

THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): Cumberland County, NC	CDBG-R Contact Person: Thanena S. Wilson
Jurisdiction Web Address: http://www.co.cumberland.nc.us/community_dev.aspx	Address: 245 Person Street, Fayetteville, NC 28301
	Telephone: 910-323-6112
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ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

RESPONSE: See CDBG-R Activity Data Spreadsheet at Attachment A. 100% of CDBG-R funding will be committed to project costs resulting in job creation for low to moderate income individuals.

B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

- (1) Activity Name:** (Grantees should follow the same order that activities are listed in the Spreadsheet for Reporting Proposed CDBG-R Activities – this will allow HUD to easily match activity narratives with the information provided in the spreadsheet.)

RESPONSE: Phase 1 - Freedom Center Business Park

(2) Activity Narrative:

In addition to the **Spreadsheet for Reporting Proposed CDBG-R Activities**, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

RESPONSE:

Project Overview

Cumberland County intends to meet the objectives of the Recovery Act by preserving and creating jobs and promoting economic recovery through investment in Phase 1 of the Freedom Center Defense Contractor and Business Incubator Office Park (Freedom Center). Located in Spring Lake, the site was selected for its strategic location, approximately 2.3 miles to the rear access gate to Ft. Bragg. This location allows military vehicles and other equipment to be moved from civilian military sub-contract companies in Freedom Center for retrofitting, upgrading, and other technical modifications. Freedom Center's expected use will largely evolve around the business alliances necessary for the deployment of various specialized military equipment.

The total park is approximately 50 acres. One defense contractor owns 10 acres and is under development with a 28,000 square foot world headquarters building. The project developer has obtained site control for 38.4 acres. Of the developable land, the developer plans to design 50,000 square feet of flex-office space on one 5 acre parcel, 60,000 square feet of warehouse and secure storage space on another 5-acre parcel, leaving nearly 20 acres remaining for specialized large office development [approximately (9) nine 15,000 – 21,000 square foot buildings]. To ensure maximum optimization, the developers have strategically chosen to be nimble; hence, programmed flex space into our plan to accommodate other uses as they materialize. The developers are in the process of securing leases with triple A credit tenants. These tenants will be providing service for the intellectual property and decision making of FORSCOM and USARC commands, which will be moved from the current locations of Ft. McPherson and Ft. Gilliam (Georgia) to Ft. Bragg by mid-year 2011. As a result of this move Ft. Bragg and Pope AFB will become the nation's largest-most active power projection platform for the United States military command.

Once completed, Freedom Center will be a mixed-use commercial park that houses highly specialized defense contractors as well as amenities that support their needs and clients including, storage, warehouse, a multipurpose training facility, incubator offices for their research and development (R&D) as well as dining and conference space. The developer will provide all property management support services hence creating a secure, turnkey, self-sufficient park. The total estimated jobs at full build-out of Freedom Center will be in excess of 400 jobs. The average pay grade across these 400 jobs is estimated to fall between \$55-60k per year, which is well above the mean-value pay grade of jobs in the area; further accelerating the area's recovery.

CDBG-R Assistance – Phase I of Freedom Center

The County plans to invest \$286,690 of its CDBG-R funds to assist with implementing the first phase of Freedom Center. This phase will involve construction activities as described above which will ultimately net 100 jobs.

- Phase I (50,000 sq. ft.) – new construction concrete slabs, new roof framing, new deck framing, new stairs, masonry assembly, doors, roof & decking, canopies, glass doors, fire-rated doors & frames, gypsum partitions, painting, interior finish, HVAC, plumbing, electrical distribution, exterior grading and landscape, signage and lights (walks, ramps & connector). It is represented as Phase 2 on Spring Lake Master Plan at Attachment B.

Proposed Time Schedule for the Project:

Time is of the essence. It is estimated the development of Freedom Center Phase I will require nine months to complete. The developer has committed to the timeline below, which is in line with the property acquisition, recovery guidelines, construction and project financing.

Project Timeline	
June - 2009	Close on Spring Lake Business Park Submit Engineering Site Plan for the Park Submit Engineering Site Plan for the first 5 AC parcel
August	Close on business loan Finalize leases Complete Architectural Plans for the building Solicit Contractor bids and firm up budget Begin soliciting business from existing defense contractors with specific needs Close on CDBG-R loan
September	Breaking Ground
February – 2010	Complete shell building and site development
March	Begin suite upgrades and tenant build out for occupancy
June	Move in first tenant(s)

(3) Jobs Created: [Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)].

RESPONSE: *The table below shows the number of full time equivalent jobs that will be created with the CDBG-R activity:*

Company	Product and Service	Jobs Saved	New Jobs	JOB STATUS	Committed or Interest Only
<i>Tenants</i>	<i>Defense contractor(s)</i>	-	50	<i>Permanent</i>	<i>Pending</i>
<i>Gentry Group</i>	<i>Property Management & Contracted Services</i>	-	50	<i>Permanent</i>	<i>Committed</i>
<i>Stafford Construction</i>	<i>GC</i>	-	75	<i>Construction</i>	<i>Committed</i>
TOTAL PERMANENT JOBS		-	100		

Of the 100 full-time permanent jobs created, at least 51% or 51 jobs will be filled by low to moderate income individuals.

(4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

RESPONSE: *In partnership with the architect and developer, Cumberland County will recommend that energy conservation and green building technologies be incorporated to the greatest extent feasible.*

(5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information).

RESPONSE: *The responsible entity for implementation of the CDBG-R funding is:*

Grantee Name	Cumberland County, NC
Name of Entity or Department Administering Funds	Community Development Department
CDBG-R Contact Person (person to answer questions about this amendment and CDBG-R)	Thanena S. Wilson
Title	Community Development Director
Address Line 1	245 Person Street
Address Line 2	2 nd Floor
City, State, Zip Code	Fayetteville NC 28301
Telephone	910-323-6112
Fax	910-323-6114
Email Address	tswilson@co.cumberland.nc.us
Authorized Official (if different from Contact Person)	James E. Martin
Title	County Manager
Address Line 1	117 Dick Street
Address Line 2	5 th Floor
City, State, Zip Code	Fayetteville NC 28301
Telephone	910-678-7723
Fax	910-678-7717
Email Address	jmartin@co.cumberland.nc.us
Web Address where this Form is Posted	http://www.co.cumberland.nc.us/community_dev.aspx

C. PUBLIC COMMENT

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

Note: A Proposed CDBG-R Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 7 calendar days for public comment.

RESPONSE:

The 2008 Annual Action Plan Substantial Amendment was on display for a seven day public review and comment period beginning May 26, 2009 until June 1, 2009. Citizens were made aware of the public review period by an advertisement published in the Fayetteville Observer on May 20, 2009 (see Attachment C). During the Public Review

Period, the Substantial Amendment document was available for review at 11 locations throughout Cumberland County to include library branches, town halls, and the Community Development office. An electronic version of the Substantial Amendment document was also available on the Cumberland County Community Development webpage at http://www.co.cumberland.nc.us/community_dev.aspx. Citizens were also afforded an opportunity to comment on the Substantial Amendment at a public hearing held before the Cumberland County Board of Commissioners on June 1, 2009. There were no speakers for the public hearing and no written comments were received during the public review period.

CDBG-R Substantial Amendment Grantee Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.

Contents of a CDBG-R Action Plan Substantial Amendment

Jurisdiction(s): Cumberland County, NC Lead Agency: N/A Jurisdiction Web Address: http://www.co.cumberland.nc.us/community_dev.aspx	CDBG-R Contact Person: Thanena S. Wilson Address: 245 Person Street, 2 nd Floor, Fayetteville, NC 28301 Telephone: 910-323-6112 Fax: 910-323-6114 Email: tswilson@co.cumberland.nc.us
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The elements in the substantial amendment required for the CDBG recovery funds are:

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Does the submission contain a paper copy of the Spreadsheet for Reporting Proposed CDBG-R Activities?

Yes No Verification found on page **1 & 10**

Does the submission include an electronic version of the Spreadsheet for Reporting Proposed CDBG-R Activities sent to the email box CDBG-R@hud.gov?

Yes No Date Spreadsheet was emailed: June 4, 2009

Does the Spreadsheet for Reporting Proposed CDBG-R Activities include, for each activity:

- amount of funds budgeted for each activity, including CDBG-R funds, any additional Recovery Funds used and total activity budget,
 Yes No Verification found on page(s) **10**
- the Eligibility citation (eligibility regulatory cite or HCDA cite),
 Yes No Verification found on page(s) **10**
- the CDBG national objective citation,

Yes No Verification found on page(s) 10

B. CDBG-R INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, including:

- a narrative for each activity describing how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit,
Yes No Verification found on page(s) 2 & 3
- projected number of jobs created for each activity,
Yes No Verification found on page(s) 4
- whether an activity will promote energy efficiency and conservation,
Yes No Verification found on page(s) 4
- the name, location, and contact information for the entity that will carry out the activity,
Yes No Verification found on page(s) 5
- evidence that no more than 10% of the grant amount will be spent on administration and planning,
Yes No Verification found on page (s) 1 & 10
- evidence that no more than 15% of the grant amount will be spent on public services,
Yes No Verification found on page (s) 1 & 10
- evidence that at least 70% of the grant amount will benefit persons of low and moderate income,
Yes No Verification found on page (s) 1 & 10

C. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the jurisdiction's usual methods and on the Internet for no less than 7 calendar days of public comment?

Yes No . Verification found on page(s) 5 & 6

Is there a summary of citizen comments included in the final amendment?

Yes No Verification found on page(s) 5 & 6

D. CERTIFICATIONS

The following certifications are complete and accurate:

- (1) Affirmatively furthering fair housing Yes No
- (2) Anti-displacement and relocation plan Yes No
- (3) Drug-free Workplace Yes No
- (4) Anti-lobbying Yes No
- (5) Authority of jurisdiction Yes No
- (6) Consistency with plan Yes No
- (7) Section 3 Yes No
- (8) Community development plan Yes No
- (9) Following a plan Yes No
- (10) Use of Funds Yes No
- (11) Excessive Force Yes No
- (12) Compliance with anti-discrimination laws Yes No
- (13) Lead-based paint procedures Yes No
- (14) Compliance with laws Yes No
- (15) Compliance with ARRA Yes No
- (16) Project selection Yes No
- (17) Timeliness of infrastructure investments Yes No
- (18) Buy American provision Yes No
- (19) Appropriate use of funds for infrastructure investments Yes No
- (20) 70% of CDBG-R for LMI Yes No
- Optional Certification
- (21) Urgent Need Yes No

D. STATE CERTIFICATIONS

The following certifications are complete and accurate:

- (1) Affirmatively furthering fair housing Yes No
- (2) Anti-displacement and relocation plan Yes No
- (3) Drug-free Workplace Yes No
- (4) Anti-lobbying Yes No
- (5) Authority of State Yes No
- (6) Consistency with plan Yes No
- (7) Section 3 Yes No
- (8) Community development plan Yes No
- (9) Consultation with Local Governments Yes No
- (10) Use of Funds Yes No
- (11) Excessive Force Yes No
- (12) Compliance with anti-discrimination laws Yes No
- (13) Compliance with laws Yes No
- (14) Compliance with ARRA Yes No
- (15) Project selection Yes No
- (16) Timeliness of infrastructure investments Yes No
- (17) Buy American provision Yes No
- (18) Appropriate use of funds for infrastructure investments Yes No
- (19) 70% of CDBG-R for LMI Yes No
- Optional Certification
- (20) Urgent Need Yes No

ATTACHMENT A

CDBG-R Activity Data Spreadsheet

Jurisdiction/Grantee Name: CUMBERLAND COUNTY, NC		CDBG-R Formula Grant Amount: \$286,690				Date: 6/4/2009	
Activity Name	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget (\$)
Freedom Center Business Park	Provision of an economic development loan for construction activities	570.203(b)	Low/mod jobs 570.208(4)	\$286,690	\$0	\$35,101,979	\$35,388,669

ATTACHMENT C

The Fayetteville Observer
Publish Date: May 20, 2009

Topic: Public Notice
Cumberland County Community Development Substantial Amendment 2008 Annual Action Plan

THE FAYETTEVILLE OBSERVER

Public Notice

WEDNESDAY, MAY 20, 2009

PUBLIC NOTICE

Cumberland County
Community
Development

Substantial Amendment
2008 Annual Action Plan

A public hearing will be held by the Cumberland County Board of Commissioners to receive citizen comments on the proposed substantial amendment to the Community Development 2008 Annual Action Plan on June 1, 2009. The hearing will take place in the Commissioners Meeting Room, at the New County Courthouse, 117 Dick Street, Fayetteville, NC 28301. The hearing will start at 9:00 a.m.

As part of the American Recovery and Reinvestment Act of 2009 (ARRA), Cumberland County has been allocated \$285,690 in funding under the Community Development Block Grant Recovery Program (CDBG-R). This program requires that amendments to the Program Year 2008 Annual Action Plan be submitted to the U.S. Department of Housing and Urban Development (HUD) for approval by June 5, 2009. In preparing the substantial amendment, HUD has waived the requirement that each eligible grantee follow its citizen participation plan, except that a minimum time period of 7 days is allowed for citizens to review and comment on the substantial amendment.

Proposed amendments to the 2008 Annual Action Plan will be available for public review beginning May 25, 2009 through June 1, 2009 online:
www.co.cumberland.nc.us/community_dev.aspx
and at the following locations:

Cliffdale Branch Library
6882 Cliffdale Road
Fayetteville, NC

Cumberland County
Community Development
245 Person St. (2nd floor)
Fayetteville, NC

East Regional Library Branch
4809 Clinton Rd., Fayetteville

Falcon Town Hall
7156 West Street
Falcon, NC

Hope Mills Branch Library
3411 Golfview Road
Hope Mills, NC

Linden Town Hall
9456 Academy St., Linden NC

North Regional Branch
Library, 855 McArthur Road
Fayetteville, NC

Spring Lake Branch Library
101 Lakotree Blvd.
Spring Lake

Stedman Town Hall
5110 Front St., Stedman

Wade Town Hall
7128 Main Street
Wade, NC

If you have questions or comments concerning the Substantial Amendment to the 2008 Annual Action Plan or the public hearing, call (910) 323-6112 or visit the Cumberland County Community Development Office. Our office is located at 245 Person Street, 2nd Floor, Fayetteville, North Carolina 28301. Office Hours are 8:00 a.m. to 5:00 p.m., Monday thru Friday.