



MEMORANDUM

TO: Members of the Finance Committee

FROM: Rich Olson, City Manager

DATE: January 5, 2016

REF: Consideration – Approval of Budget Amendment Related to Thompson Thrift Project

BACKGROUND:

On December 15, 2013, the City Council approved a Business Improvement Grant Agreement with Thompson Thrift for the development of a strip shopping center on Halstead Boulevard. The shopping center has been constructed and presently has an 85% occupancy rate. In addition, a number of outparcels have been sold and several businesses have now been established there.

On June 30, 2014, the City Council approved a Memorandum of Agreement (MOA) with Thompson Thrift covering additional incentives for the 24-acre parcel. Those additional incentives included that the City and County would each contribute \$125,000 to help defray the cost of the roadway, which needed to be constructed outside the Thompson Thrift Project. This roadway connects Conlon Way to Mount Everest Way. In addition, \$25,000 was included in the MOA for improvements to Tanglewood Parkway North.

When the City Council approved the MOA, it was decided that the \$150,000 for the road improvements would be paid out of the City's Powell Bill allocation.

ANALYSIS:

All work and improvements called for in the Thompson Thrift project have been constructed and accepted by the City. At the time the MOA was approved, the City Council decided that Powell Bill funds would be utilized. Since the agreement was approved in FY 2014-2015, the City Council will need to approve a budget amendment so staff can pay Thompson Thrift the \$150,000 called for under our agreement. As of month-end December 2015, the City has \$581,270.77 available in the Powell Bill restricted funds account. The required budget amendment is attached.

STAFF RECOMMENDATION:

By motion, recommend that the City Council adopt the attached budget amendment in the amount of \$150,000 and authorize City staff to pay Thompson Thrift said funds.

RCO/vdw

BUDGET AMENDMENT

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2016:

SECTION I. That the Powell Bill Fund Balance Appropriated (103990.0010) and Powell Bill Contracted Services (105700.4500) be increased by \$150,000.

(City costs for Thompson Thrift Project roadway improvements.)

ADOPTED, this 11th day of January 2016.

Joseph W. Peel
Mayor

Vivian D. White, CMC/NCCMC
City Clerk