

3A-3

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: February 24, 2009

Consent
 Workshop

Regular
 Public Hearing

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

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) **Receive and file** the U.S. Department of Housing and Urban Development (HUD) Letter of Approval for the Section 108 Loan funds in the amount of \$13,340,000;
- B) **Adopt** a Resolution authorizing the submittal of a \$13,340,000 Section 108 Federal Loan Application to HUD;
- C) **Approve** a Budget Amendment of \$13,340,000 in the Economic Development Fund to appropriate the loan and recognize the revenue; and
- D) **Authorize** the County Administrator or his designee to sign all documents related to the loan application.

Summary: The Palm Beach County Section 108 Program was developed to create a source of loan funding for use by businesses, investors, community and non-profit organizations, and economic development organizations to implement business ventures that will create new jobs and help revitalize communities. On September 30, 2008, the HUD Section 108 appropriation account ended after five (5) years of availability. On June 2, 2008, the Palm Beach County Housing and Community Development (HCD) submitted a request for a program extension and for funds in the amount of \$12,000,000. On January 14, 2009, HCD submitted a letter to HUD requesting to correct the amount of the available balance of the previous appropriation to \$13,340,000. On January 30, 2009, HUD submitted a Letter of Approval for a \$13,340,000 loan fund, for a period of five (5) years, which is to expire on September 30, 2014. **No County funds will be pledged to complete any project funded by a Section 108 loan. These are Federal funds that do not require local match. Countywide (DW)**

Background and Justification: On March 12, 2002 (Agenda Item # 6D-1), the Board of County Commissioners (BCC) approved policies for the development and administration of a revolving loan program funded by HUD under the CDBG Section 108 Loan Guarantee Program. On June 18, 2002 (Documents R2002-0989 and R2002-0990), the BCC approved the first amendment to the Palm Beach County Five-Year Consolidated Plan to incorporate the Section 108 Loan Guarantee Program and the application for 108 funds for \$15,000,000. HUD approved the County's application for funding on September 26, 2002. The BCC has approved three (3) amendments to the Palm Beach County Section 108 Loan Program Criteria as follows: the first amendment on January 28, 2003 (Agenda Item No. 5C-1), the second amendment on May 15, 2007 (Agenda Item No. 5A-2), and the third amendment on December 2, 2008 (Agenda Item No. 6A-1).

Attachments:

- Letter of Approval January 30, 2009
- Form HUD-2880
- Form HUD-7082
- Resolution
- Budget Amendment

Recommended By: 
Economic Development Director

2-13-09
Date

Approved By: 
Assistant County Administrator

2-23-09
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2009	2010	2011	2012	2013
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenue	(\$13,340,000)	_____	_____	_____	_____
Program Income (PBC)	_____	_____	_____	_____	_____
In-Kind Match (PBC)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(\$13,340,000)	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS	_____	_____	_____	_____	_____
(Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No X

Budget Account Number:

Fund _____ Department _____ Unit _____ Object _____

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

C. Departmental Fiscal Review: [Signature] 2/9/09

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

[Signature] 2-33-09
 OFMB [Signature] 2/17/09

[Signature] 2/23/09
 Contract Dev. and Control [Signature] 2/23/09

B. Legal Sufficiency:

[Signature] 2/23/09
 Assistant County Attorney

C. Other Department Review:

 Department Director

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



OFFICE OF ASSISTANT SECRETARY
FOR COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-7000

JAN 30 2009

The Honorable Robert Weisman, P.E.
County Commissioner
Palm Beach County
160 Australian Avenue – Suite 500
West Palm Beach, FL 33406

TO: _____

Edward W. Lowery, Director

Director's Office

RECEIVED FEB 03 2009

Dear Commissioner Weisman:

The County of Palm Beach, Florida (hereafter, the "County") has a loan guarantee commitment in the amount of \$15,000,000, pursuant to a loan guarantee commitment (B-02-UC-12-0004), approved during Federal Fiscal Year 2002, under Section 108 of the Housing and Community Development Act of 1974, as amended, for assistance to the Community Development Business Loan Program project. The County has been advanced \$1,660,000 under the Note, leaving an undisbursed balance of \$13,340,000.

Section 108 commitments made in Federal Fiscal Year 2002 were required to be supported by a "credit subsidy" appropriation pursuant to the Federal Credit Reform Act of 1990 ("Credit Reform Act") and implementing guidance issued by the Office of Management and Budget ("OMB"). Therefore, in connection with its guarantee of the Notes, HUD obligated appropriated funds to cover the credit subsidy cost of the loan guarantee, as required under the Credit Reform Act. Under Credit Reform Act procedures, such funds are disbursed into a "Financing Account" as loan proceeds are disbursed to a community by the lender. (The Financing Account is in some respects equivalent to an internal loss reserve for the Federal Government.) Each disbursement into the Financing Account is equal to the loan advance times the credit subsidy rate, which is part of HUD's budget approved by OMB and the Congress.

Pursuant to credit subsidy implementation guidance issued by OMB, the undisbursed balance of the credit subsidy obligation must be canceled when required by the provisions of 31 U.S.C. § 1552(a). Section 1552(a) reads as follows:

"On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balance (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose."

RECEIVED

FEB 6 09 11:40AM

ECONOMIC DEVELOPMENT

In the instant case, the Fiscal Year Credit Subsidy 2002 obligation authority expired on September 30, 2008, and the County's undisbursed balances in the account were canceled as of September 30, 2008.

In order to allow the previously approved activities for the Community Development Business Loan Program project to be completed, the Department hereby approves for the County a new loan guarantee commitment in the amount of \$13,340,000, from current year budget authority (B-08-UC-12-0004). This new commitment is permissible since neither the Section 108 Loan Guarantee Program nor its implementing regulations in 24 CFR 570, subpart M has been materially amended since the previous commitment was issued on September 26, 2002. In addition, however, this new loan guarantee commitment must be based upon your ratification, and agreement to be bound by, your previously approved Section 108 Loan Guarantee application for the Community Development Business Loan Program project, as it existed prior to September 30, 2008, which will be evidenced by your execution of the attached Funding Approval (form HUD-7082).

This offer of commitment ("Commitment") is subject to the conditions specified in Item 8 of the Funding Approval (Form HUD-7082).

The first condition provides that by execution of the attached HUD-7082, HUD and the public entity hereby ratify, confirm and agree to be bound by your application, as amended, for commitment number B-02-UC-12-0004, as it existed prior to September 30, 2008.

The second condition provides that in the event the County fails to submit notes or other obligations for inspection and guarantee by HUD before January 31, 2010, the Commitment will expire as of such date.

The third condition provides that the repayment schedule for the guaranteed loan must be acceptable to HUD. Absent further negotiations, HUD is prepared to agree to a repayment schedule representing the amounts not advanced under the previous Notes under commitment number B-02-UC-12-0004.

The fourth condition provides that the County shall provide additional security for the guaranteed loan and such additional security must be acceptable to HUD. The additional security shall be identified in the Contract for Loan Guarantee Assistance ("Contract"), specified by 24 CFR §570.705(b)(1), which will be executed at the time the guaranteed obligations are issued. As additional security for the Guaranteed Loan, the County pledges its interest in third party loans for economic development secured by liens on real property, equipment, accounts receivable, and personal guarantees. Note that any real property offered as security shall be subject to loan to value ratios to be identified in the Contract and its value shall be supported by an appraisal acceptable to HUD. Please note that HUD reserves the right to require further security. In addition, the Contract shall provide that HUD may use existing pledged grants to prepay (or

defease) the Guaranteed Loan if HUD determines that the standard pledge of future Community Development Block Grant funds is insufficient to assure payment of amount due thereunder. HUD reserves the right to require further security upon evaluation of the foregoing security arrangements and the County may substitute other collateral security for such arrangements, subject to HUD's approval of such substitution.

The fifth condition provides that prior to submitting notes or other obligations for inspection and guarantee by HUD, the County shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3531). This information shall be submitted to HUD's Miami Field Office. A copy of form HUD-2880 is enclosed for this purpose.

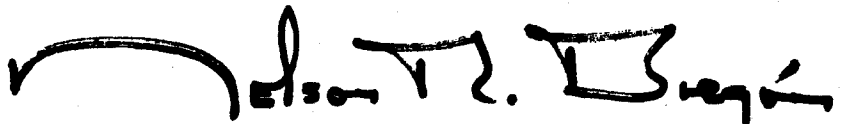
The sixth condition specifies that the County shall not incur any obligations to be paid with guaranteed loan funds prior to receipt of a written determination from the HUD Miami Field Office that the activities will meet program requirements for national objectives, eligible activities, and public benefit standards, if applicable.

Please be aware that any amount of this commitment that is not received by the County as an Advance under the Guaranteed Loan by September 30, 2014, will be canceled in compliance with 31 USC 1552(a).

Please execute the three enclosed copies of the Funding Approval and return two copies to the Department of Housing and Urban Development, Office of Block Grant Assistance, Financial Management Division, Room 7180, 451 Seventh Street, S.W., Washington, D.C. 20410. One copy should be retained for your files. The Funding Approval amends the Grant Agreement authorized by HUD on September 22, 2008, under the Funding Approval for grant number B-08-UC-12-0004 to include loan guarantee assistance. The Grant Agreement thereby incorporates this Funding Approval, the loan guarantee application, and Subpart M of the block grant regulations governing loan guarantees, as well as such agreements, schedules, and other documentation required to be submitted or executed in connection therewith.

If you have any questions with respect to this letter, please contact Paul D. Webster, Director, Financial Management Division at (202) 708-1871.

Very sincerely yours,

A handwritten signature in black ink, appearing to read "Nelson R. Bregón". The signature is fluid and cursive, with a large initial "N" and "B".

Nelson R. Bregón
General Deputy Assistant Secretary

Enclosures

**Applicant/Recipient
Disclosure/Update Report**

U.S. Department of Housing
and Urban Development

OMB Approval No. 2510-0011 (exp. 8/31/2009)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report or an Update Report

1. Applicant/Recipient Name, Address, and Phone (include area code): Palm Beach County 301 North Olive Avenue, 10th Floor, West Palm Beach, FL 33401 (561) 355 - 1680	2. Social Security Number or Employer ID Number: 59-6000285
3. HUD Program Name Section 108	4. Amount of HUD Assistance Requested/Received \$13,340,000
5. State the name and location (street address, City and State) of the project or activity: Community Development Business Loan Program, 301 North Olive Avenue, 10th Floor, West Palm Beach, FL 33401	

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No.
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If you answered "No" to either question 1 or 2, Stop! You do not need to complete the remainder of this form. However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)
Community Initiatives Development Corporation (CIDC)	23-2746544	Consultant to County	None

(Note: Use Additional pages if necessary.)

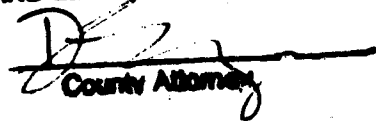
Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation. I certify that this information is true and complete.

Signature:	Date: (mm/dd/yyyy)
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x

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

BY 
County Attorney

Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is optional. The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Freedom of Information Act (5 U.S.C. §552) and HUD's implementing regulations at 24 CFR Part 15. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §4.38.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity and you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance):

General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

If the answer to *either* questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD *and any other source* - that have been or are to be, made available for the project or activity. Non-government sources of

funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need

not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) PALM BEACH, FLORIDA	3. Grantee's 9-digit Tax ID Number B-08-UC-12-0004	4. Date use of funds may begin (mm/dd/yyyy)
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) P.O.BOX 1989, Economic Development Office West Palm Beach, FL 33402-1989	5a. Project/Grant No. 1	6a. Amount Approved
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) NELSON R. BREGÓN	Grantee Name PALM BEACH COUNTY, FLORIDA
Title GENERAL DEPUTY ASSISTANT SECRETARY FOR CPD	Title Robert Weisman, County Administrator
Signature <i>[Signature]</i>	Signature <i>[Signature]</i>
Date (mm/dd/yyyy) JAN 30 2009	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input checked="" type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy)	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Number	
	11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee		FY ()		FY ()
b. Funds now being Approved				
c. Reservation to be Cancelled (11a minus 11b)				

12a. Amount of Loan Guarantee Commitment now being Approved \$13,340,000	12b. Name and complete Address of Public Agency NOT APPLICABLE
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program Y	A Reg Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153								
	176								
		Y			Project Number		Amount		
		Y			Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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APPROVED AS TO FORM AND LEGAL SUFFICIENCY
 County Administrator

Special Conditions.

- (a) By execution of the attached Funding Approval (HUD-7082), the Secretary of Housing and Urban Development (the "Secretary") and the public entity (Palm Beach County, Florida) hereby ratify, confirm, and agree to be bound by the public entity's application as approved on September 26, 2002, for commitment number B-02-UC-12-0004, as it existed prior to September 30, 2008.
- (b) In the event the public entity fails to submit notes or other obligations for inspection and guarantee by the Secretary of the Department of Housing and Urban Development (the Secretary) before January 31, 2010, the commitment will terminate and expire as of such date.
- (c) The repayment schedule for the guaranteed loan must be acceptable to the Secretary.
- (d) Pursuant to 24 CFR §570.705(b)(3), the public entity shall provide additional security for the Guaranteed Loan and such additional security must be acceptable to the Secretary. The additional security shall be identified in the Contract for Loan Guarantee Assistance specified by 24 CFR §570.705(b)(1), which will be executed at the time the guaranteed obligations are issued.
- (e) Prior to submitting notes or other obligations for inspection and guarantee by the Secretary, the public entity shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3531). This information shall be submitted on Form HUD-2880 to HUD's Miami Field Office.
- (f) Prior to incurring obligations to be paid with guaranteed loan funds for any activity, the public entity shall obtain a written determination from HUD's Miami Field Office that the proposed activity meets applicable eligibility, national objective, and public benefit requirements of the Community Development Block Grant and Section 108 loan guarantee programs.
- (g) Any amount of this commitment that is not received by the public entity as an advance under the Guaranteed Loan by **September 30, 2014**, will be canceled in compliance with 31 USC 1552(a).

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) PALM BEACH, FLORIDA	3. Grantee's 9-digit Tax ID Number B-08-UC-12-0004	4. Date use of funds may begin (mm/dd/yyyy)
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) P.O.BOX 1989, Economic Development Office West Palm Beach, FL 33402-1989	5a. Project/Grant No. 1	6a. Amount Approved
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) NELSON R. BREGÓN	Grantee Name PALM BEACH COUNTY, FLORIDA
Title GENERAL DEPUTY ASSISTANT SECRETARY FOR CPD	Title Robert Weisman, County Administrator
Signature <i>[Handwritten Signature]</i>	Signature <i>[Handwritten Signature]</i>
Date (mm/dd/yyyy) JAN 30 2009	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input checked="" type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy)	10. check one <input type="checkbox"/> a. Orig. Funding Approval <input checked="" type="checkbox"/> b. Amendment Amendment Num
		9b. Date Grantee Notified (mm/dd/yyyy)	
	9c. Date of Start of Program Year (mm/dd/yyyy)		

11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY ()	FY ()	FY ()
b. Funds now being Approved			
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved \$13,340,000	12b. Name and complete Address of Public Agency NOT APPLICABLE
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of the HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program Y	A Reg Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153								
	176								
		Y			Project Number		Amount		
		Y			Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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APPROVED AS TO FORM AND LEGAL SUFFICIENCY

Special Conditions.

- (a) By execution of the attached Funding Approval (HUD-7082), the Secretary of Housing and Urban Development (the "Secretary") and the public entity (Palm Beach County, Florida) hereby ratify, confirm, and agree to be bound by the public entity's application as approved on September 26, 2002, for commitment number B-02-UC-12-0004, as it existed prior to September 30, 2008.
- (b) In the event the public entity fails to submit notes or other obligations for inspection and guarantee by the Secretary of the Department of Housing and Urban Development (the Secretary) before January 31, 2010, the commitment will terminate and expire as of such date.
- (c) The repayment schedule for the guaranteed loan must be acceptable to the Secretary.
- (d) Pursuant to 24 CFR §570.705(b)(3), the public entity shall provide additional security for the Guaranteed Loan and such additional security must be acceptable to the Secretary. The additional security shall be identified in the Contract for Loan Guarantee Assistance specified by 24 CFR §570.705(b)(1), which will be executed at the time the guaranteed obligations are issued.
- (e) Prior to submitting notes or other obligations for inspection and guarantee by the Secretary, the public entity shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3531). This information shall be submitted on Form HUD-2880 to HUD's Miami Field Office.
- (f) Prior to incurring obligations to be paid with guaranteed loan funds for any activity, the public entity shall obtain a written determination from HUD's Miami Field Office that the proposed activity meets applicable eligibility, national objective, and public benefit requirements of the Community Development Block Grant and Section 108 loan guarantee programs.
- (g) Any amount of this commitment that is not received by the public entity as an advance under the Guaranteed Loan by **September 30, 2014**, will be canceled in compliance with 31 USC 1552(a).

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development

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U.S. Department of Housing and Urban Development (By Name) NELSON R. BREGÓN	Grantee Name PALM BEACH COUNTY, FLORIDA
Title GENERAL DEPUTY ASSISTANT SECRETARY FOR CPD	Title Robert Weisman, County Administrator
Signature <i>Nelson R. Bregon</i>	Signature <i>Robert Weisman</i>
Date (mm/dd/yyyy) JAN 30 2009	Date (mm/dd/yyyy)

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HUD Accounting use Only

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- (g) Any amount of this commitment that is not received by the public entity as an advance under the Guaranteed Loan by **September 30, 2014**, will be canceled in compliance with 31 USC 1552(a).

RESOLUTION NO. _____

RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ECONOMIC DEVELOPMENT OFFICE TO SUBMIT A SECTION 108 LOAN FUND APPLICATION FOR \$13,340,000 TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD); AUTHORIZING TO ACCEPT THE LOAN AWARDED IN ORDER TO ASSIST ESTABLISHED BUSINESSES IN PALM BEACH COUNTY; AND AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE THE LOAN APPLICATION DOCUMENTS IN ORDER TO IMPLEMENT THE PALM BEACH COUNTY SECTION 108 LOAN PROGRAM AND ISSUE DEBT OBLIGATIONS PURSUANT THERETO.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida believes that it is appropriate to utilize all available resources to facilitate economic growth in Palm Beach County and desires to obtain financial assistance from the United States Department of Housing and Urban Development (HUD), under the Section 108 of the Housing and Community Development Act of 1974, as amended, for the purpose of providing gap financial assistance to established businesses in Palm Beach County, through the County's Section 108 Loan Program; and

WHEREAS, Revolving Loan Fund programs authorized under Title I of the Housing and Community Development Act of 1974, as amended, and as provided in the regulations thereunder, 24 CFR 570 (the CDBG Regulations), including the Section 108 Loan Guarantee Program provided under Subpart M, 24 CFR 570.700 – 570.710 of the CDBG Regulations, have as their primary objective the development of viable urban communities by, among other things, providing expanded economic opportunities for persons of low and moderate income; and

WHEREAS, HUD is authorized, pursuant to the Section 108 Program and the CDBG Regulations to guarantee loans to the County for the provision of assistance, where necessary and appropriate, to carry out economic development projects, which meet the national objectives of eliminating slums or blight, or providing job opportunities to persons of low and moderate income, or providing for an urgent need as defined by HUD; and

WHEREAS, in Section 290.0411, Florida Statutes, the Florida Legislature declared that providing expanded economic opportunities for persons of low to moderate income is a State objective and that those community development activities to expand economic opportunities providing direct benefit to persons of low and moderate income are public purposes for which public money may be borrowed, expended, loaned, and granted; and

WHEREAS, in Section 125.045, Florida Statutes, the Florida Legislature declared that the use of public funds towards the achievement of enhancing and expanding economic activity in the counties of the State by attracting and retaining

expanding economic activity in the counties of the State by attracting and retaining business enterprises conducive to economic promotion, enhancing and preserving purchasing power and employment opportunities for State residents, and improving the welfare and competitive position of the State constitutes a public purpose; and

WHEREAS, the Palm Beach Board of County Commissioners has determined that the use of public funds to assist in implementing the Palm Beach County Section 108 Loan Program constitutes a public purpose as described in Section 290.0411 and Section 125.045 of the Florida Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

Section I. The forgoing recitals are true and correct and are expressly incorporated herein by reference and made a part hereof.

Section II. The Economic Development Office is authorized to submit to the United States Department of Housing and Urban Development (HUD) a Section 108 Loan Application for \$13,340,000 to continue lending under the established Palm Beach County Section 108 Loan Program.

Section III. The County Administrator is authorized to execute all documents related to this Section 108 loan application in order to implement the Palm Beach County Section 108 Loan Program and issue debt obligations pursuant hereto and to provide additional information as may be required.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and being put to a vote, the vote was as follows:

COMMISSIONER JOHN F. KOONS, CHAIRMAN	_____
COMMISSIONER BURT AARONSON, VICE CHAIRMAN	_____
COMMISSIONER KAREN T. MARCUS	_____
COMMISSIONER SHELLEY VANA	_____
COMMISSIONER JESS R. SANTAMARIA	_____
COMMISSIONER ADDIE L. GREENE	_____

The Chairman thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2009.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: 
Assistant County Attorney

PALM BEACH COUNTY, FLORIDA BY ITS
BOARD OF COUNTY COMMISSIONERS

ATTEST:
SHARON R. BOCK,
CLERK & COMPTRROLLER

By: _____
Deputy Clerk

2009 - 0558

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

Fund 1540 EDO Section 108 Loan Fund

BGRV 420 4201 022109*320
BGEX 420 4201 022109*1087

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 02/21/09	REMAINING BALANCE
Revenues							
764-2002-3154 Community Develop Block Grant	0	0	13,340,000	0	13,340,000		
TOTAL RECEIPTS & BALANCES	0	2,600,000	13,340,000	0	15,940,000		
Expenditures							
764-2002-8201 Contributions-Non Gov't Agency	0	0	13,340,000	0	13,340,000		13,340,000
TOTAL APPROPRIATIONS & EXPENDITURES	0	2,600,000	13,340,000	0	15,940,000		

Economic Development

INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval
OFMB Department - Posted

Signatures & Dates

[Signature] 2-23-09
[Signature] 2-23-09

100
2/23/09

BY BOARD OF COUNTY COMMISSIONERS

AT MEETING OF

February 24, 2009

Deputy Clerk to the
Board of County Commissioners