Agenda Item #: 56

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

| Meeting Date: | December 17, 2013 | [] Consent [] Ordinance | [X] Regular [] 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 Hartman Windows & Doors, LLC (Company) in the amount of \$1,103,454 contingent upon 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 Hartman Windows & Doors, LLC to waive the maximum loan amount of \$1,000,000.

Summary: The Company has acquired a building in the City of Riviera Beach at 2107 West Blue Heron Boulevard which is in Census Tract 14.04 and has a poverty rate of 24.1%. Staff is recommending this loan since it is located in an economically distressed areas where the Palm Beach County Section 108 Loan Program encourages business development. The \$1,103,454 Section 108 Loan will be leveraged by a private bank loan from Wells Fargo in the amount of \$3,650,000 and owner equity in the amount of \$1,172,607. The Company is expanding its manufacturing operations on the site and anticipates creating 46 full time positions. The Regional Economic Model estimates that this project will have a five (5) year economic impact of \$63.9 Million. These are Federal funds which require no local match. (B&HI) District 7 (DW)

Background: The Palm Beach County Section 108 Loan Program, which is administered by the Palm Beach County Department of Economic Sustainability, 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 1,200 full time jobs to date.

| Attachments: none | |
|-----------------------------|-----------|
| Recommended By: Sound House | 1 1-2-13 |
| Department Deputy Director | Date |
| Approved By: Shann Q By | 12-10-13 |
| Assistant County Administra | ator Date |

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------|---|------------------------------|--|---|
| | | | | |
| \$1,103,454 | , , , , , , , , , , , , , , , , , , , | | | *************************************** |
| (\$1,103,454) | , | | | |
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| -0- | | | | |
| | \$1,103,454 (\$1,103,454) | \$1,103,454 (\$1,103,454) | \$1,103,454 (\$1,103,454) | \$1,103,454 (\$1,103,454) |

| | # ADDITIONAL FTE POSITIONS (Cumulative) | -0- | | | |
|--|---|-----|--|--|--|
|--|---|-----|--|--|--|

Is Item Included In Current Budget? Yes ____ No ____ Budget Account No.:

Fund 1540 Dept 143 Unit 2002 Object 8201 Program Code/Period N/A

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

Source of funding is the Section 108 Loan Pool dedicated for Countywide projects.

C. Departmental Fiscal Review:

Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

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

OFMB KA) (A) 12/3

ontract Development and Control

B. Legal Sufficiency:

enior Assistant County Altorney

C. Other Department Review:

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)