



Hallandale Beach Community Redevelopment Agency Board of Directors Meeting Agenda Cover Memo

Meeting Date:	May 15, 2017	Item Type:	Resolution X	Ordinance	Other	
Fiscal Impact:	Yes	No	Ordinance Reading:		1st Reading	
	X		Public Hearing:		2nd Reading	
			Yes	No	Yes	No
				X	X	
Funding Source:	N/A		Advertising Requirement:	Yes	No	
					X	
Account Balance:	N/A					
Project Number:	N/A		RFP/RFQ/Bid Number:	N/A		
Contract/P.O. Required:	Yes	No	Strategic Priority (Enter X in box):			
X			Capital Improvements			<input type="checkbox"/>
			Goal 1 - Undertake Total Improvements of Public Realm			<input type="checkbox"/>
			Goal 2 - Promote Public/Public and Public/Private Partnership			<input type="checkbox"/>
						<input type="checkbox"/>
			Promote Projects with Large-Scale Impacts			<input type="checkbox"/>
			Goal 1 – Issue a Request for Proposals (RFP) for NW infill Housing			<input type="checkbox"/>
			Goal 2 – Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel			<input type="checkbox"/>
			Priority Area:			
			North West Quadrant			<input type="checkbox"/>
			FEC Corridor			<input type="checkbox"/>
Southwest Quadrant			<input type="checkbox"/>			
Northeast Quadrant			<input type="checkbox"/>			
Southeast Quadrant			<input checked="" type="checkbox"/>			
Sponsor Name:	Roger M. Carlton, HBCRA Executive Director		Department:	Roger M. Carlton, HBCRA Executive Director		



Short Title:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING CERTAIN MODIFICATIONS TO BUSINESS INCENTIVE/ENTICEMENT LOAN MADE TO H&V ENTERPRISES, INC. D/B/A THE LEARNING CORNER; AUTHORIZING THE HBCRA EXECUTIVE DIRECTOR TO EXECUTE ALL APPROPRIATE DOCUMENTS TO REFLECT THE LOAN MODIFICATIONS; AUTHORIZING THE HBCRA EXECUTIVE DIRECTOR TO TAKE ANY AND ALL ACTION TO DECLARE A DEFAULT AND ENFORCE THE HBCRA'S REMEDIES; 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. There are currently thirteen (13) active loans under this Program, all of which are in a performing status except for the loan to H&V Enterprises, Inc. set forth below. The requested action to modify this loan is reflective of the proactive effort by the HBCRA to bring all the loans into a performing status.

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.

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.

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.

In the last two years, The Learning Corner has experienced financial difficulties that have affected the timely repayment of the loan. The school enrollment significantly decreased due to the opening of a new public school in close proximity from the business property: Miami-Dade County Aventura Waterways. As a result, The Learning Corner has been facing the challenge to remain competitive given the services a public school is able to offer are free of cost.

On December 20, 2014, H&V Enterprises, Inc. conveyed the property to its principals, Hisnardo and Vivian Sanchez. In order to modify the loan as requested herein, the principals will assume the loan and be personally responsible



for its repayment. As of May 1, 2017, H&V Enterprises Inc., has paid \$58,567 towards the principal balance of the loan and has an outstanding balance of \$18,211.

Current Situation:

In order to bring the loan current, H&V Enterprises Inc., has submitted a written request to the HBCRA office requesting the following loan amendments:

- 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%.

Fiscal Impact:

None

Why Action is Necessary:

Pursuant to Article 4, Section 4.1, of the HBCRA By-Laws, a Resolution of the Board of Directors is necessary to authorize the Executive Director to execute HBCRA revised loan documents.

Proposed Action:

That the Board approve the loan modification request submitted by H&V Enterprises Inc., d/b/a The Learning Corner including the assignment to and assumption by Hisnardo and Vivian Sanchez with a maturity date extension to November 15, 2018; as well as authorizing the HBCRA Executive Director to execute all appropriate documents to reflect the loan modifications; and further authorizing the HBCRA Executive Director to take any and all action to declare a default and enforce the HBCRA's remedies.

Attachment(s):

Attachment 1 - Resolution

Attachment 2 - Financial Calculations for the Loan- Payment Schedule


Prepared by: Lina Duran, HBCRA