



Legislation Text

File #: 18-0626 CRA, Version: 1

TO: CRA Board of Commissioners
FROM: Renée A. Jadusingh, Esq., Executive Director
DATE: July 28, 2020

DELRAY BEACH CHAMBER OF COMMERCE LOAN FORBEARANCE REQUEST

Recommended Action:

Board direction.

Background:

On February 22, 2013, the Delray Beach Community Redevelopment Agency (CRA) and the Delray Beach Chamber of Commerce (Chamber) executed a Funding Agreement (Agreement) in the amount of Four Hundred Fifty-Nine Thousand Six Hundred Seventy-Five and 00/100 (\$459,675.00) for the build out of their office space at 140 NE 1st St, Delray Beach, FL 33444. The Chamber agreed to repay \$250,000.00 of the build-out expense to the CRA over a 15-year period at 4% interest.

Since the Agreement was executed, the Chamber has made timely payments every month in the amount of \$1,849.22. The current balance of the loan is \$164,854.

Due to COVID-19, the Chamber's income has been adversely affected and significant revenue generating events were cancelled or postponed, most notably, The Delray Affair. As a result, on June 11, 2020, the Chamber requested a forbearance for the loan from June 2020 to December 2021. If approved, the payments due would be suspended during this time and the Chamber would resume payments in January 2022.

Staff is requesting the Board's direction on this request.

Attachment(s): Exhibit A - Chamber Request Letter; Exhibit B - Original Note; Exhibit C - Loan Amortization Schedule

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A