

**MINUTES
CITY OF DUNN
DUNN, NORTH CAROLINA**

The City Council of the City of Dunn held a Special Call Meeting on Tuesday, August 15, 2006, at 7:00 p.m. in the Dunn Municipal Building. Present was Mayor Pro Tem Donnie Olds, Council Members Buddy Maness, Billy Tart, and Joey Tart. Also present was City Manager Ronnie Autry, Human Resources Officer Moses Gallion, City Planner Steven Neuschafer, City Attorney P. Tilghman Pope, and City Clerk Debra West.

Absent was Mayor J. Dal Snipes and Council Members Billy R. Godwin, Jr. and Bryan Galbreath.

INVOCATION

Mayor Pro Tem Olds opened the meeting at 7:00 p.m. and asked Council Member Maness to give the invocation. Afterwards the Pledge of Allegiance was repeated.

PUBLIC HEARING

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ECONOMIC DEVELOPMENT**

The public has been notified that the City Council of the City of Dunn will hold a public hearing for the purpose of receiving citizen input into the identification of the community needs and desired community development block grant activities.

The City of Dunn is interested in seeking funds from the North Carolina Department of Commerce's Small Cities Community Development Block Grant Program (CDBG). The CDBG – Economic Development Program is administered by the Commerce Finance Center. The Division of Community Assistance administers all other CDBG programs. The CDBG Program permits a wide range of economic and community development activities including: acquisition; public facilities construction; loans to private businesses; housing rehabilitation; code enforcement; clearance; project planning and administration; etc. Applications for Economic Development must show in excess of 60% of CDBG funds will benefit low or moderate-income persons through job creation or retention. Applications for other CDBG programs, with the exception of Urgent Needs funds, must show that in excess of 50% of funds will benefit low or moderate-income persons.

The public hearing was duly advertised on August 4, 2006.

Mayor Pro Tem Olds asked Mr. Skip Green, grant writer retained by Harnett County, to step forward to further explain this grant.

Mr. Green explained that this program is a federal grant under the housing and urban development. Each year the states receive a block grant which must meet basic criteria. Fifty-one percent of the benefit must be for low/moderate-income individuals and the activities must be eligible as established by HUD. The program is administered by the North Carolina Department of Commerce. The Division of Community Assistance prepares a plan each year that outlines how the state is going to spend the funds in various program areas. This includes housing rehabilitation, scattered site program, concentrated needs program, and infrastructure program (water/sewer). One part of the program is administered by the Commerce Finance Center; the Economic Development Program. The Commerce Finance Center receives approximately five to six million dollars for Economic Development Programs.

Mr. Green stated that the Economic Development Program is set up primarily for infrastructure (water, sewer, rail, natural gas). Whenever you have an Economic Development Project, you must have real jobs. The company or companies must commit to create a certain number of jobs. Of this commitment, sixty percent of the jobs would be for low to moderate-income persons. The Economic Development Program is an open cycle; first come, first served. The monies that are now being expended by the Community Development Block Grant Program are actually funds that were received last federal fiscal year. The state

will be in a position, effective October 1, 2006, to apply for Block Grant funding. It may be the middle of Summer, 2007 before the new money is available.

Mr. Green stated that this public hearing and brief explanation meets the first public hearing requirement for CDBG. Whenever a City pursues CDBG funds, two public hearings are required. The first public hearing is general and the second is project specific. During the second hearing, a specific application is described and once citizens have an opportunity to comment, the City Council can authorize the application.

Mr. Green entertained questions.

Mr. Doug Heath of 107 George Street asked Mr. Green if the jobs have to be manufacturing jobs. Can they be retail jobs? Mr. Green responded that more funds are received per job for manufacturing than retail. If new jobs are being created, the jobs must equal whatever the County's average manufacturing wage is. With this requirement, most retail jobs would not meet this standard. The state sets the guidelines.

Discussion was held about housing rehabilitation and scattered site housing. All programs are competitive. A unit of government can apply for up to one million, two hundred fifty thousand dollars per year. In any given federal fiscal year, there is a cap of how much CDBG grant funding an area can receive.

Manager Autry explained that the purpose of tonight's meeting is to hold the general public hearing for the CDBG request. The second public hearing which will be held during the September Council meeting, is project specific for a water tank, etc. Should the City decide to apply for other CDBG funds during the next twelve months, then the first general public hearing requirement has been met. They would be required to only hold one specific project public hearing on that issue. They are not asking for anything specific tonight.

Mayor Pro Tem Olds asked if there were any further questions from the public. He thanked Mr. Green for his presentation. Mr. Olds stated that it is the intent of the City of Dunn to seek funds from the CDBG program.

Mayor Pro Tem Olds entertained a motion to adjourn.

With no further business to discuss, motion by Council Member Maness, seconded by Council Member Joey Tart to adjourn the meeting at 7:15 p.m. **Motion unanimously approved.**

Donnie G. Olds
Mayor Pro Tem

Attest:

Debra G. West
City Clerk