

AGENDA ITEM
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 IT MAY BE VIEWED IN BOARD OF COUNTY COMMISSIONERS
 COUNTY ADMINISTRATION

5A-3

AGENDA ITEM SUMMARY

Meeting Date: 06-19-07 [] Consent [X] Regular
 [] Workshop [] Public Hearing

Department: County Administration
 Submitted By: County Administration
 Submitted For: Economic Development Office

I. EXECUTIVE BRIEF

Motion and Title: STAFF RECOMMENDS MOTION TO APPROVE: fifteen (15) business/public improvement projects for a total of \$573,728 and seven (7) Grant Agreements in the Development Regions Round XI Grant Program for FY 2007.

Summary: The fifteen (15) business/public improvement projects will create 65 full-time or equivalent jobs, and support retaining 69 full-time or equivalent existing jobs. The County cost is \$4,282 per job (new and retained). The projects will leverage approximately \$7.8 million in public/private investment funds (ratio 1:7 county funds to private/local support). The Overall Economic Development Program (OEDP) Subcommittee and staff approved the following recommendations for Round XI grant awards.
Countywide (DW)

No.	Applicant	Name of Business/Public Improvement Project	Recommend Award	FTE Jobs New / Retain		Total Applicant Award
1	Belle Glade, City of	1. Belle Glade Deliverance Revival Center, Inc.	\$11,961	2	2	50,228
		2. Elbert Lee Washington, Inc.	\$20,000	2	2	
		3. Little Hands Learning Center, Inc.	\$18,267	2	2	
2	Boynton Beach Community Redevelopment Agency (CRA)	4. KU Holdings, LLC d/b/a Village Homemade Ice Cream Cafe	\$50,000	5.5	0	50,000
3	Lake Park, Town of	5. Facade Improvements	\$39,500	4	0	39,500
4	Lake Worth Community Redevelopment Agency (CRA)	6. 10th Ave. Development, LLC	\$50,000	5	0	140,000
		7. Lake Worth Playhouse, Inc.	\$50,000	5	5	
		8. The White Apron, Inc. d/b/a White Gourmet Market and Take Away Foods	\$40,000	6.5	4	
5	Mangonia Park, Town of	9. Therma Seal Spray Foam Insulation Systems, LLC	\$50,000	6	3	50,000
6	Riviera Beach, City of	10. Earl L. Pleasant Custom Ceramic Tile	\$30,000	3	1	124,000
		11. E-Z Weld, Inc.*	\$44,000	0	29	
		12. Fannie Mae Tots, Inc.	\$50,000	5	0	
7	West Palm Beach Community Redevelopment Agency (CRA)	13. Absolute Plumbing, LLC	\$50,000	12	21	120,000
		14. Gardenhouse, LLC	\$20,000	2	0	
		15. 2915 East Tamarind, LLC	\$50,000	5	0	
Applicants: 7		Projects: 15	573,728	65	69	573,728

*E-Z Weld project (located in 35% & higher poverty area) is for retention only.

Background and Policy Issues: The OEDP Subcommittee and staff reviewed and scored the Development Regions Round XI grant applications in March/April 2007. The full OEDP Committee was informed of the recommendations. The Round XI funding source for FY 2007 is the annual \$500,000 program budget (\$50,000 of which will be used for the year-round Impact Fee Assistance Program) and \$123,728 in rollover funds. On May 18, 2004, the Board approved a resolution to allow a subcommittee of the OEDP Committee to make funding recommendations directly to the BCC for the Development Regions Grant Program and Economic Set-Aside Program. **(Continued on Page 3)**

Attachments: Staff/OEDP Subcommittee Business Review Recommendations
 Seven (7) Development Regions Round XI Grant Agreements

Recommended by: [Signature] 5/30/07
 Economic Development Director Date

Approved by: [Signature] 6-11-07
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2007	2008	2009	2010
Capital Expenditures	0	0	0	0	0
Operating Costs	\$573,728	0	0	0	0
External Revenues	0	0	0	0	0
Program Income (PBC)	0	0	0	0	0
In-Kind Match (PBC)	0	0	0	0	0
NET FISCAL IMPACT	\$573,728	=====	=====	=====	=====
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes X No _____

Budget Account No: Fund 1539 Agency 764 Org. 1061 Object 8101 Totaling \$450,000
Reporting Category

Budget Account No: Fund 1539 Agency 764 Org. 1060 Object 8101 Totaling \$123,728
Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

[Signature]
OFMB Govt 6/5/07 CN 5/30/07

[Signature]
Contract Development and Control

These contracts meet our review requirements. At the time of our review, the WPB CRA insurance certificate was not available for review.

B. Legal Sufficiency:

[Signature] 6/11/07
Sr. Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

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The purpose of the Development Regions Grant Program is to focus on economic revitalization in Palm Beach County's highest poverty areas. This program is designed to provide assistance to retain, attract and expand small businesses. A total of \$500,000 in County funds is budgeted per year (\$50,000 of which is used for the year-round Impact Fee Assistance Program) plus any additional rollover. Applicants (city, community redevelopment agency, downtown development authority or nonprofits) must provide at least a 50% match and/or match value to the amount of County funds requested. If applicants request a waiver of the match, a letter of justification must be submitted. The applicants may apply on behalf of a business project or public improvement project. Businesses located in the unincorporated areas may apply directly to the County's Economic Development Office or through a community's economic development organization. Maximum County funds for any one public improvement or business project is \$50,000. County funds cannot exceed 30% of project costs. One full-time or equivalent job must be created or retained for a minimum of \$10,000 in County funds. Preference will be given to those business projects creating jobs over retention and providing a significant leverage to total public/private funds.

The Development Regions consist of the following categorized areas:

Acute Areas = 35% or more poverty
Core Areas = 20% to < 35% poverty
Transitional Areas = 15% to < 20% poverty
Marginal Areas = 10% to < 15% poverty

A full-time or equivalent job is equal to 2,080 hours.
A part-time or equivalent job is equal to 1,040 hours.

Job Retention:

The business is retaining a job that has existed for six months or more prior to the Development Regions application. This is allowable only in the "Acute Areas" of the Development Regions.

Maximum County Funds:

A maximum of \$50,000 is allowed for any public improvement or business project. County funds cannot exceed 30% of project costs. No business/property owner may receive more than \$50,000 over a period of three years in the Development Regions Grant Program. Business/property owners located in "Acute" areas may not receive more than \$100,000 over a period of three years.

A maximum of \$100,000 for multiple projects submitted by a local government and/or nonprofit organization will be considered. If there are any remaining funds, additional applications may be considered during the application cycle.

Impact Fee Assistance Program

The Impact Fee Assistance Program was approved by the Board of County Commissioners in January 2004. This program is designed to address the occasional request for impact fee economic assistance by small businesses, for which the existing "Development Regions Grant Program" is not well suited because of the advance eligibility requirements of that program. By including a small set-aside in the annual Development Regions funding plan and excluding that from the advance application requirement, it is possible to address the occasional need for immediate economic grant assistance to help pay for impact fees of qualified commercial applicants. Businesses must be located in an "Acute" or "Core" area and not under consideration for a Development Regions grant or other County funding. Grants from the restricted pool can be made any time throughout the year, but each grant is limited to not more than \$10,000 or 50% of the total impact fee amount for which the grant is sought, whichever amount is smaller. The matching funds may come from the applying city/community redevelopment agency or the business involved. The small business owner will automatically meet the minimum job requirement in the Development Regions Grant Program which states that one job must be created or retained for a minimum \$10,000 in County funds. At the end of the year, any remaining funds are rolled over into the Development Regions Grant Program.

Round XI (2007)
Development Regions Grant Applications
Overall Economic Development Program (OEDP) Subcommittee & Staff Recommendations to the Board of County Commissioners
Tuesday, June 19, 2007

No.	Applicant	Business/Project Name	Project Description	New Jobs	Exist- ing Jobs	County Request	City/CRA Match	Private Funds	Total Project Cost	Project Score	County Funds Recommended
1	Belle Glade, City of	Belle Glade Deliverance Revival Center, Inc., 601 W. Canal St. N., Belle Glade 33430	The Center recently purchased a building from The Glades Area Association for Retarded Citizens, Inc. to have a school/day care center. County funds will be used for interior/exterior renovations, commercial kitchen and AC.	2	2	11,961	waiver	27,909	39,870	57.67	11,961
2		Elbert Lee Washington, Inc., 721 SW Avenue E/MLK Blvd., Belle Glade 33430	Business is a laundry facility located below multi-family units. Owner will be renovating its commercial laundry site by replacing cabinets/table tops, drywall, bathrooms, electric/plumbing, removal of garage door, plastering, window, A/C, and upgrading equipment. County funds will be used for equipment.	2	2	24,904	waiver	58,110	83,014	77.00	20,000
3		Little Hands Learning Center, Inc., 832 West Canal St. S., Belle Glade 33430	Business has been operating for 5 years as a daycare to migrant and low-income residents in the Belle Glade and South Bay area. They have a capacity for 101 children. Owners purchased the property February 2006. Project will include interior painting, cabinets/doors, lighting, and paving. County funds will assist interior/exterior improvements.	2	2	18,267	waiver	42,622	60,889	77.00	18,267
4	Boynton Beach CRA	KU Holdings, LLC d/b/a Village Homemade Ice Cream Café, 100 NE 6th St., Ste. 102, Boynton Beach 33435	Business will be a storefront retail operation in the new Marina Village development in downtown Boynton Beach. The business will specialize in the production, sales and distribution of premium branded ice cream products & other top quality items. Owners recently purchased the retail condo parcel totaling \$296,460 in Dec. 2006. Build out will be completed by the owners. County funds will assist with purchase of specialty equipment.	5.5	0	50,000	50,000	415,689	515,689	89.00	50,000

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5	Lake Park, Town of	Façade Improvements, Town of Lake Park, 535 Park Avenue, Lake Park 33403	The Town of Lake Park is requesting funds to initiate their public improvement project for the beautification of the Park Avenue Downtown District (PADD). The Town is hoping to rectify all the non-complying signs in the PADD in an attempt to bring them into conformity and beautify the area. A total of 91 business property owners have been identified to participate. Twelve of these properties are vacant. County funds will be matched dollar for dollar by Town and business property owners.	4	0	39,500	39,500	39,500	118,500	57.67	39,500
6	Lake Worth CRA	10th Avenue Development, LLC, Palm Plaza, 1615 10th Avenue N., Lake Worth 33460	Palm Plaza will be a two story, Class A office building totaling 20,000 sq. ft. with units ranging in size from 1000 to 5,000 sq. ft. The project was identified by the CRA as a catalyst to attract small professional service businesses and encourage similar assemblages and redevelopment projects. As part of the comprehensive strategy, the City/CRA recently rezoned these districts to an office/mixed use category called Gateways-MU (Mixed Use) and is investing over \$14 million in roadways, beautification and infrastructure. County funds will be used for constructing the new building	5	0	50,000	40,000	3,602,500	3,692,500	59.33	50,000
7		Lake Worth Playhouse, Inc., 703-713 Lake Ave., Lake Worth 33460.	The Lake Worth Playhouse located in the City of Lake Worth's historic downtown is the oldest art deco theatre in Palm Beach County. The Playhouse has embarked on a renovation and expansion program to reach a wider more diverse audience with the addition of the Emerging Cinemas Program, concert series and other special programming geared toward a younger and more culturally diverse population. County funds will be used to purchase theatrical and projection equipment.	5	5	50,000	25,000	110,755	185,755	86.83	50,000

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8		The White Apron, Inc. d/b/a White Apron Gourmet Market and Take Away Foods, 1710 N. Dixie Hwy., Lake Worth 33460	Business has been in operation as a catering facility since 1990. Owner is relocating and expanding to include retail sales of prepared foods and related items. Catering services will continue as a secondary activity at the new location. Project will include demolition of the old lot which served as a used sales car lot, new construction of a 3500 sq. ft. retail facility, parking lot and landscaping of entire site including FDOT right of way. County funds will assist in the construction activities.	6.5	4	40,000	20,000	874,000	934,000	79.83	40,000
9	Mangonia Park, Town of	Therma Seal Spray Foam Insulation Systems, LLC, 1011 Fairfield Dr., Mangonia Park 33407	The business is the cooperation/partnership of two existing businesses, Therma Seal Roof Systems, Inc. and City Mortgage Services, Inc. The company is the preferred vendor/dealer of the Icynene Insulation System in Palm Beach County which is an insulator, an air barrier as well as a "green" product. The business is growing its company, investing in vehicles, equipment and inventory to be used for delivery and application of the Icynene Insulation System. County funds will be used to purchase additional equipment.	6	3	50,000	waiver	289,847	339,847	81.83	50,000
10	Riviera Beach, City of	Earl L. Pleasant Custom Ceramic Tile, West 27th St. & Old Dixie Highway, Riviera Beach 33404	Business owner has 36 years experience in the custom tile business. As a licensed tile contractor, he will expand his business into retail tile. The owner will construct a 3545 sq. ft. building with 4 units to be leased for the tile retail business, a restaurant, hair salon & office space. County funds will be used for constructing the new building.	3	1	50,000	25,000	364,000	439,000	74.00	30,000

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11		E-Z Weld, Inc., 1661 Old Dixie Highway, Riviera Beach 33403	The Business manufactures solvent cements and related products for joining PVC and CPVC piping. The products have been manufactured continuously on this site since 1972. The new owners recently purchased the company December 2006. The function performed at the 36,000 sq. ft. facility constitutes the range of processes to produce solvent cements: storage of raw material, mixing of solvents, filling of containers and labeling of products. The facility produces approximately 625,000 gallons of products per year. County funds are requested for equipment needed to improve productivity by doubling capacity, signage, new flooring in control lab and re-painting of storage tanks.	0	29	44,000	22,000	80,000	146,000	49.50	44,000
12		Fannie Mae Tots, Inc., 1651 W. 29th St., Riviera Beach 33404	Business has successfully operated as a daycare center for 6 years. It is expanding its services to include the entire family. The owners recently purchased a new 1770 sq. ft. facility across from a neighborhood park. A vacant lot is located adjacent to the new site and the owners are in the initial negotiation. The purchase of the new property will increase their capacity service by 73%, to serve 90 children instead of the current 52. Courses provided at the centers will include entrepreneurship, leadership, financial literacy, foreign language (Chinese) and technology. Additional services include drop off & pick up for clients. County funds will be used for technology and playground equipment.	5	0	50,000	25,000	390,198	465,198	77.17	50,000

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13	West Palm Beach CRA	Absolute Plumbing LLC - leasing from KB Holdings, LLC, 917 N. Railroad Ave., West Palm Beach 33401	Business is a full service plumbing /drainage company providing product and services from underground plumbing and drainage work to the installation and repair of interior fixtures. Work performed includes general plumbing, underground, exfiltration, natural & liquid propane gas piping, and most recently a generator division and a kitchen/bathroom product line. Owner began the existing business in 1999 and purchased a building totaling \$1,150,000 in June 2006. Property includes 10,905 square feet of industrial land area and a 10,800 sq. ft. warehouse building built in 1924. County funds will assist with interior renovations, adding a showroom, A/C, exterior facade improvements, security system and other related costs.	12	21	50,000	25,000	180,000	255,000	91.83	50,000
14		Gardenhouse, LLC, 437 Northwood Road, West Palm Beach 33407	The business, established July 2006, will specialize in retail sale of stylish, eclectic, and affordable home furnishings and accessories. Quarterly educational workshops will be held at the store. Owners purchased a building consisting of 1,175 sq. ft. totaling \$240,000. County funds will assist with a pergola, roof deck, and gutters for the exterior improvements.	2	0	20,000	70,985	367,560	458,545	88.67	20,000
15		2915 East Tamarind LLC, 2915 East Tamarind Ave., West Palm Beach 33401	The business was established in June 2006 as a property management company for the purpose of providing reasonable industrial lease space to other small businesses. Owners purchased a 1,950 sq. ft. building with a small office and 3 bays in Aug. 2007. The small office will be demolished and replaced with a larger office of 4 office suites and the 3 bays will be renovated. County funds will assist with interior/exterior renovations.	5	0	50,000	25,000	621,466	696,466	88.33	50,000
Total Funds Requested & Recommended				65	69	598,632	367,485	7,464,156	8,430,273		573,728