Agenda Item #: 3I-6

PALM BEACH COUNTY **BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	July 14, 2020	[X] Consent [] Ordinance	[] Regular [] Public Hearing
Department:	Housing and Econo	omic Sustainability	

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to Receive and File: Documents executed in connection with two loans made to ARC Realty Holding LLC under the Housing and Urban Development (HUD) Section 108 Loan Program and the U.S. Department of Agriculture (USDA) Intermediary Relending Program (IRP) as follows:

- A) Palm Beach County Section 108 Loan Commitment Letter for \$119,672;
- B) Palm Beach County Section 108 Promissory Note for \$119,672;
- C) Palm Beach County Section 108 Loan Agreement for \$119,672;
- D) Palm Beach County Section 108 Loan Program Agreement for \$119,672;
- E) Palm Beach County Section 108 Mortgage and Security Agreement;
- **F)** Palm Beach County Section 108 Collateral Security Agreement; **G)** Palm Beach County Section 108 Guaranty Agreement;
- H) Palm Beach County Section 108 Further Assurances and Errors and Omissions Statement;
- 1) Palm Beach County Section 108 Environmental Indemnity Agreement;
- J) Opinion of Counsel for Borrower and Guarantors;
- K) Palm Beach County USDA IRP Commitment Letter for \$100,000;
- L) Palm Beach County USDA IRP Promissory Note for \$100,000;
- M) Palm Beach County USDA IRP Loan Agreement for \$100,000;N) Palm Beach County USDA IRP Mortgage and Security Agreement;
- O) Palm Beach County USDA IRP Collateral Security Agreement;
- P) Palm Beach County USDA IRP Guaranty Agreement;
- Q) Palm Beach County USDA IRP Further Assurances and Errors and Omissions Statement'
- R) Palm Beach County USDA IRP Environmental Indemnity Agreement;
- S) Borrower's Certificate (Incumbency and Resolutions) ARC Realty Holding LLC;
- T) Corporate Guarantor's Certificate (Incumbency & Resolutions) ARC Development Global, LLC;
- U) Corporate Guarantor's Certificate (Incumbency & Resolutions) MYR'S Management Service, LLC;

Summary: The attached documents have been executed on behalf of the Board of County Commissioners by the County Administrator or Designee in accordance with Resolution R2009-0725, and are now being submitted to the Board to receive and file. The Section 108 \$119,672 loan is for ARC Realty Holding LLC, a real estate holding company, to purchase the building located at 200 Dr. Martin Luther King, Jr. Boulevard West in Belle Glade. The County's IRP \$100,000 loan funds will be used to renovate the building. Office space will be leased to several small businesses. The project will create four (4) 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 <u>6</u> (DB)

Background and Justification: The Palm Beach County Section 108 Loan Program and the USDA Intermediary Relending Program, administered by the Palm Beach County Department of Housing & Economic Sustainability, were 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 USDA IRP funds must be located in rural areas identified by USDA. Funding for the two Programs are received from HUD and USDA.

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

Recommended By:	nother Brown	Joly 7, 2020	
	Department Director	Date	•
Approved By:	Don A. Mill	1/9/2000	
	Assistant County Administrator	∕ ′⊅ate	

II. FISCAL IMPACT ANALYSIS

	2020	2021	2022	2023	2024
Grant Expenditures	\$219,672				
Operating Costs				• • •	
External Revenues	(\$219,672)				
Program Income	,				
In-Kind Match					
NET FISCAL IMPACT	-0-				
# ADDITIONAL FTE POSITIONS (Cumulative)					
Item Included In Current	Rudget2	Vo	s X No)	
es this Item include the))	
so tino item moidae the	asc of f cactar		<u> </u>		
dget Account No.:					
mal 4E40 Danie 440 11'' C	004 0-5 11-15	0044 00:1: 1	0004 D		-il
nd <u>1540</u> Dept <u>143</u> Unit <u>2</u> nd <u>1543</u> Dept <u>143</u> Unit <u>2</u>					
id 10-10 Dept 1-10 Offit Z	TIO COD OTILS C	<u> 2000</u> Object	<u>ozoi</u> i logia	iiii Oode/i el	iou
Recommended Sour	ces of Funds/S	ummary of	Fiscal Impa	et:	
These agreements all	ocate \$110 672	in Section 1	08 loan fund	le and \$100	000 in 110
IRP loan funds to the		m Occion I	oo loan lunk	is and φ100,	ooo iii oo
		<u> </u>	7		
Departmental Fiscal					
	Bev	erley Reid, F	iscal Manag	er I	
		ma			
	III. REVIE	EW COMME	UTC 2TH		
			113		
. OFMB Fiscal and/or				mments:	
a. OFMB Fiscal and/or				mments:	
\mathcal{L}	Contract Devel			mments:	A
		opment and	Control Co	Jayoba	171
	Contract Devel	opment and	Control Co	Jayoba	(7/1)
OFMBKP BR 712	Contract Devel	opment and	Control Co	Jayoba	17/7
OFMBKT BR 712	Contract Devel	opment and	Control Co	mments:	17/7
OFMBKT BR 712	Contract Devel	opment and	Control Co	Jayoba	17/17
OFMBKT BR 712	Contract Devel	Contract I	Control Co	Jayoba	17/7
DACE TO THE DESCRIPTION OF MBKP BOX 710 TO THE DESCRIPTION OF THE DESC	Contract Devel	Contract I	Control Co	Jayoba	17/7
OFMBKT BR 712	Contract Devel	Contract I	Control Co	Jayoba	17/17
DESISTANT COUNTY Attor	Contract Devel	Contract I	Control Co	Jayoba	777
Definition Assistant County Attor	Contract Devel	Contract I	Control Co	Jayoba	
DEMBET BY 710 Legal Sufficiency: Assistant County Attor	Contract Devel	Contract I	Control Co	Jayoba	
DEMBET BR 718 Legal Sufficiency: Assistant County Attor	Contract Devel	Contract I	Control Co	Jayoba	

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)