

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date:	June 3, 2014	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> 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 two (2) borrowers:

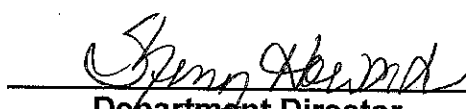
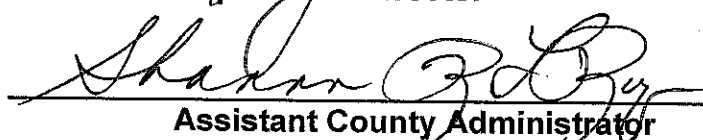
1. Medical Career Institute of South Florida, Inc.:
 - a. Loan Commitment Letter;
 - b. Section 108 Loan Program Agreement for \$264,000;
 - c. Palm Beach County Section 108 Loan Agreement for \$264,000;
 - d. State of Florida Uniform Commercial Code Financing Statement;
 - e. Palm Beach County Section 108 Promissory Note securing \$264,000;
 - f. Collateral Security Agreement for \$264,000;
 - g. Guaranty Agreement for \$264,000;
 - h. Cross Default, Cross Contribution and Cross Collateralization Agreement;
 - i. Environmental Indemnity Agreement; and
 - j. Further Assurances & Errors and Omissions Statement.

2. America's Sound, Inc.:
 - a. Loan Commitment Letter;
 - b. Palm Beach County Section 108 Loan Agreement for \$592,000;
 - c. Collateral Mortgage & Security Agreement securing \$592,000;
 - d. Palm Beach County Section 108 Promissory Note securing \$592,000;
 - e. Collateral Security Agreement for \$592,000;
 - f. Cross Default, Cross Contribution and Cross Collateralization Agreement;
 - g. Stock Pledge Agreement; and
 - h. 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: 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). **(Continued on Page 3)**

Attachments: Documents as listed in 1.a through 1.j and 2.a through 2.h above.

Recommended By:		<u>5-20-14</u>
	Department Director	Date
Approved By:		<u>5/29/14</u>
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	\$856,000				
Operating Costs					
External Revenues	(\$856,000)				
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:

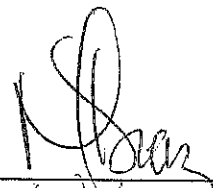
Approval of this item will allocate \$856,000.00 in HUD Section 108 Loan Program funds to these projects.

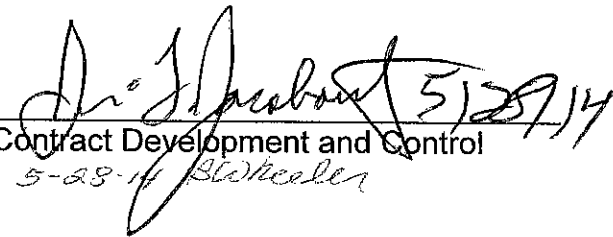
C. Departmental Fiscal Review:


 5/19/14 Shairrette Major, Fiscal Manager I

III. REVIEW COMMENTS

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


 OFMB 5/22


 Contract Development and Control
 5-28-14 *Bloch*

B. Legal Sufficiency:


 Senior Assistant County Attorney
 5/28/14

C. Other Department Review:

Department Director

Background and Justification: (Continued from Page 1)

Program funds in the amount of \$264,000 allocated to Medical Career Institute of South Florida, Inc., will assist in providing the acquisition of equipment & furnishings for their newly acquired 23,691 square foot building located on 3650 Shawnee Avenue in West Palm Beach (Westgate). Section 108 funds will also finance the working capital portion of the project. This project will meet HUD's national objective by providing 12 full-time jobs.

Program funds in the amount of \$592,000 allocated to America Sound, Inc., will assist in acquisition, renovation, working capital and the purchase of machinery and equipment for the property located at 361 West Avenue A in Belle Glade. This project will meet HUD's national objectives by creating 35 full-time jobs.