

SUBCHAPTER 01I – INDUSTRIAL DEVELOPMENT FUND

SECTION .0100 – PURPOSE AND DEFINITIONS

04 NCAC 01I .0101 BACKGROUND AND OBJECTIVES

(a) BASIC - The purpose of the North Carolina Industrial Development Fund is to assist town, city or county governments with incentive industrial financing in areas of the state that have been designated as eligible tier areas by NC General Statutes. This assistance is intended to help units of government offer to its new and expanding industry, new or improved infrastructure, or funds for building renovation and equipment in exchange for commitments to create new, full-time jobs in industries currently eligible under NC General Statutes. (The fund is not designed to be used for the acquisition of land and buildings or constructing new buildings.) If the assistance is used for infrastructure, it shall be granted to local governments with no repayment; however, if it is used to purchase equipment or to renovate industrial buildings, then the funds must be repaid. But whether a grant or a loan, the amount of funds to be made available for a project shall be determined by the number of new jobs committed, with a maximum job limit and project limit as currently authorized for the program by NC General Statutes.

(b) EMERGENCY ECONOMIC DEVELOPMENT ASSISTANCE - This special assistance from the Industrial Development Fund is available to units of government that have, or shall imminently experience, a loss of 500 or more manufacturing jobs in the county, or a number of manufacturing jobs equal to at least 10% of the manufacturing workforce in the county. Where a unit of government relies on the 500 jobs lost as the threshold for obtaining this special assistance, it must submit evidence that the loss impacts the county's economy, taking into account the county's tier ranking under Rule .0701 of this Subchapter. The funding obtainable under this emergency assistance category shall not necessarily be determined by the number of new jobs to be created, although the project should lead to new jobs or saved jobs or both and help alleviate a jobs dislocation problem. The Secretary shall determine the amount of funds for a project, up to the maximum currently authorized for the program by NC General Statutes. This assistance shall be in the form of a low interest loan to the governmental unit, amortized over five years with repayment beginning at the end of the second year.

(c) UTILITY ACCOUNT - Within the IDF structure, the Utility Account provides financing to units of government for jobs creation and investment in the tier area(s), and for benefiting firms currently authorized by NC General Statutes. Funds may be used for construction or improvements to water, sewer, gas, or electrical utility lines and equipment for existing or proposed industrial buildings. There is no specific amount of funding specified for each new job or project, but the impact of the funding shall lead to the creation of new jobs and new investment. As with basic IDF financing, if Utility Account funds are spent for public property, the assistance shall be a grant; for private property, it shall be a loan.

*History Note: Authority G.S. 143B-437.01;
Temporary Rule Eff. November 16, 1987 for a Period of 180 Days to Expire on May 15, 1988;
Eff. May 1, 1988;
Temporary Amendment Eff. January 11, 1999;
Codifier determined that agency findings did not meet criteria for temporary rule;
Temporary Amendment Eff. October 6, 1999;
Amended Eff. July 1, 2012; August 1, 2000;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 6, 2016.*