



MEMO

TO: Mayor and Town Council

FROM: Kelly Barnhardt

DATE: April 19, 2011

SUBJECT: Building Reuse and Restoration Grant Application

SUMMARY:

We have been asked by Bill Goodyear of WM Goodyear Co. to help his company expand with being the writer and administrator of the “Building Reuse and Restoration” Grant. WM Goodyear Co. has been in business for 25 years and they are now in the process of expanding their business. In order to expand, they need to purchase a new facility capable of accommodating their new needs. This expansion would take over the currently vacant 27,040 SF building at 1723 Tower Industrial Dr. This is approximately 2.5 miles away from their current facility on Gray Fox Rd in the Industrial Ventures Business Park. The grant only supports renovation costs and is based on number of new full-time jobs created. Based on our tier 3 County rating; they could receive \$10,000 for every new job created that lasts 6 months or longer. Based on WM Goodyear’s job creation of 10 new full-time jobs; they stand to receive at minimum \$80,000.

PROCESS:

The grant application would be filled out by Indian Trail Staff and considered an in-kind administration. Staff must fill out the application and hand in for a May 2, 2011 deadline. The follow-up procedure would be submitting a report twice annually and a final report. Indian Trail would be the intermediary partner for all aspects of the project, including payment of the grant to WM

Goodyear Co. The grant would initially be paid to Indian Trail and then transferred onto WM Goodyear Co. This would be defined as a Deferred Forgivable Loan. The Rural Center provides both loans; to us and to WM Goodyear Co. In the event the company defaults, the Town of Indian Trail is required to call in the loan for repayment to the Rural Center. Town of Indian Trail will not be required to repay the funds from government funds, but will be required to take any means necessary, including litigation, to recoup the funds from the company. However, if awarded a grant we are discussing options of how to fully protect the Town.

RECOMMENDATION:

Staff supports the Grant Application and recommends approval from the Town Council.