REQUEST FOR BOARD ACTION

ITEM NO. 10.

DATE OF MEETING: November 18, 2013

REQUESTED BY: Skip Green, Grant Writer/Administrator

SHORT TITLE: Resolution Authorizing the Submittal of a $750,000 CDBG-ED Grant Application to Assist in the Construction of a Wastewater Treatment Plant that will Serve Pender Commerce Park/RC Creations, LLC.

BACKGROUND: Pender County is seeking funds from the North Carolina Department of Commerce's Small Cities Community Development Block Grant Program (CDBG) to help finance Pender County's 0.5 MGD Wastewater Treatment Plant that will serve the Pender Commerce Park and its first tenant, RC Creations, LLC. The authorizing resolution, application summary page, project description, and project budget are attached.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing the submittal of a $750,000 CDBG-ED Grant Application to Assist in the Construction of a Wastewater Treatment Plant that will Serve Pender Commerce Park/RC Creations, LLC.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.

Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that

a resolution is hereby approved authorizing the submittal of a $750,000 CDBG-ED Grant Application to Assist in the Construction of a Wastewater Treatment Plant that will Serve Pender Commerce Park/RC Creations, LLC. The Chairman/County Manager is authorized to execute any document necessary to implement this resolution.

AMENDMENTS:

MOVED_____ SECONDED_____

APPROVED_____ DENIED_____ UNANIMOUS

YEA VOTES: Brown ___ McCoy ___ Tate ___ Ward ___ Williams ___

_____ 11/18/13
George R. Brown, Chairman Date

_____ 11/18/13
ATTEST Date

RESOLUTION FOR THE COUNTY OF PENDER'S AUTHORIZATION TO SUBMIT A SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING APPLICATION FOR THE PENDER COMMERCE PARK/ RC CREATIONS, LLC WASTEWATER TREATMENT PLANT PROJECT

WHEREAS, the Pender County Board of County Commissioners has previously indicated its desire to assist in economic development efforts within the County; and

WHEREAS, the Pender County Board of County Commissioners has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit RC Creations, LLC; and

WHEREAS, the Pender County Board of County Commissioners wishes the County of Pender to pursue a formal application for Community Development Block Grant funding to benefit RC Creations, LLC; and will invest monies in the amount of $6,400,000 into the project as committed to in the application; and

WHEREAS, the Pender County Board of County Commissioners certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program.

NOW, THEREFORE BE IT RESOLVED, by the Pender County Board of County Commissioners that:

1. George R. Brown, Jr., Chairman, and successors so titled, is hereby authorized to execute and submit a formal application to the North Carolina Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit RC Creations, LLC.

2. Mickey Duvall, Manager, and successors so titled, is hereby authorized and directed to furnish such information as the North Carolina Department of Commerce may request in connection with an application or with the project proposed; to make assurances as contained in the application; and to execute such other documents as may be required in connection with the application.

Adopted this 18th day of November, 2013.

_____
George R. Brown, Jr. Chairman
Pender County Board of County Commissioners

ATTEST:

_____
Michael N. Duvall, Clerk to the Board

APPLICATION SUMMARY
NC SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
ECONOMIC DEVELOPMENT

Applicant Name: County of Pender

Address:
Street/Post Office Box: PO Box 5, 805 South Walker Street
City: Burgaw Zip: 28425

County: **Pender**

Contact Person: Mickey Duvall Fax: (910) 259-1402
Telephone (910) 259-1200 Email mduvall@pendercountync.gov

Application Type: (mark w/ an X) Original Application X Amended Application ____

Program Funding Category: ED SIC/NAICS Code: 311712 DUNS #: ____
Project Name: Pender Commerce Park/RC Creations, LLC Waste Water Treatment Plant Project Private Investment: $21.5 million

Type of Application: (mark w/ an X) Grant X Participation Loan ____

If this application will involve a loan, please provide the following:
Participating Bank: ____
Street/PO Box: ____
City: ____ State: ____ Zip: ____
Contact: ____ Tel.: ____ Fax: ____

CDBG Funds Requested:	$750,000
Other Funds and Sources:	
Golden Leaf	$400,000
County of Pender	$6,000,000
	$
Total Project	$7,150,000

Certification by the Applicant's Chief Elected Official:

I certify that, to the best of my knowledge and belief, that: the data in this application is true and correct; that opportunities have been provided for citizen participation and access to information concerning the proposed activities; that this document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached application certifications if the assistance is approved; and that, if funded, this application is a part of the Grant Agreement.

Typed Name of Elected Official: **George Brown, Jr.**

Typed Title: **Chairman**

Signature: ____ Date: 11/19/2013

FOR STATE USE ONLY
Date Received: Special Instructions: ____

CDBG-ED PROJECT DESCRIPTION FORM

Describe in brief, narrative form the project that is being proposed. The description should include information on the target business, the jobs to be created or retained, direct benefits to the business (public services or loan capital), and direct benefits to the applicant community (total investment and anticipated increase in ad valorem tax base and revenues). Related documents may be submitted as portions of the application or as appendices. Note: Company financial information cannot be held confidential or returned unless specific documentation is provided by the firm to support the "trade secret" status as defined in NC G.S. 66-152(2) and NC G.S. 132-1.2.

Project Overview (Project Casper)

RC Creations, LLC, a subsidiary of Acme Smoked Fish has decided to site a 100,000 square foot seafood processing facility on a 20 (+/-) acre site located in the Pender Commerce Park. The Company will create 120 new full-time jobs with benefits within sixty months of its announcement and leverage a $21.5 million private investment. The Company's average salary ($33,308) exceeds Pender County's 2013 average wage ($28,792) by fifteen percent (15%). The Park's proximity to the North Carolina Port at Wilmington was a major factor in the Company's site decision. Its product will be imported by 200 containers annually through the port for further processing/distribution.

CDBG-ED Project

RC Creations, LLC will be the Pender Commerce Park's first tenant. Pender County has invested over $40 million toward the development of the Park ($6 million toward land acquisition) and $33.7 million toward the construction of a new 2 MGD water treatment plant (WTP). The 774 acre tract acquired by the County consists of: (1) 431 developable acres where the Pender Commerce Park is located; (2) 41.28 acres set aside for the location of Pender County's new 2 MGD WTP and proposed 0.5 MGD waste water treatment plant (WWTP); and (3) 100.00 acre Brownfield (former BASF Industries site).

To serve RC Creations, LLC a wastewater treatment plant (WWTP) must be constructed and public infrastructure (water distribution lines, sewer collection lines, roadway and storm sewer) extended to the 20 (+/-) acre site the Company has selected in the Park. Pender County will construct required infrastructure through the issuance of three contracts with the WWTP being constructed in two phases (contracts) with an additional contract for park infrastructure extensions.

Pender Commerce Park water, sewer and roadway/drainage improvements will be bid as a single bid document consisting of two separate bid schedules. This contract will be financed using Pender County funds. The CDBG-ED project consists of a $750,000 CDBG grant being used toward the WWTP's phase one contract that has an estimated $2 million cost. The WWTP's second phase contract has an estimated $5.150 million cost estimate will be financed using non-CDBG funds.

RC Creations, LLC will commit to create a minimum of 89 new jobs with 61% of positions being filled by individuals having low/moderate incomes before being hired. The Company's actual total new full-time job commitment will exceed 89 and reflect cumulative annual job commitments in its NC One application. Pender County will repay CDBG-ED grant funds if the Company's Legally Binding Commitment job commitments are not met.

PROJECT BUDGET

1 Name of Applicant: **County of Pender**	3 Economic Development X Grant ___ Loan	Project Number: **E-1**
2 Project Name: Pender Commerce Park/RC Creations, LLC WWTP	4 Original Application 11/19/13 Amendment	Award Date:

7 Grant Amount Requested	$ 750,000
8 Program Income	$ -
9 Subtotal: CDBG Resources	$ 750,000
10 Other Funds	$ 6,400,000
11 Total Project Resources	$ 7,150,000

12 Activity	13 CDBG Costs	14 Other Costs	15 Total Costs
a. Acquisition	-	-	-
b. Disposition			
c. Public Facilities and improvements			
(1) Senior and handicapped centers			
(2) Parks, playgrounds and recreation			
(3) Neighborhood facilities			
(4) Solid Waste disposal facilities			
(5) Fire protection facilities and equipment			
(6) Parking facilities			
(7) Public utilities, other than water/sewer			
(8) Water improvements	-	-	-
(9) Sewer improvements	750,000	6,400,000	7,150,000
(10) Street improvements	-	-	-
(11) Flood and drainage improvements			-
(12) Pedestrian improvements			-
(13) Other public facilities			-
d. Clearance activities			-
e. Public services			-
f. Relocation assistance			
g. Construction, rehabilitation, preservation			
(1) Construction/rehab of commercial and industrial buildings			-
			-
(2) Rehab of privately owned dwellings			-
(3) Rehab of publicly owned dwellings			-
(4) Code enforcement			-
(5) Historic preservation			-
h. Development financing			
(1) Working capital			-
(2) Machinery and equipment			-
i. Removal of architectural barriers			-
j. Microenterprise loan activities			-
k. Microenterprise technical assistance			-
l. Other		-	-
m. **SUBTOTAL**	750,000	6,400,000	7,150,000
n. Planning	-	-	-
o. Administration	-		
p. **Total**	750,000	6,400,000	7,150,000