

BOARD OF ALDERMEN

ITEM NO. A(2)

AGENDA ITEM ABSTRACT

MEETING DATE: April 10, 2012

TITLE: Public Hearing on Community Development Block Grant (CDBG) – Small Business and Entrepreneurial Grant Application Proposals

DEPARTMENT: Economic and Community Development	PUBLIC HEARING: <u>YES</u>
ATTACHMENTS: Attachment A - CDBG 2011 Guidelines for Small Business Entrepreneurial Assistance Grant Program for Local Government and Business Partnership.	FOR INFORMATION CONTACT: Annette D. Stone, AICP Economic and Community Development Director

PURPOSE:

The purpose of the agenda item is to conduct the first of two (2) required public hearings in order to be eligible for Community Development Block Grant Funds from the NC Department of Commerce, Community Investment and Assistance under the Small Business and Entrepreneurial Program.

INFORMATION:

In response to the on August 26, 2011 failure of the common private sewer lateral that serves the businesses on the 100 East Main Street, the Board of Aldermen passed a resolution of intent to pursue construction of a public sewer line on Roberson Street. In addition, the Board passed a resolution requesting that Orange County participate in the funding of a public sewer on Roberson utilizing the ¼ cents sales tax designated for Economic Development. The estimated cost of the project is \$250,000. The Public Works Department has already begun preliminary engineering analysis to determine feasibility. Town staff has identified a potential source of funding through the NC Department of Commerce, Division of Community Investment and Assistance, Small Business Entrepreneurial Assistance Grant Program. The Roberson Street Sewer extension is an eligible activity and consistent with the CDBG – SBEA program.

Under the SBEA program, there are 2.9 million dollars in funding available to eligible local governments to assist existing, small businesses and entrepreneurs to expand create or retain jobs. The program also seeks to establish outreach efforts to market available forms of economic development technical assistance that would foster an entrepreneurial environment within the community.

Some of the grant criteria includes, businesses assisted must be located in the jurisdiction of eligible local governments. The maximum grant amount is \$250,000.00 and there is no required local match, however, a local match is encouraged and may strengthen the competitiveness of the grant application. In addition, the project must create or retain at least one job per \$25,000.00 in grant dollars requested. The project must also meet the national objectives of benefitting low moderate income persons.

FISCAL IMPACT:

If funded the grant dollars will off-set the Town's contribution to any proposed project.

RECOMMENDATION:

Staff recommends the Board receive public comment.