



Leilani Community Association

August 5th ZOOM Meeting Canceled

SBA Loan Status Update

LCA's Kilauea eruption road and community center repairs are currently projected to cost approximately \$732,000.

LCA has applied for a County of Hawaii \$500,000 Kilauea Recovery Action Grant; the maximum amount allowable. We have no guarantee that we will receive this grant, or in what amount. The County will likely not inform us of a decision for several months.

In September 2018 a previous LCA Board of Directors applied to the Small Business Administration (SBA) for a disaster relief loan. SBA approved the amount of \$358,100 at 2.5% interest with a 15-year term. To date, no funds from this loan have been dispersed to the LCA. Instead, the current LCA Board pursued several outright grants from government agencies such as FEMA.

However, we have now come to the end of SBA time extensions. If we are to have any opportunity at all to consider utilizing these loan funds we must apply for a partial disbursement by August 12, 2020. We therefore intend to request the minimum disbursement of \$25,000. If this funding is not required for LCA repairs and restoration it can be returned to SBA with no pre-payment penalty. The terms require no principal payments for five months. During that time no more than \$288 interest will accrue.

This action will allow a fiduciarly responsible decision to be made in the upcoming months which can be based upon Hawaii County's decision on our grant request, in combination with any loan or other funding sources eventually available to fund these expenses.

• The special meeting of the BOD initially called for August 5th is canceled, as there will be no significant encumbrance of LCA funds required.

Robert Golden, Acting President

Cheryl Kaupp, Treasurer

Alice Lindahl, Secretary

Patti Hatzistavrakis, Assistant Secretary

Andy Andrews, President (temporary medical leave)