

MEMORANDUM

TO: Board of Trustees
FROM: Paul Berge
DATE: December 6, 2017
SUBJECT: Capital Finance Committee Report

Bridge Loan

Three possible loans are being pursued.

NCALL. At the November 15 Accomack Board meeting, the following motion passed:

“Mr. Crockett made a motion to advise the Eastern Shore Public Library Board of Trustees that the Board will support a phased in approach using the funds they currently have; \$500,000 state grant, approximately \$600,000 in donations and grants and the \$2,000,000 pledged by the county. Also that should the Trustees commit to a loan of up to \$2,000,000 without the lending agency agreeing in writing to, hold both Accomack County and the Eastern Shore Public Library harmless should a default occur, and/or provide a schedule of loan forgiveness that the Board will not appropriate any funds for the project. Any hold harmless language and forgiveness provisions between the lender and either the County or Eastern Shore Public Library to be considered satisfactory must be approved by the County Attorney to ensure the language properly protects both parties.”

It is my understanding that NCALL’s Karen Kollias is talking to the County about this issue.

PNC. The community development staff of PNC offered to help us secure a 40-year loan from USDA. We sent PNC a draft pro forma for the Foundation. No further action has occurred.

ANEC. I spoke to ANEC Executive Director Williamson on November 22. He indicated that the ANEC Board of Directors is still considering a possible loan from its Revolving Loan Fund or a donation. He said he expects a decision by the first of next year.

Parksley Downtown Grant

The next project Management team meeting will be held on Monday 12/11 at 3 p.m. in the Town Hall. It has been decided that the \$700,000 grant application will be submitted in March 2019.

Heritage Center State Funding Request

The Foundation has submitted to the Governor-elect’s staff a request for \$1 million for the Center, possibly over 2 years, due to some encouragement from conversations the Foundation directors had with the Governor-elect.

Revenue Potential of Accomac Main Library

At the 11/15 Accomack Board meeting, Mr. Crockett indicated that a real estate broker had told him that the market value of the Accomac library property was considerably less than the assessed value of \$575,000. It is presumed that this matter will be included in the MOU negotiations.

Other Public Revenue Sources

Under consideration are the following:

- USDA Rural Development Community Facilities Grant (CF)
- USDA Rural Development Rural Business Development Grant (RBDG)
- Contributions from 19 Eastern Shore Towns