

## **County Receives Increase of \$1.5 Million for Business Loan Program**

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Palm Beach County's application for an additional \$1,568,000 in economic development loan guarantee assistance has been approved by the U.S. Department of Housing and Urban Development.

The new pool of Section 108 loan funds will be prioritized by the Department of Economic Sustainability (DES) to finance business development projects in distressed, unincorporated areas of the county. It is expected that the program will leverage up to \$6 million from private sources and loans from the Small Business Administration (SBA) 504 Program for fixed asset financing. The county loans will be used toward working capital.

DES collaborates with private lenders and SBA Certified Development Corporations to make low-interest financing available, maximizing opportunities to leverage county program funds and increasing financing options for businesses.

Also unique to this new Section 108 pool is the ability for projects that are approved for financing through the issuance of Industrial Revenue Bonds to leverage working capital costs through the program.

The Board of County Commissioners established the Section 108 Loan Program to provide subordinated gap financing to borrowers committed to establishing or expanding businesses and creating new jobs. The Department of Economic Sustainability currently administers more than \$30 million in three separate loans pools to assist businesses throughout the county as well as specifically within the cities of Belle Glade and Pahokee.

To date, DES has closed or approved more than \$18 million in Section 108 loans, contracting for the creation of more than 950 jobs for county residents.