



MEMORANDUM

To: Mayor and Members of the City Council

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

Date: July 19, 2019

Re: Consideration – Hold a Public Hearing and Adopt Attached Resolution for Building Reuse Grant for Project Clarence

BACKGROUND:

The Rural Economic Development Building Reuse Grant is administered by the Department of Commerce, which offers up to \$500,000 in funding assistance to Tier 1, 2, and rural census tracts in Tier 3 communities. Funding received from a Reuse Grant is based on job creation.

“Project Clarence” is an expansion project of a local Elizabeth City business. The company has been in business for many years. This expansion will create 40 new full-time jobs through the Building Reuse Grant program, with an anticipated investment of more than \$6 million.

ANALYSIS:

The City of Elizabeth City must file the Reuse Application on behalf of the company. The company is requesting \$500,000 in funding. These funds provided via the City of Elizabeth City will be in the form of a forgiven loan. Repayment forgiveness is offered upon the successful verification of the required job creation by the Department of Commerce.

To show support, the City of Elizabeth City is expected to contribute a match of 5%, not to exceed \$25,000. The company will provide a dollar-for-dollar match up to the total grant amount. The company anticipates an investment of over \$6 million.

FINANCIAL:

The Finance Committee discussed this matter during its July 18, 2019 meeting. Upon motion made by Councilman Adkins, seconded by Councilwoman Young, the Committee unanimously recommended approval by the City Council.

AT THE CONCLUSION OF THE PUBLIC HEARING:

STAFF RECOMMENDATION:

By motion, authorize a 5% local cash match of \$25,000 for Project Clarence's Building Reuse Grant; and adopt the attached resolution.



Resolution # 2019 – 07-01

**Commitment for a 5% Local Cash Match by the City of Elizabeth City
Building Reuse Grant Application for the Benefit of
“Project Clarence”**

WHEREAS, on June 24, 2019, the City Council authorized submission of a Building Reuse Grant Application to the Building Reuse Program, under the Rural Grants/Programs Section of the North Carolina Department of Commerce on behalf of “Project Clarence” in the amount of \$500,000; and

WHEREAS, a requirement of the grant, if awarded, is the commitment of a 5% local cash match by the City of Elizabeth City.

NOW THEREFORE, be it resolved by the City Council of the City of Elizabeth City that the Elizabeth City hereby commits to provide a local cash match in the amount of \$25,000, as required by the Building Reuse Program, for the grant application submission on behalf of “Project Clarence;”

AND BE IT FURTHER RESOLVED that in providing this local match, the City Council of the City of Elizabeth City supports the expansion efforts of “Project Clarence.”

ADOPTED, this the 22nd day of July 2019.

Bettie J. Parker
Mayor

April Onley
City Clerk