Agenda Item #:

5C-2

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:	**October 21, 2025**	**[ ] Consent** **[ ] Ordinance**	**[X] Regular** **[ ] Public Hearing**
Department:	**Housing and Economic Development**		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

A) the use of $588,500 in Industrial Development Revenue Bond (IDRB) fees received to implement a Small Business Training and Development Program, a Business Loan Program, and department outreach initiatives; and

B) on preliminary reading and permission to advertise for public hearing on November 18, 2025: a Budget Amendment in the amount of $588,500 to establish budget proceeds and program costs in the Economic Development Incentive Fund, as required by Florida Statutes 129.06(2)(f)(1).

Summary: The Department of Housing and Economic Development (DHED) requests conceptual approval from the Board of County Commissioners (BCC) to use IDRB fees for the Small Business Training and Development Program, the Small Business Revolving Loan Program, and the Department Outreach Initiative, and to authorize the advertisement of a Budget Amendment and public hearing scheduled for November 18, 2025, at 9:30 a.m. In June 2025, Provident Group – PBAU Properties II LLC closed on its IDRB for the Palm Beach Atlantic University Project. As a result, the DHED received $588,500 in fees. IDRB fees are not a consistent source of funds for DHED and are typically deposited into the HUD loan loss reserve account for the Section 108 Business Loan Program. The loan loss reserve is currently sufficiently capitalized; therefore, staff recommends alternative uses for these one-time funds. Staff proposes to implement a Small Business Training and Development Program in partnership with Grow America (formerly the National Development Council) to provide specialized training, technical assistance, and financial management certification to small businesses with five (5) or fewer employees at a cost not to exceed $140,000 at $3,500 per business with participation limited to 40 businesses; establish a Small Business Revolving Loan Program not to exceed $400,000 offering a minimum of 40 loans of up to $10,000 each to support growth and expansion; and allocate the remaining $48,500 to DHED outreach and marketing efforts to broaden community awareness and participation in County economic development programs. These initiatives are critical to strengthening Palm Beach County's small business ecosystem by pairing essential technical training with direct financial support. They specifically target micro-enterprises with five (5) or fewer employees, businesses that represent more than 76% of the County's small business community, or approximately 55,480 enterprises as reported in 2025. By focusing on this majority segment, the County is investing in the stability, growth, and long-term resilience of the local economy. Countywide (DB)

Background and Policy Issues: The DHED Small Business Training and Development Program, Small Business Revolving Loan Program, and Department Outreach Resolution will establish a comprehensive training initiative, create a small business loan program, and expand outreach efforts. These programs are designed to strengthen and diversify the local economy by supporting existing businesses with training and financial assistance, providing access to capital for business expansion, fostering the creation of full-time jobs, and contributing to an increased County tax base. Florida is currently home to approximately 3.5 million small businesses, representing 99.8% of all businesses in the State. Eighty-five (85%) percent (2,968,201) of small businesses consisted of businesses that are sole proprietorships, 14% (475,814) have between 1-19 employees and 1% (41,961) have 20-499 employees. Small businesses are an indispensable component of the local economy in Palm Beach County, significantly contributing to job creation, tax revenue, and overall community development.

Attachment(s):
1. Small Business Training and Development Program Summary
2. Small Business Loan Program Criteria

Recommended By: Jonathan Brown — 9/30/2025
Department Director — **Date**

Approved By: Tammy K. Fields — 10/9/25
Deputy County Administrator — **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-*				

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-				

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

Budget Account No.:

Fund _1545_ Dept. _143_ Unit _2102_ Rev _4133_ Program Code/Period _N/A_
Fund _1545_ Dept. _143_ Unit _1190_ Object _8201_ Program Code/Period _N/A_

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

*The proceeds were received in FY 2025. Upon approval of this item a budget amendment will be submitted at the November 18th 2025 meeting to establish budget in the amount of $588,500.

C. Departmental Fiscal Review:

Valerie Alleyne, Division Director II
Finance and Administrative Services, HED

III. REVIEW COMMENTS

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

NB 10/2 10/3/25
OFMB VI 10/2

10/7/25
Contract Development and Control
ZG 10.3.25
10/7/25

B. Legal Sufficiency:

10/8/25
Assistant County Attorney

C. Other Department Review:

Department Director

Strengthening Small Businesses through Technical Assistance & Loan Readiness

About Grow America

- **Entrepreneur Academy**: Nationally recognized program that delivers practical, hands-on training for small business owners.
- **Technical Assistance**: Offers guidance in financial management, business planning, and operational efficiency.
- **Capital Readiness**: Equips businesses with the skills and documentation needed to successfully qualify for financing.
- **Track Record**: Has worked with communities across the country to expand access to capital and strengthen small business ecosystems.

Proposed Partnership with Palm Beach County

- **County-Sponsored Training**: Grow America would provide its Entrepreneur Academy and technical assistance services to Palm Beach County's small businesses, with the County sponsoring the cost so businesses pay little or nothing.
- **Cost**: The cost for the 6-week intensive training course is **$3,500** per business assistance for up to 40 businesses.
- **Allocation**: $140,000
- **Target Audience**: Very small and underserved businesses that often lack financial literacy or resources to navigate traditional lending processes.
- **Local Impact**: Businesses will be better positioned to access County loan programs and private capital, leading to growth, job creation, and stronger economic stability.

Benefits to Palm Beach County

- **Enhances Loan Program Success**: Ensures applicants are financially prepared, reducing defaults and increasing program impact.
- **Builds Long-Term Capacity**: Strengthens the small business community by improving financial literacy and operational skills.
- **Expands Economic Inclusion**: Helps underserved businesses participate more fully in Palm Beach County's economic development opportunities.
- **Tangible Outcomes**: More businesses loan-ready, stronger local enterprises, and a healthier countywide small business ecosystem.

In summary: Grow America seeks to partner with Palm Beach County to deliver high-quality, affordable technical assistance training to small businesses. With County sponsorship, these businesses will gain the tools to manage finances effectively, qualify for loans, and contribute to a stronger local economy.

SMALL BUSINESS EDGE PROGRAM

Program Overview:

This program offers financial assistance to established small businesses in our community. Its goal is to support their growth and strengthen the local economy.

Program Funding Details:

- **Total Program Funding**: $400,000
- **Funding Type**: Fee Revenue
- **Maximum Loan Award**: Up to $10,000 per eligible business

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Eligible Businesses:

To qualify for this program, your business must meet the following criteria:

1. Must be an established small business that has filed tax returns for at least 2 years; startup businesses are not eligible.
2. Can be either a small for-profit OR a small not-for-profit business.
3. Must not be currently funded by Palm Beach County grant or loan program.
4. Must not be in violation of any county, state, or federal laws or regulations.
5. Must be registered with the State of Florida.
6. Must possess a valid/active business tax receipt (businesses with a BTR exemption are eligible).

Area of Eligibility:

- **Countywide** – The business must be headquartered in Palm Beach County and is required to maintain operations within Palm Beach County for a period of two years following the execution of the agreement.

Eligible Uses for Funding:

Funds may be utilized for (but are not limited to):

- Equipment and supplies
- Inventories
- Advertising, website development and signage
- Security systems
- Work vehicles (e.g., food trucks)
- Rent/Lease for the commercial real estate associated with their business

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Ineligible Uses of Funding:

Funds may not be utilized for (but are not limited to):

- Rental deposits;
- Housing-related costs;
- Late payment fees;

- Purchase of alcohol, tobacco, medicine, or firearms;
- Salaries;
- Existing personal and business debt;
- Property taxes, licenses, and personal expenditures;
- Any small business providing adult entertainment services, casinos, cannabis/CBD products or services;
- Other small business types and expenses deemed ineligible by the County.

Required Application Documentation:

Applicants must submit the following documents through our online portal:

1. Completed application;
2. Current Business Tax Receipt for Palm Beach County or documented exemption;
3. For incorporated businesses and Limited Liabilities Companies: Active State of Florida corporate registration and/or fictitious name registration, along with your Federal Employee Identification Number (FEIN) (or IRS 147c);
4. Valid photo ID for all owners with more than 20% ownership in the business. For not-for-profit businesses, a valid photo ID from the principal member(s), including Executive Director/CEO and Board Chair;
5. Your most recent two (2) years of business tax returns;
6. Applicants must be either a permanent legal resident or a United States citizen. Acceptable documentation to verify legal status includes a valid passport, permanent resident card (green card), birth certificate, or naturalization certificate.

Allocation and Disbursement Process:

This is a reimbursement-based program wherein funds are allocated for eligible expenses up to a maximum of $10,000. The procedure is as follows:

1. Applicants must submit their application through the designated online portal.
2. Upon approval by the designated staff, applicants will have a period of six (6) months to compile and submit documentation for eligible expenses, with the stipulation that submission is permitted only once. Multiple submissions to the portal with varying invoices are not permissible; all relevant documentation should be consolidated for a single submission through the portal.
3. Method of Reimbursement: Disbursement of funds will occur via paper check within 30 business days following the receipt of appropriate documentation.

Other Program Requirements:

To qualify for and retain your loan, your business must adhere to the following criteria:

1. Gross sales/revenue, as evidenced by your most recent two years tax returns, must not exceed $250,000.

2. The business must employ five (5) or fewer permanent employees. Please note that 1099 employees do not qualify as permanent employees, and payroll verification must be submitted accordingly.
3. Business must be / become registered as a certified vendor with Palm Beach County through the Division of Small Business Development.
4. The business must commit to creating or retaining at least one (1) full-time job in the first year and keeping this job(s) for an additional year.
5. The business must remain active and operate for two (2) years after receiving the funds.

Terms and conditions:

1. **Interest Rate:**
   - For-profit businesses: up to 3% fixed
   - Non-profit organizations: up to 2% interest
2. **Loan Term:**
   - 5-year term
3. **Repayment:**
   - Payment of principal and interest will begin the month following loan closing
   - A payment schedule will be provided with the executed loan note

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Loan documents:

1. **A Loan Agreement** provided by HED and executed by both the borrower and HED
2. **A Promissory Note** and the payment schedule will be executed by borrower at the time of closing.
3. **A UCC** (Uniform Commercial Code) filing will be recorded as collateral for this loan.

Audit and Follow-Up:

Staff will conduct follow-up procedures to ensure the objectives of the program are met:

1. The business is required to log into the online portal and upload business tax returns for two (2) consecutive years within 30 days following the anniversary of the agreement.
2. The business must certify, for two (2) consecutive years, that it has created or retained a minimum of one (1) full-time job, with the assurance that said job(s) have been retained for a period of at least one (1) additional year. The business is required to sign and upload the form provided by the Department of Housing and Economic Development by the established deadline mentioned above.

Default Conditions:

1. If the business fails to comply with the terms and conditions of the agreement and note, it will be required to repay the loan within 90 days under terms provided by the County.
2. The business will be reported to collections if the loan isn't repaid in full by the required timeframe.
