

**LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY  
REGULAR MEETING  
CITY OF LAKE WORTH  
COMMISSION CHAMBERS  
TUESDAY, SEPTEMBER 8, 2015  
6:00 P.M.**

**I. ROLL CALL:**

The Recording Secretary called the meeting to order at 6:00 p.m. on the above date in the City of Lake Worth Commission Chambers located at 7 North Dixie Highway, Lake Worth, Florida.

Present were CRA Members Madyln McKendry, John Paxman, Brendan Lynch, Oswaldo Ona, Chip Guthrie, Cary Sabol & Leah Foertsch.

Also present was CRA Director, Joan Oliva

**II. PLEDGE OF ALLEGIANCE:**

**III. AGENDA – ADDITIONS/DELETIONS/REORDERING:**

**IV. PUBLIC PARTICIPATION ON NON-AGENDAED ITEMS (3 minute limit):**

**V. MINUTES :**

a. June 9, 2015

**Action:** Motion was made by Mr. Lynch to approve the CRA meeting minutes for June 9, 2015 seconded by Ms. McKendry.

**Vote:** All Ayes

**VI. DISCUSSION AGENDA:**

**a. CRA Office Space**

CRA staff discussed looking for office space. The CRA Board suggested that Commissioner Lynch become the office space liaison.

**b. Lucerne LLC- Remaining Payments**

On May 25, 2004, the CRA entered into an Agreement for Redevelopment of Property with the Lucerne, LLC for the development of a property located on Lake Avenue between "L" and "M" Streets. Pursuant to the Agreement, the property was to be developed as a mixed-use project consisting of eighty residential units, approximately 5,000 square feet of ground floor commercial space and a structured parking garage.

In June, 2007, the project was completed, and the improvements constructed by the Lucerne, LLC, were placed on the property tax roll. Pursuant to the Agreement, once the project was completed, the CRA was obligated to pay the Developer up to ten annual payments equal to the actual increment revenues attributable to the project. The annual payments are to be made until the total amount of payments made by the Agency totals \$1.2M. As of the date of this memorandum, the CRA has made eight payments totaling \$709,209.

**VII. ACTION AGENDA:****a. Paragon FL- Approve Business Micro Loan Program**

Late last year, the CRA and our NSP partners, Community Partners, applied for and received a Catalytic Grant funded by Neighbor Works America. Grant funds, to be used over an eighteen (18) month period, total \$500,000. The focus neighborhood, used in the application was the area of the District from 6th Avenue South to Lucerne Avenue and from the RR tracks to "C" Street. At the June 9, 2015 CRA Regular Meeting, the Board approved a Statement of Work (SOW) between Community Partners and the CRA detailing the roles, responsibilities and deadlines in relation to the Catalytic Grant Program.

The CRA is responsible for the development and/or execution of several components of the grant including, infrastructure improvements, marketing and a micro-loan program. The CRA established a Small Business Loan Program earlier this year. The minimum loan for this program is \$50K. However, Staff felt it was important to offer additional opportunities for smaller businesses, entrepreneurs and start-ups that might not have access to traditional funding or need more than \$50K in loan capital. Soon after receiving the grant award, Staff looked for opportunities to leverage the \$60K received for the micro-loan program.

After many discussions with other granting organizations, the CRA approached our business technical assistance providers, Paragon, Florida. Paragon, already familiar with the area and working with some local clients, was able to provide the needed services and matching funds.

As with any program, it takes time to properly lay the foundation, build relationships and execute. Staff has provided an agreement for the Board's review that covers a three-year time period. This period coincides with several other initiatives including the Business Recruitment Program, the Small Business Loan Program and the Business Technical Assistance Program.

The micro-loan allows small businesses within the CRA district to apply for loans that range from \$2,500-\$25,000 for permanent working capital, acquisition, equipment and business expansion. As part of the overall program, technical assistance will be provided to those businesses that need help with the loan application and the necessary components. The goal is to provide entrepreneurs and small businesses with the tools they need to be successful and also to help protect our investment. The initial investment provided by the CRA is \$60K. These funds are provided through the Neighbor Works grant. This funding pays for three years of services to be provided by Paragon. These services include the development of a loan manual, loan origination and administration, loan servicing and reporting, closings, collections and site visits, as needed.

The following two years, the CRA will contribute \$50K, each year to the loan fund. These funds are matched dollar for dollar by Paragon establishing, at a minimum, a \$260K program. Paragon also has a Venture Loan Fund, provided through the U.S. Small Business Administration (SBA) and can make loans up to \$200K each. Paragon, Florida is a non-profit corporation and Community Development Financing Institution (CDFI). Paragon can access financial and technical assistance through the CDFI program to support its community development financing and development programs in Palm Beach County. The CDFI Fund, created by Congress and managed

by the Department of the Treasury, promotes economic growth and access to capital by providing loans and financial services to underserved populations and communities. Goals of the micro-loan program include, supporting Lake Worth businesses, increasing the economic vitality and stability in the community, securing new or increased financing for growth and creating and/or retaining jobs.

Staff recommended that the Board approve the agreement between Paragon Florida Inc. and the CRA.

**Action:** Motion was made by Mr. Paxman to execute the agreement with Paragon FL for the Business Micro Loan Program seconded by Mrs. Foertsch

**Vote:** All Ayes

**b. PBC Commission on Ethics- Approve the renewal of the MOU**

On October 2011, a Memorandum of Understanding (MOU) was executed between the CRA and Palm Beach County for services of the Palm Beach County Commission on Ethics. A revised MOU was executed in 2012. The MOU gave authority to the County Commission on Ethics to exercise authority, functions and powers granted by the ethics ordinance over the operations of the CRA. The previous MOU expires in October so a new MOU has been created. The agreement allows the Commission to review, interpret and render advisory opinions, investigate legally sufficient complaints and develop and deliver training programs. If an investigation is conducted, the Commission has unrestricted access to the records of the Board of Directors and CRA Staff. Other responsibilities are described in Section III.b of the Agreement. The MOU stays in effect for three (3) years.

Because the CRA is a dependant district, the CRA is not under the jurisdiction of the Commission on Ethics. If the CRA wishes to engage the Commission, a MOU is necessary. The CRA is, however, currently under the jurisdiction of the Florida Commission on Ethics and abides by all rules and requirements.

Although there are no costs associated the provision of training, there are costs associated with the investigation of complaints and possible hearings. These fees are listed in Section IV of the agreement.

Staff recommended that the CRA Board carefully review the revised MOU and approve the agreement.

**Action:** Motion was made by Mr. Paxman to approve the revised MOU with PBC Commission on Ethics and allow the Chair to execute seconded by Mr. Ona

**Vote:** All Ayes

**c. Budget FY 15/16-Approve Final**

Staff provided the Board with a final copy of the Lake Worth CRA proposed 2015/16 budget. At the August 11th regular meeting the Board made one change to the draft budget. This change in included in the Programs- Banners and Decorations line.

Staff recommended that the Board pass Resolution Number 16-01, adopting the 15/16

CRA budget.

**Action:** Motion was made by Mr. Lynch to approve the FY 15/16 Budget seconded by Ms. McKendry.

Mr. Tolces read the resolution into the record.

**Vote:** All Ayes

**VIII. EXECUTIVE DIRECTORS' REPORT:**

- a. **Community Cleanup- September 19<sup>th</sup>**
- b. **Rotary Peace Pole Event- September 20<sup>th</sup>**
- c. **FRA- Upcoming Conference**

**IX. BOARD MEMBERS' COMMENTS:**

**Leah Foertsch-** Encouraged everyone to attend the event at the Palm Beach Photographic Center. The exhibition highlights children of Lake Worth.

**Ozzie Ona-**Recommended that every Board Member attends Saturday's cleanup.

**Brendan Lynch-** Stated that the element in the Cultural Plaza has turned in the last several months and it has gotten really bad. My wife and children were going to the library and they did not feel safe. I don't know what we can do as a Board but I wanted to let everyone know. PBSO has done a great job but we can always do better.

**Madlyn McKendry-** I caught 2 bicycle thieves the other night. We have a lot of wandering people and this is a problem. It's a public space and we they have a right to be there. Thanked Joan for all of her great work.

**Chip Guthrie-** Stated that he will not be able to attend Saturday's cleanup.

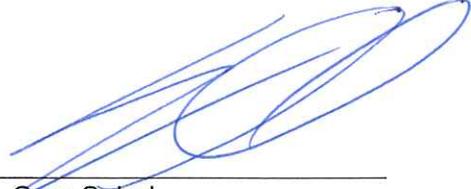
**John Paxman-** Appreciated how great the budget discussion went during the last meeting.

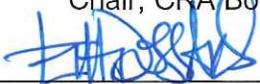
**Cary Sabol-** No comment.

**X. ADJOURNMENT:**

Meeting adjourned at 6:53 p.m.

Minutes Approved 12.15.15

  
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Cary Sabol  
Chair, CRA Board

  
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Emilia Theodossakos  
Recording Secretary