

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH50862-MC-201 (3/4)

Short Title: Community Enhancement Initiative. (Public)

Sponsors: Representatives Tolson, McLawhorn, and E. Warren (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE COMMUNITY ENHANCEMENT AND ECONOMIC TRANSFORMATION INITIATIVE PARTNERSHIP BETWEEN THE NORTH CAROLINA DEPARTMENT OF COMMERCE AND EAST CAROLINA UNIVERSITY.

The General Assembly of North Carolina enacts:

SECTION 1.1. The Community Enhancement Grant Program is established as a reserve fund to be administered by the North Carolina Department of Commerce. Funds in the Community Enhancement Grant Program shall be used to target economically distressed counties and provide grant funds for community and economic development projects that foster comprehensive and sustainable development that will positively impact the quality of life in targeted communities. Grants from the Community Enhancement Grant Program to targeted communities will be available to municipalities and counties throughout the State and shall prioritize communities that have been designated Tier 1, Main Street, or 21st Century Communities by the Department. Recipients of funds shall report to the Department the uses of the funds by October 1, 2009, and the Department shall compile this information and report it to the Fiscal Research Division by March 15, 2010. Projects that qualify for a grant from the Community Enhancement Grant Program need not receive local matching funds but shall address at least one of the following:

- (1) Economic development competitiveness or sustainability.
- (2) Business or industry recruitment or retention.
- (3) Improvements to infrastructure.
- (4) Increasing local capacity to acquire economic development funding.
- (5) Increasing local capacity to complete economic development projects.
- (6) Rehabilitation or development of affordable housing.
- (7) Entrepreneurial development or seed funding.

1 **SECTION 1.2.** There is appropriated to the Community Enhancement Grant
2 Program the sum of twelve million five hundred thousand dollars (\$12,500,000) for the
3 2008-2009 fiscal year. It is the intent of the General Assembly that this be a recurring
4 appropriation.

5 **SECTION 2.1.** Funds are appropriated in this act to the Department to
6 establish the Economic Transformation Pilot Program. The purpose of the Economic
7 Transformation Pilot Program is to create collaboration between the Department and
8 East Carolina University on behalf of communities located in eastern North Carolina, to
9 provide significant resources that address key community and economic development
10 needs, to provide guidance and expertise that increases competitiveness and builds local
11 capacity, to establish regional partnerships that support the long-term economic vitality
12 of the targeted communities and region, and to serve as a model for replication in other
13 regions of the State and in collaboration with other UNC-member institutions.

14 **SECTION 2.2.** The Department will support the Economic Transformation
15 Pilot Program in the following ways:

- 16 (1) By providing grants to applicants for Community Enhancement.
- 17 (2) By establishing a pre-application process that identifies fundable
18 projects and applicants that may need the University's products to
19 increase competitiveness or fundability.
- 20 (3) By referring appropriate applicants to the University for assistance.
- 21 (4) By reviewing and selecting community projects for full funding or
22 reviewing and selecting projects for funding contingent upon
23 assistance from the University.
- 24 (5) By partnering with targeted communities and the University to support
25 project implementation.
- 26 (6) By committing to a long-term partnership with targeted communities
27 and the University so as to engage regional partners and help foster
28 economic transformation in the region.

29 **SECTION 2.3.** The University will support the Economic Transformation
30 Pilot Program in the following ways:

- 31 (1) By providing grant writing and technical assistance.
- 32 (2) By conducting community survey research and design.
- 33 (3) By providing entrepreneurial and small business technical assistance.
- 34 (4) By conducting feasibility study assistance and preparation.
- 35 (5) By analyzing economic impact of proposed grants or projects.
- 36 (6) By developing or assisting in the development of business plans.
- 37 (7) By assisting in community design.
- 38 (8) By partnering with targeted communities and the Department to
39 support project implementation.
- 40 (9) By committing to a long-term partnership with targeted communities
41 and the Department so as to engage regional partners and help foster
42 economic transformation in the region.

1 **SECTION 2.4.** There is appropriated to the Economic Transformation Pilot
2 Program the sum of five million dollars (\$5,000,000) for the 2008-2009 fiscal year. It is
3 the intent of the General Assembly that this be a recurring appropriation.

4 **SECTION 3.** This act is effective when it becomes law.