

**North Carolina State Disaster Recovery Task Force
Business and Workforce Recovery Support Function Meeting**

WebEx Teleconference

March 17, 2021

10:00am – 11:30am

[Meeting Minutes](#)

[In attendance \(by WebEx\)](#)

Lead: Susan Fleetwood, North Carolina Department of Commerce

Staff: Amanda Martin and Ruseena Johnson, North Carolina Office of Recovery and Resiliency (NCORR)

Mike Arriola, U.S Small Business Administration (SBA)

Brandy Dawson, North Carolina Rural Center

Jeff DeBellis, Labor and Economic Analysis Division, North Carolina Department of Commerce

Tammie Hall, Office for Historically Underutilized Businesses (HUB)

Byron Hicks, State Director, SBTDC

Antwon Keith, Division of Employment Security, North Carolina Department of Commerce

John Loyack, Economic Development Partnership of NC

Alicia Lyon, HUB

Sharonetta McIntyre, HUB

Carol McLaurin, SBTDC

Stephanie McGarrah, North Carolina Pandemic Recovery Office (NCPRO)

Catherine Moga Bryant, North Carolina Pandemic Recovery Office (NCPRO)

Barry Ryan, North Carolina Rural Center

Hillary Sherman, U.S Economic Development Administration (EDA)

Jennifer Thomas, North Carolina Department of Commerce

[Introduction and Overview](#)

The meeting was a joint meeting of the Business Recovery Collaborative and the Business/Workforce RSF.

[Update from Pandemic Recovery Office – Pandemic Recovery Office Staff](#)

S. McGarrah provided an update on the recently passed American Recovery Plan Act (ARP). The ARP provides \$5.4 billion to the State of North Carolina and \$3 billion to North Carolina’s local governments over four years. Rules and guidance for ARP programs largely have not yet been released, and the state government will also have to formally allocate the funds.

C. Moga Bryant provided further details about the ARP and the State’s recovery work. The ARP creates new programs targeting support to restaurant and aerospace industries. It also re-creates a program from the 2010 federal stimulus package, the State Small Business Credit Initiative. There is additional funding for programs created in previous stimulus packages, including the Paycheck Protection Program. NCPRO staff continue to work on the state’s recovery plan.

Statewide Coalition to Support Small-Business Owners – Brandy Bynum Dawson

B. Bynum Dawson presented on the [North Carolina's New Small Business Plan](#). This plan developed out of the work of a diverse statewide Small Business Policy Task Force over the last six months. The Rural Center is launching a North Carolina Small Business Coalition and advocacy work to implement the Plan's recommendations.

Roundtable Updates from Partners - All

M. Arriola: SBA approved 54,000 PPP loans in NC, representing \$3.6 billion, compared to \$1 billion in ordinary times. Disclosing demographic data is voluntary for loan applicants and more than 80% elected not to provide any demographic characteristics. The revised application moves this question closer to the front in order to try to achieve a higher response rate. SBA has several vigorous fraud prevention measures as well.

H. Sherman: EDA received \$3 billion through the ARP, and EDA is in internal discussions about how to distribute funds. EDA wants to share information to potential recipients that funds will become available, and that projects will require non-federal match. EDA completed several revolving loan recapitalizations in the last round and supported the NC Restaurant & Lodging Association. EDA is increasingly interested in workforce development opportunities.

A. Lyon: HUB is distributing grant funds through the RETOOLNC program and anticipates receiving additional funds to distribute. The additional funds will be distributed first to those on the wait list then to new applicants. HUB Office has continued to partner with SBA and DES to provide training sessions to vendor. HUB recently commissioned a Disparity Study that is available on their website for review.

J. Loyack: Economic Development Partnership (EDP) has rolled out two new programs: "Economic Gardening" to help Phase 2 companies launch new products or marketing efforts; and an effort to optimize websites, through STEP Program, for international commerce. In addition, Business Link NC (BLNC) is now EDPNC Small Business Advisors. Export promotion efforts are down 17% and tourism/hospitality is expecting a \$10 billion loss over the previous year. The team is making a concerted effort to focus on diversity and inclusion efforts by setting goals to reach out to minority and women-owned businesses this year.

B. Ryan: The Rural Center created a recovery lending program, working with several funders and technical assistance providers. The Rural Center has distributed over 1,600 loans equating over \$100 million to small businesses. Of those businesses, 65% meet the definition of HUB, 34% identified as a person of color in ownership, and 76% of the businesses had fewer than 10 employees.

B. Hicks: B. Hicks is the new State Director of the SBTDC as Scott Daugherty retired. Last year, SBTDC assisted over 6,000 clients with 65,000 hours of counseling, helping businesses access \$650 million in capital and \$80 million from SBA products SBTDC will continue to support businesses in accessing ARP resources. A challenge is that many eligible businesses have never received federal funds before and will need help with basics like getting a DUNS number. The ARP also provides funds for a Community

Navigator Program that will help eligible recipients learn about and access recovery funds. More to come on how this program will work.

J. Thomas: DWS handled more WARN notices than ever last year, but many were temporary. There have been fewer than a dozen this year. A total of 518 participants are enrolled in the dislocated worker grant.

A. Keith: Unemployment has fallen but remains very elevated – 39,000 claims in February 2021, compared to 10,800 in February 2020. DES is working with clients on remaining eligible as some provisions of unemployment benefits change. Claimants must now demonstrate efforts to search for work or participate in re-employment activities to continue to receive payments.

Next Steps

- HUB Disparity Study shared with the RSF
- Minutes will be distributed
- Meetings will be held quarterly (next dates will be June 17, September 16 and December 16)
- Members encouraged to keep one another informed of important new updates as much as possible