

10. DISCUSSION REGARDING LOAN ORIGINATION FOR THE FRANKLIN-SOUTHAMPTON FAIR FOUNDATION, INC.

As you recall from last month, the Board authorized me to originate a loan on behalf of the Franklin Southampton Fair Foundation for approximately \$34,000 to facilitate the installation of air conditioning in the Exhibition Building at the Southampton County Fairgrounds.

While I can certainly do that, the principal sum is small enough that we may be better served to simply pay for the project from funding set aside for "Other Capital Projects" in the Building Fund and allow the Fair Foundation to pay us back (as opposed to a commercial lending institution) over time. That way, the hard-working, nonprofit, group of volunteers can avoid loan origination fees and interest over the life of the loan (estimated at roughly \$9,000).

While we may be sacrificing a limited amount of interest or foregoing some other capital project, it's important to remember that the property that will be improved by the project is ours – it's simply leased to the Fair Foundation.

Before moving forward, given your direction last month, I wanted to get your advance approval.

MOTION REQUIRED: If the Board is so inclined, a motion is required authorizing the County Administrator to pay up to \$34,000 towards the project from the county building fund, with such sum to be repaid over a ten year period at 0% interest by the Franklin Southampton Fair Foundation.