

# Loan will pay for nonprofit center remodel

## Carbondale agrees to take out \$2.7 million loan from Alpine Bank for work needed

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CARBONDALE — The town of Carbondale has agreed to take out a \$2.7 million loan from Alpine Bank to pay for remodeling the former Carbondale Elementary School to serve as the new Third Street Center for nonprofit organizations.

The town board voted 5-1 Tuesday night to approve an ordinance authorizing the loan to be paid back over 25 years at an interest rate of 5.45 percent.

Proceeds from the lease payments of the tenant nonprofit organizations that will occupy the building once it is renovated will be used to pay back the loan.

Town Trustee John Hoffmann, while supporting the nonprofit center in general, voted against taking

out the loan, on concerns that borrowing money in the current economic recession is too risky.

"I'm concerned about the cash flow and the ability to pay this back," he said at Tuesday's meeting.

The town now owns the former school building at the south end of Third Street, and has a long-term lease with the separate Carbondale Community Nonprofit Center to operate the center.

A handful of organizations are already occupying the usable portions of the building, including the senior citizens group Senior Matters and Mountain Valley Developmental Services.

About \$860,000 worth of renovations have already been done to the building, all of which has come in on budget or slightly under, according to Gavin Brooke, Third Street Center

project manager.

The town also recently entered a deal to put a 52.8-kilowatt solar electric system on the roof of the nonprofit center. That project is also nearing completion.

Among the organizations expected to use the building for its various programs is Solar Energy International, which offers classes and workshops for people to learn how to do solar installations.

Mayor Michael Hassig said he did not have a problem approving the loan at this time, given the level of interest from nonprofit groups in using the building.

"If the deal completely unravels for some reason, we will be back here to talk about it," he said.

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