

Proposed NC Rural Center Building Reuse Grant for Bella Donna

Donna and Robert Bianco are the owners of Bella Donna LLC currently located on Thompson Street. Bella Donna opened in 2007 and has slowly built a successful business serving both lunch and dinner. Bella Donna features high quality Italian pizza and authentic Tuscan rustic dishes using local sourced organic meats and vegetables.

Bella Donna has outgrown its current location and wants to expand into the former Pizza Hut building located at 440 East Street. The renovation will include stonework on the outside of the building, new flooring, full service bar, and a new dining area inside the building. Bella Donna will add 5 full time employees with an average annual salary of \$28,040 and 13 part-time employees.

Total project costs will be \$275,975, which includes \$6,000 in kitchen renovations, \$35,000 in dining room improvements, \$13,400 in exterior renovations. The purchase price of the building is \$195,000 and the business will purchase \$26,575 in equipment.

The NC Rural Center Building Reuse and Restoration Grants Program is designed to help small towns across the state enhance their commercial assets by assisting in the renovation of vacant buildings. The vacant Pizza Hut building qualifies as it has been vacant for at least 90 days. Bella Donna is seeking \$25,000 to help cover the renovation costs for the property.

As was the case with the Building Reuse grant for the Alpha Install project, the Town of Pittsboro will be the applicant and grantee. The town will advance the Rural Center Funds under a loan agreement with the owner that requires them to create the jobs within an 18 month period and retain those jobs for 6 months. After that point, the project is closed out and the loan is forgiven. If, however, the jobs are not created and retained, the business is obligated to repay funds pro rata (\$5,000 per job).

As with Alpha Install, the Town Finance officer will administer the grant, the Town Planning Director will verify renovation expenditures, and the Chatham Economic Development Corporation will monitor and verify the job creation. All the requisite contract forms have been developed and will be used for this project as well, including the requirement that the business provide the 5% local match.

The EDC has reviewed the business plan and financials; bank approval for the building purchase is pending, with a closing set for this month. We recommend that the Town go forward with the pre-application (a telephone conference call with Rural Center staff) and, if that is successful, authorize a full application to be submitted by January 4, 2013.