

High Country COG planners assisted local governments with planning and submission of grant applications for the following projects:

- Town of Spruce Pine—prepared two successful grant applications to the NC Parks and Recreation Trust Fund (PARTF) totaling \$38,000 for the Town for new facilities at Town parks
 - Alleghany County—worked with the County to obtain \$140,000 in PARTF grant funding for renovations at the Duncan Creek Recreation Center
 - Town of Elk Park—obtained \$6,700 in PARTF grant funding for the Town’s new outdoor shelter at Lucille Winters Memorial Park
 - North Wilkesboro Smoot Park II—assisted the Town in their efforts to obtain PARTF funding for additional facility improvements at Smoot Park, including a splashpad
 - Town of Sparta—compiled an EPA application to fund a \$40,000 environmental brownfield assessment on the site of the future Sparta Teapot Museum
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- Assisted the Town of West Jefferson with a successful \$100,138 Tobacco Trust Fund application to expand and improve the Ashe County Farmers Market structure
 - Worked with Alleghany County to apply for four separate Firefighters Assistance Grants, which are designed to assist local governments in their efforts to improve firefighting capabilities
 - Assisted Yancey County in acquiring \$200,000 in ARC funds to renovate the Yancey Mountain Heritage Center, which will result in the creation of a crafts business incubator and the creation of six new jobs

Other
Economic Development

The High Country Council of Governments provides staff to the Region D Development Corporation, Inc. (RDDC). Activities of this nonprofit organization focus on aiding eligible small businesses in developing U.S. Small Business Administration (SBA) 504 Loan Packages. The RDDC has also served as the fiduciary in delivering cash incentives to industries locating in the region. The RDDC is governed by a Board of Directors comprised of representatives from local governments, private lending institutions, and private businesses from the seven counties.

Region D Development
Corporation

During the past year, the RDDC approved three separate SBA 504 loans for the following projects: 1) Tri-State Components; 2) Outfitters Discount Tire; and 3) Excel Learning Center.

SBA 504 Loan Basics

- For small businesses with less than \$7 million net worth and net annual profit under \$2.5 million
- Loans can be made for land, buildings, and equipment (fixed assets)
- Loans are collateralized
- RDDC works with private lender (bank) to develop loan package
- The SBA/RDDC portion of the loan limited to \$1.5 million; \$2 million for projects where borrower meets public policy goals (female, minority, veteran); \$4 million for a manufacturing operation
- SBA/RDDC portion can be as much as 40% - typical project is 10% from borrower, 50% from bank, 40% from SBA/RDDC
- Higher share from borrower is required in some instances, such as start-up businesses
- Terms 10-20 years; 10 on equipment, 20 on real estate
- Interest rate is set when debenture sells – in September 2005, rate for 20 year term was 6.05%
- Advantages to borrower: low down payment (10%); long term; and low, fixed rate
- Advantages to bank: exposure limited to 50%; first position lien on all collateral