

Keene Library Annex Advisory Committee Meeting September 13, 2017

Present: Sally Miller, Chair; Nancy Vincent; Jill Cielinski; Dita Englund; Paul Henkel; Paul Ledell; Scott Martin; Jane Pitts; Judy Putnam; Chuck Redfern. Guest: Bob Elliott of MEDC. Minutes: Sean Wiley.

Minutes: A motion was duly made and seconded to approve the minutes of the May 24, 2017 meeting, once edited to reflect Julie Dickson's hiring at 12 hours/month. Passed unanimously.

Monadnock Economic Development Corporation Update, Bob Elliott: The City and the Library will have complete control over the project, even after all the money has been transferred to MEDC.

There will be two LLCs created to handle funds. 1) 76 Winter Street LLC—this will be solely a repository for the \$8.869 million coming from all disparate sources. Money will then be transferred to 2) Heberton Advancement LLC, which will be the “true owner” of the project, a QUALIC-B entity. This LLC will, for seven years, provide quarterly reporting to Mascoma Bank, the Community Development Entity (CDE) managing the portion of funds coming from New Markets Tax Credits. US Bank is buying the tax credits; Mascoma will manage those funds. US Bank will have no role in the project after closing.

There is a closing checklist of 132 items, each with its own paper requirements, that will determine what has to happen between now and closing. Commitment money, \$30,000 to Mascoma Bank, \$25,000 to US Bank, is being paid by MEDC. They do not pay this money unless they are certain the project will go forward. Closing will be as early as October 15 and as late as November 1. Construction should begin immediately afterward.

The Trustees had planned to take out a \$1.8 million bridge loan to cover money pledged but not yet collected, since all cash needs to be in hand at closing. It was subsequently learned that such a loan was not possible, so the City will fund this money. The resolution will move through FOP and City Council according to the statutory process. There will be weekly calls, at 1pm Wednesdays, among the members of the legal/financial group.

We had thought \$3 million was needed at the time of closing, but that grew to a little over \$4 million due to 1) parts of the project being moved from the main Library to the Annex and 2) not being awarded historic designation tax credits from the state.

During the seven years which the New Markets Tax Credit process dictates the project is owned by MEDC, the City will be responsible for the maintenance of the building, but outside inspectors will help ensure it is being taken care of.

Building Committee: The building committee is on hold while closing is still underway. Once funding comes, the real work begins.

Fundraising: At 98% of goal.

The architectural model will be on display at Fall Festival (weather permitting), and during the Friends' art sale in Heberton Hall, both on September 30.

Quitclaim Deed: As a housekeeping measure, the Friends and Trustees will need to sign a quitclaim agreement stating that all parties understand that ownership of the Annex and Connector stays with Heberton Advancement LLC for the seven years required by the New Markets Tax Credits program.

KLAAC again meet monthly.

Adjournment: A motion to adjourn was duly made and seconded and approved unanimously.

Respectfully submitted,
Sean Wiley