



Jackson County Board of Commissioners
Jackson County Justice Center
401 Grindstaff Cove Road
Sylva, NC 28779

October 6, 2023

Dear Jackson County Board of Commissioners:

As provided by North Carolina Session Law 2023-107ⁱ, The Summit Charter School Foundation, Inc. (The Foundation) formally requests a loan of the Jackson County Board of Commissioners in the amount of \$2,500,000.00 to provide funding for the construction of a new high school building on the campus of Summit Charter School located at 370 Mitten Lane, Cashiers, North Carolina.

Summit Charter School is a North Carolina tuition-free and non-profit public charter school, first authorized by the State Board of Education on March 15, 1997. The Foundation is a separate 501(c)3 that owns the property on which Summit Charter School is located, and that raises funding to support Summit Charter School.

Since 2019, Summit Charter School has experienced 28% growth in enrollment and as a result, the school has reached its current facility capacity. The construction of a new high school building will expand the school's facility capacity to support current and future enrollment growth at Summit Charter School, as well as support the growing population of Jackson County.

After a formal Request for Proposal process, The Foundation has engaged JDavis Construction of Anderson, South Carolina as general contractor for the construction project and has a contracted Guaranteed Maximum Price (GMP) with JDavis Construction of \$5,835,425.00.

The Foundation is currently debt-free, and is committed to funding the full cost of the construction project through private donations and foundation and corporate grants. For this purpose, in August 2023, The Foundation publicly launched a capital campaign, and to-date has raised \$4.8 million toward a \$6.5 million campaign goal. Our goal is to have commitments totaling \$6.5 million by August 2024. Of the \$4.8 million raised to-date, we have received \$2.8 million in-hand, and the remaining \$2 million in donation pledges. Enclosed for your reference is an executive summary of Summit and a case for support for our capital campaign.

The purpose of The Foundation's loan request in the amount of \$2.5 million is to bridge our cash flow needs during construction as we raise and collect our total fundraising goal of \$6.5 million.

If approved for a capital construction loan by the Jackson County Board of Commissioners, The Foundation expects to repay the full amount of the loan within thirty-six months of the loan's origination date, and anticipates paying all necessary closing costs associated with the loan as well as monthly interest on the loan as to be defined and agreed upon in the terms of the loan agreement.

The Foundation understands that the deed of trust on the property of 370 Mitten Lane on which construction will occur will be transferred to the Jackson County Board of Commissioners, and that the Jackson County Board of Commissioners will execute a release of the deed of trust when The Foundation repays the loan in full.

We are also happy to provide additional information that you may require in consideration of this loan request.

Thank you for your service to Jackson County, and for your time and consideration of this request.

Sincerely,

Sarah Jennings
Chair, Summit Charter School Foundation, Inc.

Rob Hunter
Treasurer, Summit Charter School Foundation, Inc.

Kurt Pusch
Head of School, Summit Charter School

ⁱ North Carolina Session Law 2023-107 amended G.S. 115C-218.105 to state: *Counties may provide funds to charter schools by direct appropriation as set forth in G.S. 153A-461. These funds shall be used only for the following purposes: (1) The acquisition of real property for school purposes, including, but not limited to, school sites, playgrounds, and athletic fields. (2) The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including, but not limited to, buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, and gymnasiums. (3) The acquisition or replacement of furniture and furnishings, instructional apparatus, technology, data processing equipment, business machines, and similar items of furnishings and equipment. (b2) If a charter school uses funds provided in subsection (b1) of this section to acquire or improve property, the amount provided by the county shall be evidenced by a promissory note and secured by a deed of trust on the property acquired or improved by the funds. The county may subordinate the deed of trust to other liens to facilitate the acquisition or improvement of the property secured by the deed of trust. In the event that a charter school repays the county in the amount of the capital funds provided, the county shall, for the property acquired or improved by the funds, execute and file a deed of release or other documentation of satisfaction showing the charter school repaid the county in the amount of the capital funds provided.*