



**NORTH CAROLINA GREEN BUSINESS FUND
ANNUAL REPORT
CALENDAR YEAR 2008**

As Required by §143B 437.07
of the North Carolina General Statutes

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INTRODUCTION

North Carolina General Statute § 143B-437.07—**Economic Development Grant Reporting**—states the following:

“The Department of Commerce must publish on or before March 1 of each year the following information, itemized by business entity, for all grant programs administered by the Department that disbursed or awarded grant monies to businesses during the previous calendar year:

- (1) The amount of grant monies awarded during the previous year.
- (2) The amount of grant monies disbursed during the previous year.
- (3) The amount of grant monies that were disbursed in earlier years to business entities that received grant monies during the previous year.
- (4) The amount of potential future liability under the grant program.
- (5) The number, type, and wage level of jobs created or retained during the previous year as a result of a grant.
- (6) A description of any other financial assistance received during the previous year from all economic development incentive programs administered by the Department.
- (7) Any amount recaptured from the business entity during the previous year for failure to comply with the grant agreement or applicable law. (2005-429, s. 1.3.)”

This report provides items 1-5 and 7 above for the North Carolina Green Business Fund.

The North Carolina Green Business Fund

BACKGROUND

Established by the North Carolina General Assembly during the 2007-2008 legislative session and currently entering its second year of operation, the North Carolina Green Business Fund is designed to award competitive grant funds to North Carolina small for-profit businesses, non-profit organizations, and State and local governments to encourage the development and commercialization of promising green technologies.

NORTH CAROLINA GREEN BUSINESS FUND PROGRAM SUMMARY

The North Carolina Board of Science and Technology, a division of the North Carolina Department of Commerce, administers the Fund. An applicant must satisfy four conditions in order to be eligible to submit an application.

- An applicant must be an eligible to apply during the Solicitation period and have their principal place of business in North Carolina.
- An applicant cannot apply for a second award for activity for which the applicant has already received an award.
- Any applicant that, in the judgment of the Board, has failed to correct a material breach of an award agreement or of any grant agreement under any program administered by the Board or the State of North Carolina is ineligible to submit an application.
- Applicants are required to satisfy any other eligibility requirements established by the Board and published in a Solicitation.

To be eligible for funding, applicants were required to demonstrate that:

- The proposed project is technically sound and to be undertaken by an applicant with the necessary technical, financial and management capacity;
- The proposed project is undertaken in a collaborative and innovative manner as appropriate;
- Any new technologies and any related intellectual property developed during the performance period will be commercialized in a timely manner in relevant market sectors; and
- The funding is necessary to ensure that the project proceeds in a manner to ensure broad benefits to North Carolinians.

Solicitations are issued by the Board, inviting eligible applicants to submit an application and written proposal for an award. Under the Fund, awards can be made to eligible companies for up to the maximum amount of \$100,000.

An advisory committee, composed of scientists, engineers, and qualified experts (including industry, academia, and other Government agencies) drawn from across the state from both inside and outside of the Board, evaluates the merit of proposals. To avoid any potential conflicts of interest between the applicant and the prospective reviewer; reviewers are required to sign a Conflict of Interest and Nondisclosure agreement with the Board.

PURPOSE

The purpose of the North Carolina Green Business Fund is to award funds to North Carolina small for-profit and non-profit businesses, and State and local governmental entities, to encourage the development and commercialization of promising and innovative green technologies in the following three designated priority areas:

1. **The development of the biofuels industry in North Carolina.** Grants made in this category may target projects that maximize the development, production, distribution, retail infrastructure, and consumer purchase of biofuels and workforce development in these areas.
2. **The development of the green building industry in North Carolina.** Grants made in this category may target the development of environmentally conscious and energy efficient green building processes, including but not limited to supporting the installation, certification, or distribution of green building materials; energy audits; marketing and sales of green building technology in North Carolina; and workforce development for green building processes.
3. **Attracting and leveraging private sector investment and entrepreneurial growth in environmentally conscious clean technologies and renewable energy products and businesses.** Grants in this category may target renewable energy deployment; biomass energy projects; waste reclamation for energy; liquefaction; implementation of innovative energy efficiency technologies; clean distributed generation infrastructure improvements; and other promising technologies.

HISTORICAL INFORMATION

- Fund created in the 2007-2008 Budget Act.
- \$1,000,000 appropriated - \$950,000 for awards and \$50,000 for Fund administration.
- Annual Program Solicitation released in early February 2008.
- Eligible applicants were small for-profit businesses with fewer than one hundred (100) employees.
- 2007-08 Solicitation closed April 30th, 2008.
- 85 applications received, with a total request of nearly \$7 million dollars.
- Of the 85, 63 were in compliance with the Solicitation and sent to the advisory committee.
- Of the 63, 13 North Carolina Small Businesses from across the state received awards.

IN CALENDAR YEAR 2008

(1) The amount of grant monies awarded during the previous year.

Grantee Organization	Grant Amount
NanoTechLabs Inc.	\$70,000.00
Alganomics, LLC	\$60,000.00
3F, LLC	\$100,000.00
Kyma Technologies, Inc.	\$60,000.00
OrganoFuels Incorporated	\$81,944.00
Rain Water Solutions	\$18,000.00
PhaseTek Corporation	\$75,000.00
Piedmont Biofuels	\$75,000.00
Blue Ridge Biofuels, LLC	\$77,737.00
EcoCurrent, Inc.	\$100,000.00
Nextreme Thermal Solutions, Inc.	\$57,319.00
Sencera International Corporation	\$100,000.00
Evans Environmental Energies, Inc	\$75,000.00
Total Amount Awarded in Calendar Year 2008	\$950,000.00

(2) The amount of grant monies disbursed during the previous year.

Organization Legal Name	Amount Disbursed
NanoTechLabs Inc.	\$35,000.00
Alganomics, LLC	\$30,000.00
3F, LLC	\$75,000.00
Kyma Technologies, Inc.	\$45,000.00
OrganoFuels Incorporated	\$38,868.50
Rain Water Solutions	\$9,000.00
PhaseTek Corporation	\$56,250.00
Piedmont Biofuels	\$56,000.00
Blue Ridge Biofuels, LLC	\$37,500.00
EcoCurrent, Inc.	\$50,000.00

Nextreme Thermal Solutions, Inc.	\$42,989.75
Sencera International Corporation	\$50,000.00
Evans Environmental Energies, Inc	\$56,250.00
Total Amount Awarded in Calendar Year 2008	\$581,858.25

(3) The amount of grant monies that were disbursed in earlier years to business entities that received grant monies during the previous year.

Not applicable. The North Carolina Green Business Fund was established in FY 2007-2008.

(4) The amount of potential future liability under the grant program.

For FY 2008-2009 the potential future liability is \$950,000, as the current solicitation is open and awards have not yet been made.

(5) Any amount recaptured from the business entity during the previous year for failure to comply with the grant agreement or applicable law.

\$0.00 – all business entities were compliant in FY 2007-2008.