

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: May 7, 2013 [] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: A) Conceptually Approve a Section 108 Loan Program Agreement with BI Development Group, LLC, (Company) in the amount of \$1,028,000 contingent upon the approval of the U.S. Department of Housing and Urban Development (HUD); and **B) Approve** an exception to the Palm Beach County Section 108 Loan Program Criteria for BI Development Group, LLC, to waive the maximum loan amount of \$1,000,000.

Summary: The company has acquired the old Belle Glade City Hall which is a historic land mark registered with the U.S. Department of the Interior and the Florida Division of Historical Resources. The building is situated in the Avenue A Revitalization Corridor in Belle Glade, which was designated by the Board of County Commissioners for a dedicated portion of the Section 108 loan pool to encourage business development in this economically distressed area of the County.

The \$1,028,000 Section 108 Loan will be leveraged by a County Energy Efficiency Conservation Loan (Energy Loan) in the amount of \$99,000, a Brownfield Economic Development Incentive (BEDI) grant in the amount of \$514,000, and owner equity in the amount of \$929,000 for a total project value of \$2,570,000. The company plans to renovate the historic site to create a mixed-use development consisting of five (5) residential units on the second floor and a retail/restaurant space on the ground floor. The project is anticipated to create 32 full time jobs and 137 construction jobs. The Department estimates that the project will have a \$19 Million return on our economic investment over a five (5) year period. These are Federal funds which require no local match. (B&H) District 6 (DW)

Background and Justification: The Palm Beach County Section 108 Loan Program was developed to create a source of loan funding for use by businesses and investors to implement business ventures that will create new jobs and help revitalize communities. The Program has created approximately 1,000 full time jobs to date. On October 20, 2009, the BCC approved an agreement with the U.S. Department of Energy to implement an Energy Efficiency and Conservation Block Grant Program in the amount of \$6,587,600 which included a revolving loan fund for business totaling \$1,100,000. The program was created to assist businesses in carrying out energy efficiency retrofits to effectuate savings in utility costs, reduce fossil fuel consumption, improve energy efficiency and create and/or retain jobs for local residents.

Attachments: none

Recommended By: Sharon G. Lutz 4-25-13
Department Director Date

Approved By: Sharon G. Lutz 4-25-13
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Grant Expenditures	1,028,000				
External Revenues	(\$1,028,000)				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				
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Is Item Included In Current Budget? Yes X No

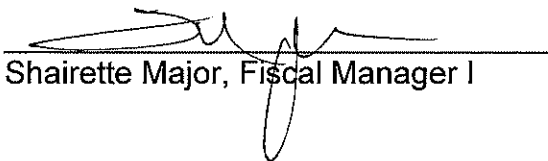
Budget Account No.:

Fund 1540 Dept 143 Unit 2000 Object 8201 Program Code/Period N/A

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

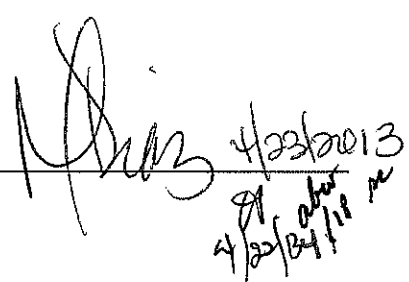
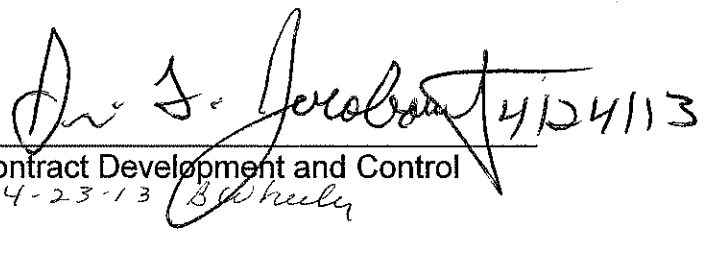
Source of funding is Section 108 Loan Pool dedicated for Avenue A Revitalization Corridor in Belle Glade.

C. Departmental Fiscal Review:

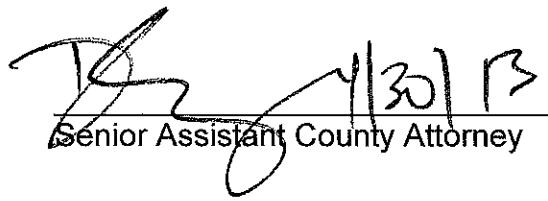
4/15/13

 Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

OFMB  *4/23/2013*
 *4/23/13*
 Contract Development and Control

B. Legal Sufficiency:

 *4/30/13*
 Senior Assistant County Attorney

C. Other Department Review:

 Department Director