

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: April 1, 2014 **Consent** **Regular**
 Ordinance **Public Hearing**

Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to Receive and File: Various documents executed in connection with loans made under the Palm Beach County Section 108 Loan Program to the following three (3) borrowers:

1. Glades Plaza Enterprises, LLC, for the property located at 1504 SW 16 Street in Belle Glade (Property):
 - a. Loan Commitment Letter for \$1,433,000 for the Property and for 172 West Avenue A in Belle Glade;
 - b. Section 108 Loan Program Agreement for \$1,412,000;
 - c. Loan Agreement for \$1,412,000;
 - d. Mortgage & Security Agreement securing \$1,412,000;
 - e. Section 108 Promissory Note securing \$1,412,000;
 - f. Guaranty Agreement for \$1,433,000;
 - g. Subordination and Intercreditor Agreement;
 - h. Further Assurances & Errors and Omissions Statement;
 - i. Cross-Default, Cross-Contribution, and Cross Collateralization Agreement for \$1,433,000; and
 - j. Environmental Indemnity Agreement.

2. Samar Barhoush, Abdul Shatara and Ghasiba Shatara, for the property located at 172 West Avenue A in Belle Glade:
 - a. Section 108 Loan Program Agreement for \$21,000;
 - b. Loan Agreement for \$21,000;
 - c. Mortgage & Security Agreement securing \$21,000;
 - d. Section 108 Promissory Note securing \$21,000; and
 - e. Environmental Indemnity Agreement.

3. Schomburg Latin America, LLC, for the property located at 833 West 13 Street in Riviera Beach:
 - a. Loan Commitment Letter;
 - b. Section 108 Loan Program Agreement for \$455,000;
 - c. Palm Beach County Section 108 Loan Agreement for \$455,000;
 - d. Collateral Mortgage & Security Agreement securing \$455,000;
 - e. Palm Beach County HUD Section 108 Loan Promissory Note securing \$455,000;
 - f. Guaranty Agreement for \$455,000; and
 - g. Environmental Indemnity Agreement.

Summary: In accordance with County PPM CW-0-051, all delegated contracts, agreements and grants must be submitted by the initiating Department as a receive and file agenda item. Certain of the attached documents have been fully executed on behalf of the Board of County Commissioners (BCC) by the County Administrator, or designee, in accordance with Agenda Item R2009-0725 as approved by the BCC on May 5, 2009. These executed documents are now being submitted to the BCC to receive and file. These are Federal funds which require no local match. (DES Contract Development) Districts 6 and 7 (DW)

Background and Justification: (Continued on Page 3)

Attachments: Documents as listed in 1.a through 1.j, 2.a through 2.e and 3.a through 3.g above

Recommended By: *Sherry Howard* 3-17-14
Department Director Date

Approved By: *P. Williams* 3/19/14
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	\$1,888,000				
Operating Costs					
External Revenues	(\$1,888,000)				
Program Income					
In-Kind Match					
NET FISCAL IMPACT	-0-				
# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				

Is Item Included In Current Budget? Yes X No

Budget Account No.:

Fund: 1540 Dept: 143 Unit: Various Sub units: Various Object: 8201

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

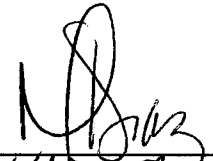
Approval of this item will allocate \$1,888,000 in HUD Section 108 Loan Program funds to these projects.

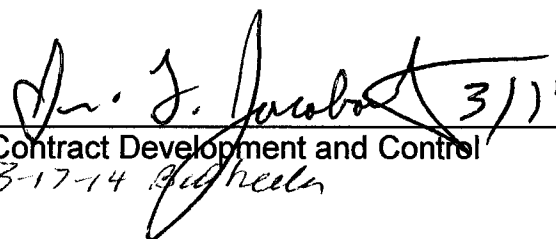
C. Departmental Fiscal Review:


 3/11/14 Shairette Major, Fiscal Manager I


III. REVIEW COMMENTS

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


 OFMB KD 3/13/2014
 3/12 3/12


 Contract Development and Control
 3-17-14 3/17/14

B. Legal Sufficiency:


3/18/14
 Assistant County Attorney

C. Other Department Review:

Department Director

Background and Justification: (Continued from Page 1)

The Palm Beach County Section 108 Loan Program (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. Funding for the Program is received from the U.S. Department of Housing and Urban Development (HUD)

Program funds in the amount of \$1,412,000 allocated to Glades Plaza Enterprises, LLC, will assist in the renovation and expansion of an existing 88,000 square foot commercial shopping center located at 1504 SW 16 Street in Belle Glade. This project will meet HUD's national objective by providing 42 full-time jobs at an average salary of \$33,619.

Program funds in the amount of \$21,000 allocated to Samar Barhoush, Abdul Shatara and Ghasiba Shatara, in addition to \$10,181 of Brownfield Economic Development Initiative Grant funds, will assist in the interior and exterior renovation of a commercial property located at 172 West Avenue A in Belle Glade. This project will meet HUD's national objectives by creating three (3) full-time jobs.

Program funds in the amount of \$455,000 allocated to Schomburg Latin America, LLC, will assist in providing working capital for company operations. The company is located at 833 West 13 Street in Riviera Beach. This project will meet HUD's national objectives by providing 19 full-time jobs.