

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: April 10, 2018 Consent Regular
 Ordinance Public Hearing

Department: Department of Housing and Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to Receive and File: Documents executed in connection with loans made to Businesses located in Palm Beach County under the Housing and Urban Development (HUD) Section 108 Loan Program.

Kiddie Haven Pre-School, Inc.

- A) Section 108 Loan Agreement, dated January 28, 2014, for \$131,000.
- B) Deposit Account Control Agreement, dated January 28, 2014.
- C) Palm Beach County Section 108 Promissory Note, dated January 28, 2014, for \$131,000.
- D) Security Agreement, dated January 28, 2014, for \$131,000.
- E) Guaranty Agreement, dated January 28, 2014, for \$131,000.
- F) Borrower's Certificate, dated January 28, 2014.
- G) Section 108 Loan Program Agreement between Palm Beach County & Kiddie Haven Pre-School, Inc., dated January 28, 2014 for \$131,000.

Pinewood Cleaners, Inc. (dba Cricket Cleaners)

- A) Section 108 Loan Agreement, dated April 14, 2014, for \$179,000.
- B) Security Agreement, dated April 14, 2014, for \$179,000.
- C) Palm Beach County Section 108 Promissory Note, dated April 14, 2014, for \$97,000.
- D) Palm Beach County Section 108 Promissory Note, dated April 14, 2014, for \$82,000.
- E) Section 108 Loan Program Agreement between Palm Beach County and Pinewood Cleaners, Inc., dated April 14, 2014, for \$179,000.
- F) Collateral Security Agreement, dated April 14, 2014, for \$179,000.
- G) Guarantor's Certificate, dated April 14, 2014.
- H) Guaranty Agreement, dated April 14, 2014, for \$179,000.
- I) Borrower's Certificate, dated April 14, 2014.

Magic Bubbles, Inc.

- A) Collateral Security Mortgage Agreement, dated November 17, 2014, for \$277,000.
- B) Collateral Security Mortgage and Security Agreement (w/ Assignment of Leases and Rents), dated November 17, 2014, for \$277,000.
- C) Mortgage Amendment, dated May 1, 2015, for \$277,000.
- D) Section 108 Loan Program Agreement between Palm Beach County and Magic Bubbles, Inc., dated November 17, 2014, for \$277,000.
- E) Section 108 Loan Agreement, dated November 17, 2014, for \$277,000.
- F) Security Agreement, dated November 17, 2014, for \$277,000.
- G) Subordination Agreement, dated November 17, 2014.
- H) Palm Beach County Section 108 Promissory Note, dated November 17, 2014, for \$277,000.
- I) Guaranty Agreement, dated November 17, 2014, for \$277,000.
- J) Mortgagor's Certificate, dated November 17, 2014, for \$277,000.
- K) Borrower's Certificate, dated November 17, 2014.

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. During the Department's administrative review of files, documents were identified that need to be presented as a receive and file. The attached documents have been executed on behalf of the Board of County Commissioners (Board) by the County Administrator or Designee in accordance with Resolution R-2009-0725, and are now being submitted to the Board to receive and file. These are Federal funds which require no local match. District 3 (JB)

Background and Justification: Continued on Page 3

Attachment(s): Documents as listed in alphabetical order for each Section 108 Loan shown above.

Recommended By: Jonathan Brown 3/14/18
 Department Director Date

Approved By: Paul H. Johnson 3/23/18
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|-------------|------|------|------|------|
| Grant Expenditures | \$587,000 | | | | |
| Operating Costs | | | | | |
| External Revenues | (\$587,000) | | | | |
| Program Income | | | | | |
| In-Kind Match | | | | | |
| NET FISCAL IMPACT | -0- | | | | |
| # ADDITIONAL FTE POSITIONS (Cumulative) | -0- | | | | |

Is Item Included In Current Budget? Yes X No
 Does this Item include the use of Federal funds? Yes X No

Budget Account No.:

Fund 1540 Dept 143 Unit various Object various Program Code/Period

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

These agreements allocate \$587,000 in HUD Section 108 Loan Program funds to the projects.

C. Departmental Fiscal Review: 
 Beverley Reid, Fiscal Manager I

III. REVIEW COMMENTS

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

 3/16/18
 OFMB  3/16/18  3/15  3/16/18  3/22/18
 Contract Development and Control

B. Legal Sufficiency:

 3/22/18
 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 Housing & 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. To date, the Program has created 1,900 new jobs.