



LEWIS & CLARK

EXPLORATORY CENTER

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October 19, 2015

ATTN: Mr. Rod Gentry, Chairman
Economic Development Authority
County of Albemarle
401 McIntire Road
Charlottesville, Virginia 22902

Dear Mr. Gentry,

We have excellent news to report on the progress of the Lewis & Clark Exploratory Center. In the last six months, the site work has been completed, including the final surfacing of the access road, the establishment of the cross-country trail, and the final requirements concerning the building, the landscaping, the handicapped access path, and the environmental (watershed) systems. Last month we received our occupancy permit, relieving the county of any obligation for the VDOT grant we received. We will be having our grand opening for our donors on Sunday, November 8th from 2 to 4 PM. We look forward to seeing you there and to giving you a tour of the facility.

Since receiving the occupancy permit, we have begun operations with school tours and other group reservations. We had already been serving camp groups outside all summer, including the County of Albemarle English as a Second Language students and the City of Charlottesville Parks and Recreation summer camps. We will be building towards full operations and more staff in the spring of 2016.

Our financial situation continues to be challenging. We owe \$75,000 for the final completion, in addition to our City and County loans. This does not take into account the additional money we need to raise for more staff, interpretative signage, and other needs. I am currently the only full-time staff member, and must divide my time between program, administration, community outreach, and grantwriting.

Since our last report we received \$20,000 from Dominion Foundation for environmental programs; \$5000 from BamaWorks for the same programs; \$10,000 for our kayak program. We have been notified recently that we will be receiving \$10,000 for soundproofing and operations from a local foundation, and \$50,000 for operations from the Charles Fund.

In our capital fundraising we have not had that kind of success. The biggest obstacle that we have faced is a lack of willingness by individual major donors to donate to a building that is on land owned by the local governments. Many prospects have expressed that both the road to the Center, which represented a million dollars of the \$1,700,000 project, and the building are essentially government assets. There is not that reservation about giving to the ongoing programs.

A second obstacle is that the project is now completed. We can pursue a "retire the debt" fundraising campaign, but it will have to be through individuals as foundations are more geared towards uncompleted projects.

The \$50,000 grant from the Charles Fund has to be spent on operations, but in reviewing our 2016 budget, the Charles Fund board did approve the building allocations we included. We included a quarterly amount towards the building that was acceptable, as if we were paying a 15 year mortgage on our space. These sort of payments are much more realistic for us to be making on the \$130,000 loan, rather than large amounts, and allow us to include these costs in grantmaking for program and operations, rather than capital.

While we will be making revenue from visitors, we are a nonprofit and we also serve the disadvantaged and lower income communities through our summer programs. We also try to keep our cost to public schools at a manageable level (\$7 a child), and have done free afterschool programs in years past for Albemarle County schools. We can use a percentage of the revenue to pay off our loan, but it will not be sufficient considering staffing and operations cost to make large payments within a short amount of time. Our projected budget for 2016 is \$250,000, with projected growth to be determined by our first year of operations.

We so much appreciate the County and City stepping up to help us through the difficult times in this project. If it had not been for the loan provided by both of you this important project would have not been completed. We now feel we will add greatly to the historical attraction of our county, and that with each year, and more staffing, we will make growing contributions to tourism tax dollars. We have already attracted out-of-state school groups and out-of-state visitors.

There are members of the Board of the Lewis & Clark Exploratory Center who want me to ask for loan forgiveness, and there are some that do not. The argument for asking for forgiveness is that it would enable us to use our future income to build our staffing and grow ourselves as a tourist destination faster. As it is, our revenues must go to our capital debts, and our time must be given to fundraising, time that would otherwise be spent serving the public and the schools. Those Board members feel that we should ask that the County and City consider converting the loan into an investment in future tourism dollars by converting the loan to a gift from both jurisdictions. They feel that if the Board of Supervisors and the City Council were to approve such a gift it would culminate a fantastic addition to the historical value of our community.

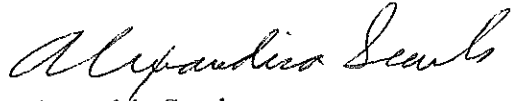
Those who do not want us to ask for loan forgiveness feel that we should keep to what we promised as far as the loan, but should pursue additional grants from the City and the County to cover the remainder of capital costs, and to build our operations to realize our full capacity as a historical tourism asset. They feel as if we should negotiate quarterly payments to take place over a longer period. There is no doubt that we would benefit from additional help.

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Our main goal is serving the community. Even before receiving our occupancy permit, the new site enabled us in 2015 to double the amount of summer programs we offered and the amount of children we reached. Many historical and other groups, such as Ruritan Clubs, D.A.R. groups,

University of Virginia organizations, Monticello staff, garden clubs, and Scouting groups have already come through for tours, and we have hosted events for conferences such as the River Renaissance Conference. We know that the demand for our programs will only increase with time and resources.

Sincerely,

A handwritten signature in cursive script, reading "Alexandria Searls".

Alexandria Searls
Executive Director

cc: Ella Jordan, Bill Letteri