



Hallandale Beach
COMMUNITY REDEVELOPMENT AGENCY

Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	September 28, 2022		File No.	Item Type: <i>(Enter X in box)</i>	Resolution		Other	
			22-369		x			
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>		1st Reading		2nd Reading	
	x		Public Hearing: <i>(Enter X in box)</i>		N/A		N/A	
					Yes	No	Yes	No
Funding Source:	N/A		Advertising Requirement: <i>(Enter X in box)</i>		Yes		No	
							X	
Account Balance:	N/A		RFP/RFQ/Bid Number:					
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Project Number:					

Redevelopment Goals:
(Enter X in box)

Compact & Urban Development Projects

- Goal 1 - Catalytic projects that support the growth of local economy
- Goal 2 - Transit supportive Development
- Goal 3 - Neighborhood-level enhancements

Improve Connectivity within community

- Goal 1 - Development of complete streets
- Goal 2 - Facilitate & Identify safe access to multiple modes of transportation
- Goal 3- Provide Strategic parking solutions

Create CRA Resiliency

- Goal 1- Utilize innovative means to create sense of place to attract residents & visitors
- Goal 2- Use diverse architectural styles & messaging to create iconic buildings & destinations
- Goal 3- Prepare for sustainable future through smart technology, social & economic development Programs and environmental measures

Sponsor Name:	Dr. Jeremy Earle, Executive Director	Department:	HBCRA
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SHORT TITLE:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA; APPROVING THE SETTLEMENT OF A LAWSUIT BETWEEN THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY AND H&V ENTERPRISES, INC. ET AL. FOR A SETTLEMENT AMOUNT OF \$39,900 TO BE PAID TO THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE PAYMENT OF THE LOAN BALANCE AND LEGAL FEES; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE SETTLEMENT AGREEMENT BETWEEN THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY AND H&V ENTERPRISES, INC. ET AL.; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE TERMS OF THE SETTLEMENT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Background:

The Board of Directors of the Hallandale Beach Community Redevelopment Agency (HBCRA) established the Business Incentive Loan Program as a means to stimulate the local economy through business expansion, improvements, and job creation. During the life of this program H&V Enterprises Inc., received a Business Incentive Loan from the HBCRA on August 22, 2006, in the amount of \$75,000 at a 2% annual interest rate with a ten-year maturity date (April 2016) and a forgiveness of \$7,500, waived as an incentive at the beginning of the loan repayment.

H&V Enterprises Inc., d/b/a The Learning Corner, is an early childhood education center located at 1003 SE 1st Avenue, Hallandale Beach. The Learning Corner is an Accredited Professional Preschool Learning Environment Institute. This family-oriented business was first opened in 1998 and currently provides services to over seventy children. The loan proceeds were utilized for a comprehensive school restoration project that included the installation of new sidewalks, fire alarms, and imitation grass for the playgrounds. New building doors were also installed at the property together with an all-encompassing building fence.

Current Situation:

On May 15, 2017 H&V Enterprises Inc., d/b/a The Learning Corner requested a loan modification in order to bring their loan current. The following amendments were granted by the HBCRA Board of Directors:

- Assignment of the loan from H&V Enterprises Inc. to its principals, Hisnardo and Vivian Sanchez
- Extend the maturity date for repayment of the loan principal balance of \$18,211 to November 15, 2018
- Repayment will consist of a total of eighteen monthly payments of \$1,027
- Loan repayment starts on June 15, 2017, through November 15, 2018
- The loan will be serviced by HBCRA staff using the Autopal Loan Servicing Software

Interest rate will remain at 2%.

Since the approval of this loan modification H&V Enterprises Inc., d/b/a The Learning Corner, has made no payments. HBCRA staff has made several attempts to contact the owners to make payments with no success. HBCRA has also sent this loan to collections with no success as well. On March 9, 2021, a lawsuit was filed with Broward County to recoup the CRA's investment. The total amount owed on the loan is \$ 20, 433.04.

To date HBCRA Attorney Zelkowitz has worked diligently on recouping the CRA's funds. On August 24, 2022, an executive session was held to inform the Board of Directors of the outcome of the case, as a settlement was achieved. The settlement amount of \$39,900 will cover the loan balance and legal fees spent by the HBCRA.

Recommendation:

Staff, recommends that the HBCRA Board approved the settlement amount of \$39,900 so that the HBCRA can recoup its funds. If the HBCRA approves this settlement amount an agreement will need to be executed by H&V Enterprises Inc., d/b/a The Learning Corner and the HBCRA.

PROPOSED ACTION:

HBCRA Board of Directors considers the attached Resolution.

ATTACHMENT(S):

- Exhibit 1 – Resolution
- Exhibit 2 – Settlement Agreement