North Carolina Launches Program to Help Small Businesses Disproportionately Harmed by COVID-19

RETOOLNC will offer guidance and funding to Historically Underutilized Businesses

Raleigh

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North Carolina minority and women-owned businesses hit hardest by the COVID-19 pandemic will have access to guidance and $12 million in grants to help them weather the crisis, Governor Roy Cooper announced today. The North Carolina Department of Administration has launched a new grant program, RETOOLNC, to help North Carolina Historically Underutilized Businesses (HUB) and Disadvantaged Business Enterprise (DBE) firms impacted by COVID-19.

Additional resources for small businesses impacted by the pandemic are available through the NC Department of Commerce. For example, businesses that experienced extraordinary disruption and were unable to open due to COVID-19 may be able to get assistance through the Mortgage, Utility and Rent Relief (MURR) Program at www.nccommerce.com/murr (https://urldefense.com/v3/__https://click.icptrack.com/icp/relay.php?r=39781839&msgid=482636&act=20YB&c=1346310&destination=http*3A*2F*2Fwww.nccommerce.com*2Fmurr&cf=13425&v=97a14dda6587a4274 Experienced business counselors at Business Link North Carolina are also available to offer guidance at (800) 228-8443.

“We want businesses to have access to resources so they can navigate the pandemic and continue to serve their communities, and we know that some businesses have historically had a harder time getting the help they need,” Governor Cooper said. “COVID-19 is shining a spotlight on inequities for communities of color in North Carolina, including in our economy, and this program is a good step forward.”

RETOOLNC was created under Governor Cooper’s Executive Order No. 143 (https://urldefense.com/v3/__https://click.icptrack.com/icp/relay.php?r=39781839&msgid=482636&act=20YB&c=1346310&destination=https*3A*2F*2Ffiles.nc.gov*2Fgovernor*2Fdocuments*2Ffiles*2FEO143-Addressing-the-Disproportionate-Impact-of-COVID-19-on-Communities-of-Color.pdf&cf=13425&v=affb84e483e59ad612cb0be7669b7c1ef7d5c3ebe500cf8b13aa69a8b62c1baf__;JSUlJSUlJQ!!HYmSToo!I47N_75WipNb4KU address disparities in communities of color exacerbated by the COVID-19 pandemic.

The state’s Office for Historically Underutilized Businesses, in partnership with the Carolina Small Business Development Fund (CSBDF) and the North Carolina Institute for Minority Economic Development (the Institute), will offer guidance on business development through the RETOOLNC program and administer $12 million in funding to assist in the economic recovery of state-certified minority and women-owned businesses.

“HUBs are significant to our state’s economy as they bring not only diverse and inclusive entrepreneurship but innovative solutions that help our communities thrive,” said NC Department of Administration Secretary Machelle Sanders. “Due to COVID-19, many HUB firms are at risk of closing permanently. The RETOOLNC program seeks to alter the current trajectory, offering resources to keep the doors of minority and women-owned businesses open.”

Since the onset of COVID-19, many minority- and women-owned businesses have closed nationwide. According to the Stanford Institute for Economic Policy Research, Black-owned businesses are down 41 percent, Latinx-businesses have declined 32 percent, Asian-owned businesses are down 26 percent, and women-owned businesses have declined 25 percent.

Access to capital remains the number one challenge for small businesses. Supporting diversity, equity, and inclusion, RETOOLNC will provide eligible HUB and DBE firms an opportunity to receive up to $25,000 in grant funding – funding that HUB Office Director Tammie Hall says will help offset the costs that most HUB firms will face to alter services to meet industry needs during the pandemic.

“It is clear the economic recovery is going to be a marathon, not a sprint, and this puts great pressure on HUBs to make costly, unexpected adjustments to their businesses,” said Director Hall. “Through the RETOOLNC program, we will not only provide funding to certified and eligible HUBs and DBEs but will work to address the challenges and barriers they are experiencing as they seek to recover from the

pandemic."

North Carolina certified HUBs and DBEs must meet the following criteria to receive funding from the RETOOLNC program.

Eligible Businesses must:

- Have been operating for one year
- Be certified with NCHUB or NCDOT DBE
- Be an independent business located within North Carolina
- Be a business with up to 50 employees or less (including but not limited to, sole proprietorships, home based businesses, LLCs, and independent contractors)
- Not have annual revenues exceeding $1,500,000
- Not be delinquent on North Carolina State income taxes
- Not have any active bankruptcies or tax liens

To learn more about the RETOOLNC initiative, visit the NC HUB Office website (https://urldefense.com/v3/__https://click.icptrack.com/icp/relay.php?r=39781839&msgid=482636&act=20YB&c=1346310&destination=https*3A*2F*2Fncadmin.nc.gov*2Fbusinesses*2Fhub&cf=13425&v=9723b56457fe details. HUB firms interested in receiving state certification can email hub.retoolnc@doa.nc.gov (mailto:hub.retoolnc@doa.nc.gov) or call 984-236-0148 for assistance.

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Contact Information

Ford Porter
(919) 814-2100 (tel:+1-919-814-2100)