



## Economic Development Department

November 24, 2015

To: The Honorable Mayor and Eden City Council

Thru: Brad Corcoran, Eden City Manager

From: Mike Dougherty, Director of Economic Development

Re: SGRTEX, LLC CDBG Close-Out Public Hearing

Time is requested at the December 15, 2015 City Council meeting to hold a public hearing on the close-out of the CDBG for SGRTEX,LLC

The purpose of the public hearing is to solicit public participation in the closeout of the SGRTEX LLC Building Reuse Community Development Block Grant (CDBG) by gathering citizens' views and comments prior to the submission of the closeout documentation to the NC Department of Commerce—Commerce Finance Center.

The CDBG Building Reuse Grant provided \$750,000 to assist in providing building renovation improvements to a vacant building at 335 Summit Road in Eden, NC which allowed SGRTEX,LLC to begin operations at this location in Rockingham County. SGRTEX,LLC committed \$750,000 in local funds toward the project. Upon closeout of the grant, SGRTEX, LLC had expended \$953,687 toward the proposed building improvements.

The grant application included a job commitment of 38 full time jobs to be created at this new facility, with at least 60% being of low/moderate income. At project closeout, SGRTEX, LLC reported/documented that 39 new full time jobs had been created at this new facility; of which at least 60% were of low/moderate income.

On October 1, 2015, Mr. Kenny Stagg with the NC Department of Commerce completed a routine monitoring visit of the City's CDBG files on this project. Upon his exit interview with the City's Economic Development Director, Mr. Stagg recommended the City proceed with scheduling the close out public hearing and submit closeout documentation immediately following the public hearing.

Once the public hearing is closed, the City Council will make a motion to proceed with the project close out and authorize LKC Engineering, PLLC to proceed with preparing the Close Out documentation for the Mayor to execute and submit to the NC Department of Commerce.

If you have any questions concerning the above, please let me know.