AGENDA ITEM COVERSHEET

PREPARED BY: Debbie Hall, Finance Director **DEPARTMENT:** Finance

MEETING: Town Council – 8/11/2026

SUBJECT: Public Hearing for the financing of nine (9) Boardwalk area properties

BACKGROUND:

The Finance Director requested bid proposals from eight lenders for financing the purchase of nine (9) Boardwalk area properties with a loan amount of $10,000,000. with a fifteen-year term. The following proposals were received:

Lenders	Interest Rate	Financing Term	Pre-Payment Allowed
Truist Bank	4.53%	15 years	2 million in first 2 yrs
Atlantic Union	4.46%	15 Years	No call first 2 yrs

BUDGET IMPACT:

The purchase price of the parcels is $12,000,000. One million dollars from Room Occupancy Tax and $1 million from the General Fund fund balance will be used to bring down the loan amount to $10 million. The debt service payment will be appropriate in the FY27/28 annual budget.

ACTION REQUESTED:

The Finance Director recommends the proposal received from Truist Bank since they will allow a pre-payment in the first two years without penalty as requested in the RFP. To accept the terms, Council needs to approve the following resolutions:

> **Resolution #26-2357** to accept the terms of the proposal from Truist Bank for a 15-year term.