NC AGRICULTURAL MANUFACTURING AND PROCESSING INITIATIVE (NCAMPI)

FREQUENTLY ASKED QUESTIONS

The General Assembly has provided substantial funding for the new NCAMPI program administered by the North Carolina Department of Agriculture and Consumer Services (Department). The Department has received many inquiries regarding NCAMPI and has therefore issued this Frequently Asked Questions (FAQ) document to help explain aspects of the Initiative.

In addition to reviewing these FAQs, interested parties are directed to review a <u>summary</u> of the Initiative and Initiative <u>guidelines</u>.

Purpose

1. Why was the NCAMPI established?

The primary goals of the NCAMPI are to:

Provide support for agricultural processing opportunities that increase jobs and local property tax bases across the state and/or reduce costs and increase profit options for North Carolina farmers and growers.

Identify and assess opportunities to increase value-added processing of commodities produced in the state and fill geographic and commodity gaps across the state

Market and recruit facilities to fill such gaps and meet such opportunities

Support eligible entities with funding for eligible costs necessary to create or expand agricultural manufacturing facilities and projects related to increased demand for agricultural products

2. What are the components of the NCAMPI?

There are three components of the NCAMPI:

- The design and execution of analysis of opportunities and gaps to move the needle on the purposes of the Initiative. The Department will release a RFP for entities interested in providing such analyses. A candidate for an analysis of the North Carolina dairy industry has been identified but other opportunities remain.
- 2) Marketing and outreach to inform businesses and their leaders about opportunities in North Carolina, including the establishment of this Initiative.
- 3) A grant program to assist with projects that meet the goals of this Initiative, consistent with the established guidelines.

PROCESS

3. I believe I have a project that would fit the goals of the Initiative. How do I proceed?

The first step would be to email the Department at <u>ncampi@ncagr.gov</u> with a brief description of the project so that staff charged with carrying out the Initiative can review and set up a preliminary discussion. The goal is to help potential applicants make the best case possible for their project while providing a realistic sense of fit and likelihood of success.

4. Is there an application for the Initiative? What are deadlines?

Yes there is an application linked <u>here</u>. There is no application deadline as we will accept and process applications on a rolling basis. However, funds are limited and once they are exhausted, they are exhausted.

5. My company is excited about this opportunity. May we apply?

Under the authorizing legislation, the Applicant must be a local governmental entity or a 501c3 nonprofit organization. Educational entities, such as a community college, are also eligible applicants. A private business CANNOT be the Applicant.

HOWEVER, the authorizing legislation also requires that a business entity as that term is used in N.C.G.S 55-1-40 be the actor involved in the manufacturing and processing; that is, the one operating the facility and/or equipment supported by the Initiative. This business entity is referred to as the Private Partner in the application.

So both an Applicant and a Private Partner are necessary for any and all consideration.

6. My local government is working to establish a shared-use facility that the government would own and operate. May we apply?

No. First, incubators and shared-use facilities – whether publicly or privately owned and operated – are not eligible for this Initiative. Second, the authorizing legislation requires that the facility supported by the grant be used by a private business.

7. Is there a match requirement?

Yes. There are two match requirements:

1) The grant for the project cannot exceed 50 percent of the cost of the project, so the Applicant and Private Partner will have to demonstrate that they will have sufficient capital to fund the portion not covered by any grant.

2) The Applicant must provide a contribution of at least five percent (5 percent) to the project. This contribution does not have to exceed \$50,000. This may be included as part of the fifty percent requirement above.

8. Why Does the Applicant Have to Provide a Match?

The General Assembly required that the Applicant be a public entity, not a private one, to ensure that there is a public purpose and no ineligible private inurement as part of the Initiative. Such a contribution from the Applicant ensures its interest and cooperation in the project. This requirement is similar to that required by other economic development assistance programs.

9. What Can Count as Match for the Applicant?

The match can be provided in different forms including: cash; fee waivers; in-kind services; donation of land, building, or assets; or provision of infrastructure. Private commitments of assistance that are not from the Private Partner may be used to demonstrate match.

SUBSTANCE

10. What are the characteristics of a successful project?

The most important considerations are:

- a) The amount of benefit to farmers and growers
- b) The method and ability of the applicant and private partner to measure and show the benefit to farmers and growers, as well as other economic benefits to the state (jobs, wages, private investment.

11. How much can we request?

The grant can be for up to 50 percent of the total cost of the project with limits. Those limits are:

- a) \$5 million
- b) The amount of public benefit that we can measure (see question 10 above)

12. Can we really receive \$5 million?

Likely not. The total grant pool for the year is \$9.5 million.

13. Can other grants (Commerce grants, etc) be used as match?

Yes, but local skin in the game remains important

THIS FAQ IS A WORK IN PROGRESS AND WILL BE REGULARLY UPDATED. KEEP MONITORING THIS PAGE FOR UPDATES.