

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

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**SENATE DRS35154-LM-87 (02/27)**

Short Title: Small Towns Prosperity Program/ Funds.

(Public)

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Sponsors: Senator Jones.

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Referred to:

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A BILL TO BE ENTITLED

1  
2 AN ACT TO ENCOURAGE ECONOMIC GROWTH IN RURAL NORTH  
3 CAROLINA BY EXPANDING THE SMALL TOWNS ECONOMIC  
4 PROSPERITY PROGRAM AND INCENTIVES TO REUSE AND RENOVATE  
5 VACANT BUILDINGS AND TO APPROPRIATE FUNDS TO THE RURAL  
6 ECONOMIC DEVELOPMENT CENTER, INC., FOR THE SMALL TOWNS  
7 ECONOMIC PROSPERITY PROGRAM AND THE BUILDING REUSE  
8 PROGRAM.

9       Whereas, shifts in the economy away from traditional manufacturing have  
10 left many plants and downtown businesses vacant across the State; and

11       Whereas, when located in rural areas, these vacant buildings usually remain  
12 empty; and

13       Whereas, in 2004, the General Assembly established the Building Reuse and  
14 Restoration Program in the Rural Economic Center, Inc., as part of the rural Economic  
15 Infrastructure Fund; and

16       Whereas, the Building Reuse and Restoration Program has been successful in  
17 spurring economic activity and job creation by assisting in the productive reuse of  
18 vacant buildings in small towns; and

19       Whereas, since 2004, the Building Reuse and Restoration Program has  
20 funded 43 projects resulting in private sector businesses that created jobs for 2,279  
21 people; and

22       Whereas, in 2005, the General Assembly included the Building Reuse and  
23 Restoration Program in the recurring budget; and

24       Whereas, in 2006, the Rural Economic Development Center, Inc., initiated  
25 the Small Towns Economic Prosperity Program and selected 33 small towns to design  
26 and carry out economic expansion strategies, and

1           Whereas, many more small towns have shown a readiness to help their  
2 economy transition from economic decline toward recovery; Now, therefore,  
3 The General Assembly of North Carolina enacts:

4           **SECTION 1.** There is appropriated from the General Fund to the Rural  
5 Economic Development Center, Inc., the sum of six million nine hundred fifty thousand  
6 dollars (\$6,950,000) for the 2007-2008 fiscal year and the sum of six million nine  
7 hundred fifty thousand dollars (\$6,950,000) for the 2008-2009 fiscal year to be used as  
8 follows:

- 9           (1) To provide matching grants to local governments in distressed areas  
10 that will productively reuse vacant buildings and properties, with  
11 priority given to towns or communities with a population of less than  
12 5,000.
- 13           (2) To provide a Brownfields incentive fund of up to one million dollars  
14 (\$1,000,000) in each year to help small towns assess and remediate  
15 environmental contamination at the site of any abandoned buildings  
16 and to prepare the buildings for reuse.
- 17           (3) To provide up to three million seven hundred fifty thousand dollars  
18 (\$3,750,000) for expanding the Small Towns Economic Prosperity  
19 Program and to provide grants to stimulate innovative economic  
20 recovery and expansion projects in small towns.
- 21           (4) To provide up to four percent (4%) of the funds appropriated in this act  
22 for the use of the Rural Economic Development Center, Inc., in  
23 administering grants and delivering technical assistance to local  
24 governments.

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