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PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	November 15, 2011	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Workshop	<input type="checkbox"/> Public Hearing
Department:	Administration		
Submitted By:	Administration		
Submitted For:	Economic Development Office		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: Executed Agreements with Oxygen Development, LLC for a Section 108 Loan in the amount of \$5,948,000.

- A) U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program Variable/Fixed Rate Note B-08-UC-12-0004 in the amount of \$5,948,000;
- B) Request for Advance dated October 13, 2010, from Palm Beach County to HUD for a Section 108 Loan in the amount of \$5,948,000, under Loan Commitment No. B-08-UC-12-0004;
- C) Letter of Opinion from County's Counsel to Secretary of U.S. Department of HUD dated October 21, 2010;
- D) Letter of Opinion from Borrower's Counsel to Palm Beach County and County's Counsel dated October 6, 2010;
- E) Loan Commitment letter from Palm Beach County to Oxygen Development, LLC dated September 28, 2010, for a \$5,948,000.00 Section 108 Loan;
- F) Palm Beach County Section 108 Promissory Note dated October 6, 2010, in the amount of \$5,948,000;
- G) Section 108 Loan Program Agreement dated October 6, 2010, to grant financing with a Section 108 Loan in the amount of \$5,948,000;
- H) Loan and Security Agreement dated October 6, 2010, in the principal amount of \$5,948,000;
- I) Mortgage and Security Agreement dated October 6, 2010, and recorded with Palm Beach County Clerk and Comptroller on February 2, 2011, for a maximum principal indebtedness not to exceed \$750,000;
- J) Security Agreement dated October 6, 2010, for a maximum principal indebtedness not to exceed \$5,948,000;
- K) Guaranty Agreement for Palm Beach County to make a loan in the total principal amount of \$5,948,000 dated October 6, 2010;
- L) Further Assurances dated October 6, 2010, to execute other documents and assurances, and correct errors or omissions in connection with the \$5,948,000 Section 108 Loan;
- M) State of Florida Uniform Commercial Code Financing Statement Form recorded with the Palm Beach County Clerk & Comptroller on February 16, 2011;
- N) State of Florida Uniform Commercial Code Financing Statement Form filed with State of Florida on February 11, 2011;
- O) Mortgage Title Insurance Policy No. FL6506-46-3294983-2011.7210709-83025756 for \$750,000 in favor of Palm Beach County, issued by Chicago Title Insurance Company through American Land Title Association Loan Policy, effective February 2, 2011; and
- P) Life Insurance Policy No. YME1118509 of Philippe A Cohen assigned to Palm Beach County, issued by American General Life Companies through American General Life Insurance Company, dated October 25, 2010.

Summary: In accordance with the County PPM CW-O-051, all delegated contracts/agreements/grants must be submitted by the initiating Department as a Receive and File agenda item. The attached Agreements have been executed on behalf of the Board of County Commissioners (Board) by the County Administrator or his designee in accordance with Resolution R2009-0725, and are now being submitted to the Board to receive and file. District 2 (DW)

Background and Justification: (Continued on page 3)

Attachments: Documents as listed in A thru P

Recommended By: _____

Economic Development Director

Date

Approved By: _____

Assistant County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures					
Grant Expenditures	5,948,000.00				
External Revenues	<5,948,000.00>				
Program Income (PBC)					
In-Kind Match (PBC)					
NET FISCAL IMPACT	0				
# ADDITIONAL FTE POSITIONS					
(Cumulative)	0				

Is Item Included In Current Budget? Yes X No

Fund	1540	Department	764	Unit	2002	Sub-unit	H008	Object	VARIOUS
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B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: Amanda Hughes
Economic Development

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:

FMB Fiscal and/or Contract Admin

[Signature]

11-9-11
WS

OFMB


11/9/11

2/1/11

1. Efficiency

Dr. J. Boehm 11/10/11
Contract Administration
11-10-11 *B. Wheeler*

B. Legal Sufficiency:

 1/14/11
Assistant County Attorney

C. Other Department Review:

Department Director

(Continued from page 1)

Background and Justification:

On May 5, 2009, under Resolution R-2009-0725, the Board authorized the County Administrator or his designee to execute all HUD Section 108 Loans and BEDI Grant Agreements that meet the criteria of the Palm Beach County Section 108 Loan Program and BEDI Grant Program. The Section 108 Loans provide a dedicated, national source of low interest loans for use by businesses, investors, communities, and not-for-profit economic organizations to implement business ventures which revitalize local poverty communities and provide job opportunities for low- and moderate-income persons. The BEDI grants provide the necessary funds to leverage the Section 108 Loans in designated revitalization areas. HUD approved three (3) loan pools, the Palm Beach County Section 108 Loan Program (Countywide), Avenue "A" Revitalization Project (Belle Glade), and the Downtown Pahokee Revitalization Project (Pahokee), all administered by the Economic Development Office.