PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

June 6, 2017

[X] Consent

[] Regular

[] Ordinance

[] Public Hearing

Department:

Department of Economic Sustainability (DES)

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: Conceptually Approve for Glades Plaza Enterprises, LLC. (Company) **A)** A Section 108 Loan in the amount of \$460,300 contingent upon approval of the U.S. Department of Housing and Urban Development (HUD) and **B)** a USDA Intermediary Relending Program (IRP) loan in the amount of \$150,000 contingent upon approval of the U.S. Department of Agriculture (USDA).

Summary: The Company, which was founded in 2007, owns and operates Glades Plaza, a 118,000 square-foot shopping center, located at 1504 SW 16th Street in Belle Glade. This location is in Census Tract 80.02, and has a poverty rate of 59%. The shopping center houses two discount department stores, a furniture rental company, a restaurant, a physical therapy center, a daycare center and other retail establishments. The project is located in an economically distressed area and has provided employment opportunities and needed goods and services for nearly 50 years. A HUD Section 108 Loan of \$460,300 and a USDA IRP loan of \$150,000 for a total loan of \$610,300 are recommended for this project. The total project cost is \$1,278,300 and the Company has committed \$668,000 which is 52% of owner equity towards the total project cost. The funds will assist in the construction and renovation of the existing shopping center and provide working capital. This project will meet HUD's national jobs. The project was approved by the Loan Review Upon conceptual approval by the Board of County objective by creating 16 full-time jobs. Committee on April 27, 2017. Commissioners, the loan package will then be submitted to HUD and USDA for approval and funding. District 6 (JB)

Background: The Palm Beach County Section 108 Loan Program (Program), which is administered by DES, was developed to create a source of loan funding for use by businesses and investors to implement business ventures that will create new jobs to benefit low to moderate income communities, prevent or eliminate urban blight or meet a critical community need. Funding for the Program is received from HUD. The Palm Beach County USDA IRP Loan Program also administered by DES, was developed to create a source of loan funding for use by businesses and investors in the rural designated areas of Palm Beach County. Conceptual approval of this project will provide a critical need for the community.

Attachments: None			
Recommended By: _	Department Director	5-8-17	
	Department Director	Date	
Approved By:	Lehn /n	5-22-17	
	Assistant County Administrator	Date	

I. FISCAL IMPACT ANALYSIS

Α	Five Year Summary		T	-	·				
	cal Years	2017	2018	2019	2020	2021			
	int Expenditures	\$610,300							
···	erating Costs		water and the state of the stat						
External Revenues		(\$610,300)							
	gram Income								
· · · · · · · · · · · · · · · · · · ·	Kind Match								
NE	T FISCAL IMPACT	-0-							
	ODITIONAL FTE SITIONS (Cumulative)	-0-							
ls Ite	em Included In Currer	nt Budget? Ye	s X N	lo					
		it Baagoti 10	<u> </u>						
Budg	get Account No.:								
Func	d: <u>1540</u> Dept: <u>143</u> Unit:	2004 Sub units:	: Obi	ect: 8201: \$4	60.300				
	d: <u>1543</u> Dept: <u>143</u> Unit:								
В.	Dogommondod Co-		C	f Eiggal I	4-				
D.	Recommended Sou	irces of Funds/	oummary o	r riscai impa	act:				
	Approval of this item	will allocate \$4	60,300 in Hl	JD Section 1	08 Loan Pro	gram funds ai			
	\$150,000 in USDA IF	RP Relending pro	ogram funds.	A Receive a	nd File item v	vill be submitte			
	to the Board at a late								
	revolving loan funds			ication in the	amount of S	\$1,000,000 w			
	approved by USDA	on February 23,	2016.						
C. Departmental Fiscal Review:									
	Beverly Reid, Fiscal Manager I								
		III BEVII		ITC					
			EW COMMEN						
A.	OFMB Fiscal and/or (Contract Develor	oment and Co	ontrol Comm	ents:				
	1011								
	Claddly (5/0/17	1/20	J. Jan	1.0 5				
	OFMB (P (Pa)	$\frac{1}{1}$	ntract Develo	pment and Co	ntrol	11117			
	5/8-M3/a1	00	5/11/cm -			,			
_			3/11/1						
В.	Legal Sufficiency:								
	Janus Bul 5/22/17								
	Assignant County Attor	ПСУ							
_	Other Descent 4.7								
C.	Other Department Review:								
	Department Director								
	Department Director								