Agenda Item #: 31-5

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	February 7, 2017	[X] Consent [] Ordinance	[] Regular [] Public Hearing
Department:	Department of Economic	Sustainability	

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A) Transmittal to the U.S. Department of Housing and Urban Development (HUD) a Section 108 Loan for EZ Weld Group, LLC (Company), in the amount of \$248,000; and **B)** Delegation of authority to the County Administrator, or Designee, to execute the documents necessary for the transmittal.

Summary: On March 12, 2002 (Agenda Item 6D-1) the Board of County Commissioners (BCC) approved the creation of a HUD Section 108 Loan Program (Program). The Program was developed to provide a dedicated source of low interest loans for use by businesses to revitalize local communities and create jobs. The Company was founded 50 years ago and has been operating in Riviera Beach since 1972. The Company is a manufacturer of industrial joining material and chemicals for uses with pipes. These products include PVC cements, CPVC cements specially formulated for hot water pipes; specialty cements, primers and cleaners for pipe joining and lubricants, thread sealants and tape.

The Company is located at 1621 President Barack Obama Highway in the City of Riviera Beach. The property is located in Census Tract 10.04, and has a poverty rate of 29.5%. Staff is recommending this loan since the project and the applicant qualify and meet the Section 108 Loan Criteria approved by the BCC on May 17, 2011 (Agenda Item 3A-3). Program funds in the amount of \$248,000 are being recommended to be allocated to the Company to assist in the purchase of real estate. The total project cost is \$619,440, which includes \$248,000 in Section 108 funds, \$309,166 in bank financing, and \$62,274 in cash from the Company. The project will meet HUD's national objective by creating nine (9) full-time jobs. Upon approval by the BCC, the loan package will be submitted to HUD. These are Federal Funds which require no local match. (District 7) (JB)

Background and Justification: The Program which is administered by the 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 HUD.

Attachment(s): none		
Recommended By:	Samo Houses	1-13-17
	Department Director	Date '
Approved By:	- rouge Ilat	J/30/17
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact: A.

Fiscal Years	2017	2018	2019	2020	2021
Grant Expenditures	\$248,000				
Operating Costs					
External Revenues	(\$248,000			:	
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-			:	
				<u> </u>	
# ADDITIONAL FTE POSITIONS (Cumulative)	-0-			:	-

Exte	ernal Revenues	(\$248,000			:	
Prog	gram Income					
In-K	ind Match (County)				:	
NET	FISCAL IMPACT	-0-				
Г						<u> </u>
	ODITIONAL FTE SITIONS (Cumulative)	-0-				: : : :
Is Ite Budg	m Included In Curre et Account No.:	nt Budget?	Yes	No		:
Fund	1540 Dept 143 Unit 2	<u>2002</u> Object <u>8</u>	201 Program	Code/Perio	d <u>N/A</u>	
B.	Recommended So	urces of Fun	ds/Summar	y of Fiscal Iı	mpact:	
	Approval of this ite Funds.	m will alloca	te \$248,000	in HUD Se	ction 108 Lo	oan Program
C.	Departmental Fisca	1/13	(17	ajor, Fiscal M	lanager II	
		III. <u>REV</u>	IEW COMM	<u>ENTS</u>		
A.	OFMB Fiscal and/o	r Contract D	evelopment	and Contro	I Comments	5:
	OFMB ET 1/13 M	117	Contr	act Developr	Javel ment and Co	ntrol)

Legal Sufficiency: B.

C. **Other Department Review:**

Department Director