Agenda Item #: 3I-1

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	January 4, 2022	[X] Consent [] Ordinance	[] Regular [] Public Hearing			
Department:	Housing and Economic Development					

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: the following documents executed in connection with a loan made to One North Lake, LLC. under the Housing and Urban Development (HUD) Section 108 Loan Program.

- A) Palm Beach County Section 108 Promissory Note, dated October 20, 2021 for \$350,000;
- B) Palm Beach County Section 108 Loan Agreement, dated October 26, 2021 for \$350,000;
- **C)** Palm Beach County Section 108 Collateral Mortgage Security Agreement, dated October 26, 2021 for \$350,000;
- D) Palm Beach County Section 108 Mortgage Security Agreement, dated October 26, 2021 for \$350,000;
- E) Palm Beach County Section 108 Loan Program Agreement, dated October 26, 2021 for \$350,000;
- F) Palm Beach County Section 108 Guaranty Agreement, dated October 20, 2021;
- **G)** Palm Beach County Section 108 Further Assurances and Errors and Omissions Statement, dated October 20, 2021;
- H) Palm Beach County Section 108 Environmental Indemnity Agreement, dated October 20, 2021; and
- I) Consent of shareholders and directors, dated October 21, 2021

Summary: In accordance with County PPM CW-O-051, all delegated contracts, agreements and grants must be submitted by the initiating department as a receive and file agenda item. The attached documents have been executed on behalf of the Board of County Commissioners by the Director of Housing and Economic Development in accordance with Resolution R2009-0725, and are now being submitted to the Board to receive and file. The Section 108 Loan Program (Program) will assist in financing working capital for One North Lake, LLC. (Company). The Company will renovate two commercial structures and build a new FHA Workforce Housing rental project located on Main St, Pahokee. The \$350,000 HUD Section 108 loan will be used as a bridge loan to finance soft costs including architectural & engineering fees. <u>These are Federal Section 108 Loan funds which do not require a local match.</u> District 6 (DB)

Background and Justification: The Palm Beach County Section 108 Loan Program, which is administered by the Palm Beach County Department of Housing & Economic Development, 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): Documents as listed above from A through I

Recommended By:	Department Director	12/9/2021 Date
Approved By:	Assistant County Administrator	<u> </u>

II. FISCAL IMPACT ANALYSIS

Fiscal Years	2022	2023	2024	2025	2026
Grant Expenditures	\$350,000		· · · · · · · · · · · · · · · · · · ·		
Operating Costs					
External Revenues	(\$350,000)				
Program Income					
In-Kind Match					
NET FISCAL IMPACT	_				
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# ADDITIONAL FTE POSITIONS (Cumulative)					

A. Five Year Summary of Fiscal Impact:

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 2004 Sub Unit P012 Object Various Program Code/Period N/A

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

This agreement allocates \$350,000 in HUD Section 108 loan funds to the project.

C. Departmental Fiscal Review:

Valerie Alleyne, Division Manager

III. REVIEW COMMENTS

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

Contract Developmen t and Contro

B. Legal Sufficiency:

28/21

Assistant County Attorney

C. Other Department Review:

Department Director

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