Agenda Item #: 31-4

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: May 5, 2020 [X] Consent [] Regular

[] Ordinance [] Public Hearing

Department: Housing and Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to Receive and File: Documents executed in connection with a loan made to REG Architects, Inc., under the Housing and Urban Development (HUD) Section 108 Loan Program as follow:

- A) Palm Beach County Section 108 Loan Commitment Letter for \$50,000;
- B) Palm Beach County Section 108 Promissory Note for \$50,000;
- C) Palm Beach County Section 108 Loan Agreement for \$50,000;
- D) Palm Beach County Section 108 Loan Program Agreement for \$50,000;
- E) Palm Beach County Section 108 Security Agreement;
- F) Palm Beach County Section 108 Guaranty Agreement;
- G) Palm Beach County Section 108 Further Assurances and Errors and Omissions Statement;
- H) UCC-1 Financing Statement (Florida Secured Transaction Registry);
- I) Certificate of Equity Injection;
- J) Borrower's Certificate (Incumbency and Resolutions) REG Architects, Inc.;
- K) Corporate Guarantor's Certificate (Incumbency and Resolutions) RGVB, LLC;
- L) Non-Discrimination Policy REG Architects, Inc.;

 M) Non-Discrimination Policy RGVB, LLC;
- N) Opinion of Borrower Counsel for Section 108 Loan REG Architects, Inc.; and
- O) City of West Palm Beach Downtown Development Authority Letter

Summary: The attached documents have been executed on behalf of the Board of County Commissioners (BCC) by the County Administrator or Designee in accordance with Resolution R2009-0725. This \$50,000 working capital loan is provided under the Section 108 Loan Program. It will be used to support the business expansion of REG Architects, Inc., an architectural firm located at 300 Clematis Street, 3rd floor, in the City of West Palm Beach. The County's loan funds will be matched dollar for dollar by the City of West Palm Beach Downtown Development Authority. The project will create two (2) full time equivalent jobs over five (5) years. 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. These are Federal funds which require no local match. District 7 (DB)

Background and Justification: 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. The Program requires matching funds for projects located in other Community Development Block Grant entitlement communities. Funding for the Program is received from HUD.

Attachment(s): Documents as listed in A through O above.

Recommended By: Department Director Approved By: **Assistant County Administrator**

II. FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact: Fiscal Years 2020 2021 2022 2023 2024 **Grant Expenditures** \$50,000 **Operating Costs External Revenues** (\$50,000)Program Income In-Kind Match **NET FISCAL IMPACT** -0-# ADDITIONAL FTE POSITIONS (Cumulative) Is Item Included In Current Budget? No_ Does this Item include the use of Federal funds? Yes _ Budget Account No.: Fund 1540 Dept 143 Unit 2004 Sub Unit P009 Object 8201 Program Code/Period _____ Recommended Sources of Funds/Summary of Fiscal Impact: B. These agreements allocate \$50,000 in HUD Section 108 Loan Program funds to the Departmental Fiscal Review: C. Beverley/Reid, Division Manager III. REVIEW COMMENTS **OFMB Fiscal and/or Contract Development and Control Comments:** A. B. Legal Sufficiency: Assistant County Attorney C. Other Department Review:

Department Director