Commissioners Sign New ASCI Loan, MOU For New Homebuyers’ Program

The Garrett County commissioners held their bimonthly public meeting Monday evening at Deer Park Town Hall. Agenda items included an amended Adventure Sports Center International (ASCI) loan agreement, a new homeowners’ loan program, and Deer Park paving issues.

Mayor Donald Dawson, town council members, and 10 other local residents attended the event.

County administrator Kevin Null presented an amended ASCI loan agreement from the Maryland Department of Commerce for the commissioners to sign. Obtained by the previous board of commissioners in March 2012, the original $600,000 loan had a maturity date of September 2039 at a 3 percent annual interest rate.

"The new agreement is 0 percent interest and only requires payment if there is an excess of cash flow," Null said. "And the agreement spells out how the excess cash flow is to be used to satisfy the loan."

The commissioners unanimously approved the amended agreement and signed it.

"What this does is actually save us money, because we are moving from a 3 percent interest to a 0 percent interest rate," commission chair Paul Edwards said about the new agreement. "And we only have to pay the money back if the facility makes money. So, if the facility doesn't make any money, we don't have to make payments on this property. It's actually a very good agreement for the county."

The original debt on the man-made whitewater course was $2.85 million, which was incurred by ASCI Inc., a nonprofit corporation. The ASCI board had borrowed the money from First United Bank & Trust and Susquehanna Bank to cover unexpected costs during the construction of the facility. ASCI became operational in 2007 through federal, state, county, and private funding amounting to $24 million.

In 2012, the ASCI board asked the commissioners to take over the facility and assume its debt. Susquehanna and First United subsequently reduced the debt requirement down to $600,000. The loans were later purchased by the Maryland Industrial Development Financing Authority.

Edwards noted that over the last three years, ASCI has made money. "Not a tremendous amount of money, but enough to pay bills," he said.

The previous board of commissioners also allocated $2 million to help sponsor Deep Creek 2014 Inc.'s International Canoe Federation (ICF) Canoe Slalom World Championship at ASCI in September 2014. Deep Creek 2014, a nonprofit entity, was unable to obtain adequate corporate sponsorship for the Olympic style event, and it ended up costing the county $2.24 million.

Edwards noted that ASCI and Deep Creek 2014, which no longer exists, are two separate entities.

"It (Deep Creek 2014) lost money, which we’re all aware of," he said. "But the asset of ASCI itself over the last three years has held its own. It’s not making us any money, but it’s not costing us any either."

Edwards said the commissioners were trying some things to better maximize ASCI, including putting it in private hands. This has been difficult, however, because of legal restrictions and funding issues.

"But there is some interest..."
IND. MARYLAND - THURSDAY, OCTOBER 15, 2015 A-3

out there," he said. "We just have to find the right fit and make it work."

What the commissioners will not do is sponsor another Deep Creek 2014 type event.

"The management of ASCI is always open to anything that makes sense," Edwards said. "Would the county be open to committing a large amount of money to try to do something like that (DC 2014)? I'm pretty confident at this point in time in saying, not this board of commissioners."

He indicated the commissioners would be open to leasing the facility for smaller competitions and venues.

"I think there's potential for smaller events, like the pumpkin race that was held last weekend," Commissioner Jim Hinebaugh said.

He said the Deep Creek 2014 event was so costly because of ICF requirements, including it having to be televised in Europe.

Also at Monday's meeting, the commissioners unanimously approved a memorandum of understanding with a state department to create a local homeownership/home rehabilitation initiative.

"I'm very excited to talk about the program we've been working on with the Maryland Department of Housing and Community Development for the last several weeks," Edwards said.

Under the terms of the MOU, he said, financial assistance will be available to home buyers and home owners in Garrett County to cover down payments and rehabilitation expenses. Edwards said when he and Commissioners Hinebaugh and Larry Tichenell ran for office last year, residents repeatedly told them that they needed to find ways to increase homeownership and attract new residents, especially young families with school-age children.

"This is our effort to do that," Edwards said.

He added that the Maryland DHCD would provide details about the program in a press release, which would be issued in about two weeks. In addition, a kickoff meeting for the program is scheduled for Wednesday, Oct. 28, at Garrett College.

"We're excited about this because it doesn't exist anywhere else in the state, as it's

Continued on Page A-4