



# MEMORANDUM

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**To:** Finance Committee

**From:** Rich Olson, City Manager

**Date:** January 4, 2013

**Re:** Consideration - Authorization to Submit Building Reuse Grant Application

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***BACKGROUND:***

The City has received a request from Mr. Wayne Chin and his parents to sponsor a Building Reuse and Restoration Grant application to renovate the former Marina Restaurant. Mr. Chin's parents, John and Mui Chin, purchased the Marina Restaurant at an auction held on November 30, 2012. The Chin's plan to spend \$200,000 to renovate the building.

The restaurant's new name will be Water's Edge Grill. Their scope of work includes the purchase of new restaurant equipment. Renovations include a new fire suppression hood in the kitchen, bathroom renovations and leveling the dining room floor. The Chin's plan to employ 14 fulltime positions, which would make them eligible for a \$70,000 grant from the Rural Center.

***ANALYSIS:***

The Rural Center's next application deadline is March 1, 2013, with an award date of April 24, 2013. On January 3, 2013, a mandatory pre-application phone conference was held with Rural Center staff. During the conference, it was determined by Rural Center staff that only about \$150,000 of the anticipated costs would be grant eligible, but that amount still makes them eligible for the \$70,000 they have requested. The City's responsibility will be to manage the grant, which we have valued at 5% of the grant application. This will be used as an in-kind matching grant.

***STAFF RECOMMENDATION:***

For the Finance Committee to recommend that the City Council authorize submission of a grant application to the NC Rural Center for a Building Reuse and Restoration Grant in the amount of \$70,000 for Waters Edge Grill.

RCO/vdw



**Building Reuse and Restoration Grants Program Statement**

Commercial properties are economic assets in small towns across North Carolina, and many can be made even more valuable. The Building Reuse and Restoration Grants Program assists communities in realizing this potential. Three categories of grants are available for 1) the renovation of vacant buildings, 2) for the expansion and renovation of buildings currently in use by certain types of companies, and 3) the renovation and/or construction of health care facilities. All three options create jobs and much-needed tax base for struggling communities.

The Rural Center operates the program with funding provided by the N.C. General Assembly. The legislature created Building Reuse and Restoration Grants Program in July 2004 as part of a broader effort to stimulate job creation in rural communities hurt by factory closings and layoffs.

The guidelines and application for the building reuse/Rural Hope pre-application conference request are provided in this information package. Guidelines and application materials for the building reuse vacant and occupied building categories and Rural Hope category can be found under a separate cover. All grant materials are available on the Rural Center's website at [www.ncruralcenter.org](http://www.ncruralcenter.org).

**Pre-Application Requirement**

The first step for a building reuse/Rural Hope grant application is the pre-application conference call. The local government applicant is responsible for scheduling the call, arranging a call-in number or calling the participants.

**Pre-Application Process**

The pre-application conference call is a meeting between Rural Center staff and project partners to discuss the potential project and the requirements of the program. To schedule a pre-application conference call, applicants should submit a completed pre-application conference form (attached). Once the pre-application conference call is complete, the local government is eligible to submit a full application.

Local project partners that should be on the call include representatives from:

- The Local government (applicant)
- The job-creating company that will locate in the building
- The Property owner
- Other representatives identified by the local government, company and/or property owner.

**Deadline**

The pre-application form is due to the Rural Center at least seven (7) business days prior to the full application deadline date. The conference call must take place prior to the full-application deadline. A full application may not be submitted for projects that do not complete the pre-application process. Full applications are due at the Rural Center by 5:00 p.m. on deadline dates listed below.

<b>Full Application Deadline</b>	<b>Date of Award</b>		
October 12, 2012	December 5, 2013		
January 4, 2013	February 27, 2013		
March 1, 2013	April 24, 2013		
April 19, 2013	June	26,	2013

June 21, 2013

August 28, 2013

**BUILDING REUSE AND RESTORATION AND RURAL HOPE  
2013 PRE-APPLICATION CONFERENCE FORM**



Funding Category:  Vacant Building  Occupied Building  Rural Hope

**Applicant Information**

Legal Name of Local Government Applicant: City of Elizabeth City County: Pasquotank

Local Government Contact Name: Richard Olson, City Manager

Mailing Address: P.O. Box 247  
206 E. Colonial Ave.

Street Address: 2<sup>nd</sup> Floor, Gardner Municipal Bldg

City: Elizabeth City

State: NC

Zip: 27907

Telephone: 252-337-6864

FAX: 252-337-2503

E-Mail: olson@cityofec.com

Project Name Water's Edge Grill

**Request Amount: \$70,000.00**

**Company Information:**

Complete the table below for each company that has committed to create new, full-time jobs in the project building.

Will the company relocate from and/or close any other facility in North Carolina?  Yes  No

**Company Description:**

Please provide a short description of the company and the jobs to be created.

<u>Company Name</u>	<u>Name of Authorized Representative</u>	<u>Telephone Number/E-mail</u>	<u># of Years in Business in NC</u>	<u>Federal Identification Number</u>	<u>NAICS CODE</u>	<u>Health Insurance Provided Y/N</u>	<u># of Existing FT Employees</u>	<u># of New FT Jobs Committed</u>	<u>Average Annual Pay of All New Jobs Committed</u>
CX Industries of VA	Wayne Chin	(757)710-5900	0	260426107	722110	no	0	14	\$28,000.00

The building will be used for a full service restaurant/bar. Plans are currently for serving lunch and dinner with the possibility of opening for breakfast. New full time jobs to be created will be 2 chefs, 2 prep cooks, 2 dishwashers, 1 manager, 2 bus boys, 2 bartenders, 8 waitresses/hostess.

Is the property  owned or  leased by the company locating in the building?

**Property Owner Information:**



Legal name of the property owner: John K.M. Chin & Mui S. Chin

Legal name of authorized representative for the property owner: Wayne Chin

Property owner address: 20190 Market St. Onancock, VA 23417  
E-Mail: mchin5@yahoo.com

Telephone: (727)253-8014

**Renovation/Construction Project Description:**

Please provide a short description of the renovation/construction project.

Restaurant renovation currently planned: Cleaning and updating kitchen equipment. Removing 2 exterior kitchen windows and improving functionality of kitchen. Update restroom floor's, lighting and plumbing fixtures. Improve restrooms accessibility and function to patrons. Interior walls to be painted and updates to lighting fixtures. Exterior walls and decks to be power washed, stain or painted. Exterior landscaping: removal and replanting of bushes and trees. Parking lot repaving. Add 50 feet boat docks and platform. New business signs to building. Leveling of main dining room floor.

**Expenses and Funding Sources**

List all expenses related to the total project cost with the corresponding funding source in the table below. The table should include costs for acquisition, renovation, equipment, training, etc. and all funding sources including business/personal capital pledged, loans, grants/incentives, etc. The table should clearly show ALL expenditures and ALL funding sources for the project. If more than one expense will be paid with the funding source, break the expenses into separate lines with the specific amount to be paid from the source for each expense. Indicate the amount, whether the funds are proposed or committed and the date the funds are available.

Total Committed Funds for Project: \$200,000.00

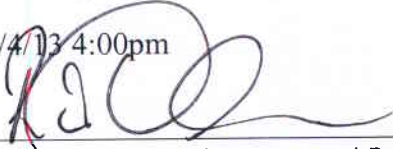
Expense	Funding Source	Amount	Proposed or Committed	Date Available
Restaurant Equipment	Suntrust Bank Equity Loan	\$ 50,000.00	Proposed	1/30/13
Painting/power washing	Reuse Grant City of Elizabeth City	\$ 5,000.00	Proposed	4/24/13
Kitchen Renovation	Suntrust Bank Equity Loan	\$80,000.00	Proposed	1/30/13
Lighting and bathroom fixtures	Reuse Grant City of Elizabeth City	\$ 2,500.00	Proposed	4/24/13
Business Signs	Reuse Grant City of Elizabeth City	\$ 7,500.00	Proposed	4/24/13
Boat Docks	Reuse Grant City of Elizabeth City	\$ 15,000.00	Proposed	4/24/13
Bathroom Renovation	Reuse Grant City of Elizabeth City	\$20,000.00	Proposed	4/24/13
Levlling Dining Room Floor	Reuse Grant City of Elizabeth City	\$ 15,000.00	Proposed	4/24/13
Landscaping	Reuse Grant City of Elizabeth City	\$5,000.00	Proposed	4/24/13

Please list three dates and times when the local project partners are available for the pre-application conference call:

1. 1/2/13 4:00pM

2. 1/3/13 ~~4~~:00pm

3. 1/4/13 4:00pm



Signature of Local Government Representative

*Rich Olson, City Manager*

*12/14/12*  
Date

**All grant materials should be submitted to the  
Building Reuse and Restoration Grants Program,  
North Carolina Rural Economic Development Center,  
4021 Cary Drive, Raleigh, NC 27610,  
Attn: Melody Adams.**