



# MEMORANDUM

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**To:** Members of the Finance Committee

**From:** Rich Olson, City Manager  
Dawn Harris, Grants Management Specialist

**Date:** August 21, 2017

**Subj:** Consideration – Authorize City staff, through collaboration efforts with ECDI, to apply for the Main Street Solutions Fund on behalf of ECBC, LLC for property located at 112 North Water Street

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***BACKGROUND:***

The North Carolina Main Street Solutions Fund (NCMSSF) Operating Guidelines states that this fund was established by the Department of Commerce through N.C. General Statute 143B-472.35. NCMSSF is administered by the Department of Commerce; and was established in FY 2009-2010. NCMSSF was designed to help strengthen the local economy and its role as a regional growth and employment hub. The goals of this program include providing direct financial benefit to small business; retaining and creating jobs in association with small business; and spurring private investment in association with small business.

***ANALYSIS:***

NCMSSF Guidelines state, “Monies in the fund shall be available to designated micropolitans located in Tier 2 and Tier 3 counties; and to active North Carolina Main Street communities, including communities in Tier 1, 2 or 3 counties that have been selected by the Department to participate in the Main Street Program or the Small Town Main Street Program; and that have met the reporting and eligibility requirements of the respective program by the last working day of July of the current fiscal year.” The City of Elizabeth City meets this criteria by participation in the Main Street Program. An additional requirement is attendance at a Main Street Solutions Information Workshop, which ECDI Director Deborah Malenfant recently attended. Staff has confirmed with N.C. Department of Commerce that the City is eligible for this funding.

City staff and ECDI Director Malenfant identified ECBC, LLC as an eligible project for this fund. Due to market trends, staff believes this will be a viable business for Downtown Elizabeth City. Plans at this time include the renovation of the former Hurdle Hardware building, located at 112 North Water Street. This project includes the opening of a microbrewery; and the estimated budget is \$1.5 million.

NCMSSF focuses on job creation. The proposed number of full-time positions for the microbrewery will be six. NCMSSF will allow \$25,000 per job created; therefore, staff is requesting \$150,000 on behalf of ECBC, LLC. This will be a matching grant for the project owner, 2:1 for every dollar received; and the total match will be \$300,000. There will be no match required from the City.

***STAFF RECOMMENDATION:***

By motion, recommend that the City Council authorize the collaboration efforts of City staff and ECDI in application for the Main Street Solutions Fund on behalf of ECBC, LLC for property located at 112 North Water Street for the grant amount of \$150,000.

RCO/ddh