

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE DRH10005-RFz-3 (11/29)**

Short Title: CDC Grants Program Funding.

(Public)

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Sponsors: Representatives Goforth and J. Harrell (Primary Sponsors).

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Referred to:

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A BILL TO BE ENTITLED

1  
2 AN ACT TO APPROPRIATE FUNDS TO THE RURAL ECONOMIC  
3 DEVELOPMENT CENTER, INC., TO EXPAND THE COMMUNITY  
4 DEVELOPMENT CORPORATIONS GRANTS PROGRAM.

5       Whereas, since 1988, the State has appropriated funds to the Rural Economic  
6 Development Center, Inc., to provide financial and technical assistance to new and  
7 emerging minority community development corporations to build capacity and grow  
8 their services, including business loans, revitalization of commercial districts, low-  
9 income and moderate-income housing, child care, youth development programs, job  
10 training, long-term community planning, and other activities; and

11       Whereas, the Community Development Corporations grants program has  
12 grown to include at least 27 corporations each year resulting in a reduction in funds  
13 available for each organization; and

14       Whereas, funding provided through the Community Development  
15 Corporations grants program has been critical to the success and survival of these  
16 organizations by providing them with needed assistance with organizational, business,  
17 commercial real estate, and housing development activities; Now therefore,  
18 The General Assembly of North Carolina enacts:

19       **SECTION 1.(a)** For purposes of this section, the term "community  
20 development corporation" means a nonprofit corporation:

- 21       (1) Chartered pursuant to Chapter 55A of the General Statutes;
- 22       (2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue  
23 Code of 1986;
- 24       (3) Whose primary mission is to develop and improve low-income  
25 communities and neighborhoods through economic and related  
26 development;

1 (4) Whose activities and decisions are initiated, managed, and controlled  
2 by the constituents of those local communities; and

3 (5) Whose primary function is to act as deal maker and packager of  
4 projects and activities that will increase their constituencies'  
5 opportunities to become owners, managers, and producers of small  
6 businesses, affordable housing, and jobs designed to produce positive  
7 cash flow and curb blight in the targeted community.

8 **SECTION 1.(b)** There is appropriated to the Rural Economic Development  
9 Center, Inc., the sum of two million five hundred ninety-seven thousand four hundred  
10 ten dollars (\$2,597,410) for the 2007-2008 fiscal year and the sum of two million five  
11 hundred ninety-seven thousand four hundred ten dollars (\$2,597,410) for the 2008-2009  
12 fiscal year to be allocated as follows:

13 (1) \$2,547,410 in each fiscal year for community development grants to  
14 support development projects and activities within the State's minority  
15 communities. Any new or previously funded community development  
16 corporation as defined in this section is eligible to apply for funds. The  
17 Rural Economic Development Center, Inc., shall establish  
18 performance-based criteria for determining which community  
19 development corporation will receive a grant and the grant amount.  
20 The Rural Economic Development Center, Inc., shall allocate these  
21 funds as follows:

- 22 a. \$2,347,410 for direct grants to local community development  
23 corporations to support operations and project activities.  
24 b. \$200,000 for direct technical assistance to help community  
25 development corporations implement high impact projects.

26 (2) \$50,000 in each fiscal year to the Rural Economic Development  
27 Center, Inc., to be used to cover expenses in administering this section.

28 **SECTION 2.** This act becomes effective July 1, 2007.