

**Special Meeting
Public Hearing
July 10, 2007**

The Montgomery County Board of Commissioners met in a special work session to conduct a public hearing to receive public comments regarding a possible CDBG – ED Grant on July 10, 2007 at 10:00 a.m. Commissioners Jackie Morris, George Knight, and Billy Maness were present at the start of the meeting. Commissioners Sally Morris and Dolon Corbett were absent. Chairman Maness called the meeting to order and the following was heard:

Chairman Maness closed the regular session and called to order the public hearing and turned the meeting over to Mrs. Mary Beck with Hobbs Upchurch and Associates. Mrs. Beck provided the following information:

July 9, 2007

Mr. William D. Maness, Chairman
Montgomery County Board of Commissioners
Montgomery County Administrative Building
P.O. Box 425
Troy, North Carolina 27371

RE: Public Hearing

Dear Mr. Maness:

We would like to take this opportunity to provide you with information regarding the public hearing scheduled for Tuesday, July 10, 2007 at 10:00 AM.

This is the first (1st) of two public hearings, which will be required in order to explain how to apply for a Community Development Block Grant, (CDBG), for Economic Development. The County will need to hold the second public hearing on August 21, 2007 during your next regularly scheduled meeting.

During this first public hearing, the County can only discuss "How to apply for an Economic Development Grant Project". The County cannot mention the name of the business or industry or in any way announce or discuss the name of a potential industry until after the County and the business have met with the Department of Commerce, and until all requirements are released by the NC Commerce Finance Center.

CDBG Funds are made available through the authority of Title 1 of the US Department of Housing and Urban Development, (HUD), and are designated to benefit low- and moderate-income persons through either job retention or job creation. These funds are administered by the Commerce Finance Center, which is one of the two divisions of the North Carolina Department of Commerce.

Funding eligibility is contingent upon the creation and/or the retention of permanent full-time jobs – at least 1,600 hours per year. More than 60% of these jobs must be made available to persons earning 80% or less of the median household income for the county within the previous 12-months.

The North Carolina Commerce Finance Center has devised a unique formula for determining the amount that a governmental entity can apply for towards economic development. This formula is based on:

- ✚ The County Tier group that a new business plans to locate to; and,
- ✚ The Category of business based on the SIC code – (special identification code) of that business. A manufacturing SIC code allows for \$12,000.00 per job, while a retail business SIC code would allow for only \$7,000.00 per job.

The Department of Commerce annually ranks the state’s 100 counties based on economic well-being and assigns a tier designation to each. The 40 most distressed counties are designated as tier 1, the next 40 as tier 2, and the 20 least distressed as a tier 3. Under the current tier status Montgomery County would be eligible to receive up to \$1,000,000.00 in CDBG funding for this year.

 The following is an **example** of a proposed new business or industry:

Business is locating to Montgomery County and plans to create a total of 100 new jobs.

In order for Montgomery County to receive **\$1,000,000.00** in funding the business must:

- ✚ Create at least **84** jobs at **\$12,000.00** per job. **51** of these new jobs created would need to be low- and moderate-income persons.

 HUD also requires that the County hold two public hearings prior to submission of an application to the Commerce Finance Center; therefore, following the close of the public hearing, the County will need to vote to: Schedule a second public hearing for Tuesday, August 21, 2007

2007 HUD INCOME LIMITS FOR MONTGOMERY COUNTY

		Montgomery County, North Carolina									
FY 2007 Income Limit Area	<u>Median Income</u>	FY 2007 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	
		<u>Very Low (50%) Income Limits</u>	\$16,500	\$18,850	\$21,200	\$23,550	\$25,450	\$27,300	\$29,200	\$31,100	
Montgomery County	\$44,600	<u>Extremely Low (30%) Income Limits</u>	\$9,900	\$11,300	\$12,750	\$14,150	\$15,300	\$16,400	\$17,550	\$18,700	
		<u>Low (80%) Income Limits</u>	\$26,400	\$30,150	\$33,950	\$37,700	\$40,700	\$43,750	\$46,750	\$49,750	

Mrs. Beck explained that if received these grant funds would be used for the water plant. She said the water plant was built in 1984.

She said the company may ask the County for a letter of commitment or hold harmless letter.

Chairman Maness asked how quick this process would be. Mrs. Beck said pretty quickly, we already have the permit. The Environmental Assessment will last 45-60 days, and then we can bid out. At the second public hearing, we will reaffirm all policies as we have for all projects.

Commissioner Knight said if it takes 1 ½ before the project is complete will it affect the cost. Mrs. Beck explained the contractor has to stick with the awarded bid.

(Commissioner Corbett came into the meeting)

Chairman Maness opened the floor for anyone from the public to speak and no one spoke. Chairman Maness adjourned the Public Hearing and reconvened the special session.

In a motion made by Commissioner Corbett, seconded by Commissioner Knight and so the motion carried unanimously to schedule a second public hearing at the August 21, 2007 Board of Commissioners regular session.

There being no further business, the meeting was adjourned.

William D. Maness, Chairman

Laura B. Morton, Clerk to the Board