

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: January 7, 2020

DEPARTMENT: City Manager

TITLE:

Resolution No. 01-2020 - authorizing the Lake Worth Beach Community Redevelopment Agency to issue a non-revolving credit facility in the amount of up to \$1,500,000

SUMMARY:

The resolution proposes to authorize the Lake Worth Community Redevelopment Agency (“CRA”) to issue a non-revolving credit facility in the amount of up to \$1,500,000 for property acquisition.

BACKGROUND AND JUSTIFICATION:

Section 163.385, Florida Statutes, authorizes community redevelopment agencies to issue a line of credit to finance the undertaking of any community redevelopment authorized under Chapter 163, Part III, Florida Statutes. A line of credit must be approved by the local governing body, which in this instance is the City of Lake Worth Beach City Commission.

The CRA seeks to retain the line of credit in the form from PNC Community Development Company, LLC (“PNC”), which will make the disbursements to the CRA. The amount of the non-revolving credit facility is not to exceed \$1,500,000 and is to be payable from and secured solely by the CRA’s redevelopment trust fund and the tax increment financing revenue (as defined in section 163.340(22), Florida Statutes) required to be deposited therein.

Over the past three years, the CRA has been successful in assembling property in the District. To date, twenty properties were acquired, several with assistance from the City. They had success to date, but there is still much to be done. At this time, there is an opportunity for the CRA to maximize redevelopment efforts in the Downtown, making it a win-win for businesses and those wishing to live and work in the downtown. To assemble additional properties in the District, the CRA is asking for a non-revolving credit facility from PNC bank due to their favorable rates and past assistance.

A summary of terms and conditions by PNC is included for review. A sinking fund will be created to help pay off future debt.

MOTION:

Move to approve/disapprove Resolution No. 01-2020 - authorizing the Lake Worth Beach Community Redevelopment Agency to issue a non-revolving credit facility in the amount of up to \$1,500,000.

ATTACHMENT(S):

Fiscal Impact Analysis – N/A
Resolution 01-2020
PNC Terms and Conditions