the participation of distressed counties.

Proposals for the following activities are not eligible: construction of schools, libraries, government offices, hospitals, community centers, social services facilities, law enforcement facilities, or day-use recreational facilities. However, the SCRC program will consider the jobs created by these and other facilities as part of the justification for water and wastewater projects. Generally, funding is not available to cultural facilities and activities. However, activities related to sustainable development initiatives may be considered where the jobs and wealth resulting from those activities can be documented and are equivalent to the performance measures generated by more traditional economic development and entrepreneurial activities. The state will work with the LDDs, local governments, and others to continue efforts to obligate the State's SCRC allocation in a timely manner and to achieve dual objectives of better serving applicants and more efficiently initiating SCRC's investments in North Carolina.

General Information

- Higher priority is given to projects that are deemed ready to go. To meet this requirement, the applicant should have all other funding for the project committed.
- Both the worth of the individual project in achieving the State's objectives and the level of assistance are determined on a case-by-case basis.
- Projects that support activities in a Distressed County will receive a higher priority.

Initial screening of proposals focuses on the following elements:

- Feasibility of the project approach;
- Eligibility under [2008 Farm Bill](#);
- Consistency with State and Commission goals and strategies;
- Economic impact within the context of the region and the area to be served;
- Project applications must include measurable outputs and outcomes that are consistent with federal performance measurement requirements;
- Individuals and for-profit enterprises are not eligible for direct grant assistance; but may benefit from, and be served by, the investment of SCRC funds.

Funding and Match Guidance

The SCRC has set general guidance that assistance will not exceed \$350,000 for infrastructure projects and \$200,000 for non-infrastructure projects. However, the maximum grant amount may be raised in certain critical and/or promising circumstances. Special consideration will be given to projects serving multiple counties and/or states. Assistance may not exceed \$500,000 for infrastructure and \$350,000 for non-infrastructure projects.

Cost overruns and significant changes of project scope on previously approved SCRC projects generally will not be considered for funding. Changes required by design modifications or changes that will generate additional jobs will constitute rationales for consideration of overrun requests.

SCRC funds cannot supplant or diminish the level of other funds (federal, state, or local) going into the region or the project area. SCRC funds cannot replace other funds to continue a project. Nor may SCRC funds be used to allow the diversion of existing resources to other purposes or to reduce the amount of bonds to be sold to finance local improvements.

To comply with Congressional instructions, the matching requirements for SCRC projects vary depending on the county served and the number of counties served. SCRC may contribute 80% toward the cost of a project located in a distressed county, requiring a 20% match. The maximum SCRC contribution can be increased to 90% when the projects involve three or more counties or two or more states. Projects located in transitional counties or isolated areas of distressed will be required to provide 50% match. The match rate can be reduced to 40% if the project involved three or more counties or two or more states. Projects in Attainment Counties are not eligible for funding.

Applicants are encouraged to work closely with other agencies involved in their project to meet deadlines. Proposals involving construction should be especially aware of the time constraints and applicants should alert their engineers to strictly observe these time deadlines.