

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

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**HOUSE BILL 781**

Short Title: Building Reuse/Small Towns Funds. (Public)

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Sponsors: Representatives J. Harrell, Wilkins, Wray, Rapp (Primary Sponsors); and  
McLawhorn.

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Referred to: Appropriations.

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March 15, 2007

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 vacant; and

13       Whereas, in 2004, the General Assembly established the Building Reuse and  
14 Restoration Program within the Rural Economic Center, Inc., as a part of the Rural  
15 Economic 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 creating jobs for 2,279 people;  
21 and

22       Whereas, in 2005, the General Assembly decided to include the Building  
23 Reuse and 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

27       Whereas, many more small towns have shown a readiness to help their  
28 economy transition from economic decline toward recovery; Now, therefore,

1 The General Assembly of North Carolina enacts:

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

6       (1) To provide matching grants to local governments in distressed areas  
7 that will productively reuse vacant buildings and properties, with  
8 priority given to towns or communities with populations of less than  
9 5,000.

10       (2) To provide a brownfields incentive fund of up to one million dollars  
11 (\$1,000,000) in each year to help small towns assess and remediate  
12 environmental contamination at the sites of abandoned buildings and  
13 to prepare them for reuse.

14       (3) To provide up to three million seven hundred fifty dollars (\$3,750,000)  
15 for expanding the Small Towns Economic Prosperity Program and  
16 grants to stimulate innovative economic recovery and expansion  
17 projects in small towns.

18       (4) To provide up to four percent (4%) of the funds appropriated under  
19 this section for the use of the Rural Economic Development Center,  
20 Inc., in administering grants and delivering technical assistance to  
21 local governments.

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