

## MEMO

TO: Chet Olson, Mayor  
City of Rochelle

FROM: Ellen Burgeson  
Grant Administrator

RE: CDAP Grant #12-241002 Close-out

DATE: 08/24/2015

The purpose of this public hearing is to report the results of the grant project and give the residents of the City of Rochelle an opportunity to comment on the project. The grant was made possible by Nippon Sharyo's expansion of its Rochelle facilities through construction of its Shop 3, and the grant funds were used to construct a dedicated electric "feeder line" to supply power to Nippon Sharyo's Shop 3. The results of the project are as follows:

1. Nippon Sharyo purchased a 19 acre parcel adjacent to its existing Rochelle facilities and built and equipped a 325,000 sq. ft. manufacturing facility, Shop 3, at a total cost of approximately \$49 million. These activities created 50 new full-time jobs, 56% of which are held by low-to-moderate income persons. Please note that Nippon Sharyo has created additional jobs at Shop 3 which have been filled by existing employees that transferred from Shops 1 and 2 to Shop 3.
2. A total of \$1,052,982.17 has been spent on the feeder line, including engineering and grant administration costs. Of that amount, \$750,000 came from CDAP grant #12-241002 and \$302,982.17 was provided by the City of Rochelle. A portion of the electric infrastructure was built by an outside contractor and the remaining portion was built by Rochelle Municipal Utilities crews. The CDAP grant funds provided funding for the portion of the feeder line that was constructed under a contract awarded, after a public bidding process, to an outside contractor and for the majority of the material used by Rochelle Municipal Utilities crews to build the other portion of the feeder line. The funding provided by the City of Rochelle paid the remaining materials cost, force account labor costs, other direct charges, and grant administration services.