

04 NCAC 01K .0302 CRITERIA FOR MAKING NECESSARY FINDINGS

The Department shall determine criteria for making the approval findings, as follows:

- (1) The Department shall determine that the project business is capable of completing its proposed project activities in a successful manner. Capable means that there is a business history, a financial condition, or other outstanding business qualifications which support the conclusion that the project business is capable of operating in a successful manner;
- (2) The Department shall determine that the project is identifiable and free-standing, with its own measurable and significantly beneficial impact. Identifiable and free-standing means a project which can literally be separated out and specifically identified and determined as the project being discussed, and as such shall have its own measurable and significantly beneficial result at the project location;
- (3) The Department shall determine that the project shall be completed. The provision of legally binding commitments from the grantee and the beneficiary employer or employers shall be sufficient evidence that the project is to be completed;
- (4) The Department shall determine that there is a substantial benefit to persons of low and moderate income. Substantial benefit to persons of low and moderate income may be evidenced by employer commitments to assure that 60% of jobs created or saved shall be held by persons of prior low and moderate family income status;
- (5) The Department shall determine that there is a favorable ratio or relationship between the jobs created and the number of CDBG dollars invested in the project. Favorable shall mean that a project will create or retain jobs at a rate equal to a ratio of CDBG dollars required for the type of project company involved, and the local government has committed to meet the local to CDBG match requirement as required by current program rules and for the project type proposed.
- (6) The Department shall determine that there is a favorable relationship between the total dollars invested in the project, the amount of CDBG money invested, and the anticipated taxes or other revenues to either or both the municipality and county having taxing authority and jurisdiction.
- (7) The Department shall determine for jobs to be created (or retained), the NC Enterprise Tier or Development Zone designation level of the project site shall be considered for each application, along with the latest unemployment figures and impact on the actual number of unemployed persons. To the extent feasible, priority consideration shall be given for CDBG assistance for projects in the most distressed areas of the state.
- (8) The Department shall determine that required compliance with federal and state rules and legal requirements are documented by the grantee. The extent of documentation required shall be that as considered as reasonable by the Director of the Commerce Finance Center.
- (9) The Department shall determine that if the project involves retail, service or other local market business, the application shall include surveys or other market studies as evidence that similar businesses in the 15-25 mile labor work force area support the project and that the project shall not jeopardize the jobs in their businesses; and
- (10) The Department shall determine that the application presents evidence for a finding that the local government applicant, or the project business in the case of a loan project, has a reasonable and appropriate gap or need for the CDBG assistance requested.

*History Note: Authority G.S. 143B-431; 24 C.F.R. 570.489; 42 U.S.C.A. 5301;
Temporary Adoption Effective July 20, 1992 for a period of 180 days or until the permanent rule becomes effective, whichever is sooner;
Eff. December 29, 1992;
Amended Eff. August 1, 2000;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 6, 2016.*