

Demystifying Access to Capital Workshop

September 13, 2024

Welcome!

Thank You for Joining Us

Pledge of Allegiance



Our Program

- Introductions
- Why we are here today?
- Presentations
- Answer your questions
- About the BDB
- Acknowledgments
- Making connections




DEMYSTIFYING ACCESS TO CAPITAL

A **FREE** workshop for business owners and entrepreneurs designed to demystify how to find funds and resources small businesses need to thrive.


Bring your questions, we'll have answers!

 **SEP 13 | 8 AM**

 **FREE**

 **Flagler Center**
201 Flagler Avenue
Stuart, FL 34994

 www.bdbmc.org

 **772-221-1380**

 office@bdbmc.org



Learn More & Register



Please Welcome




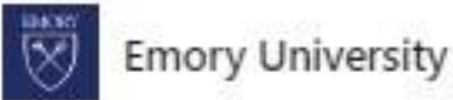
William T. Corbin, CEcD · 1st

Economic Development Executive

Incoming Executive Director, Business Development Board of Martin County

500+ connections

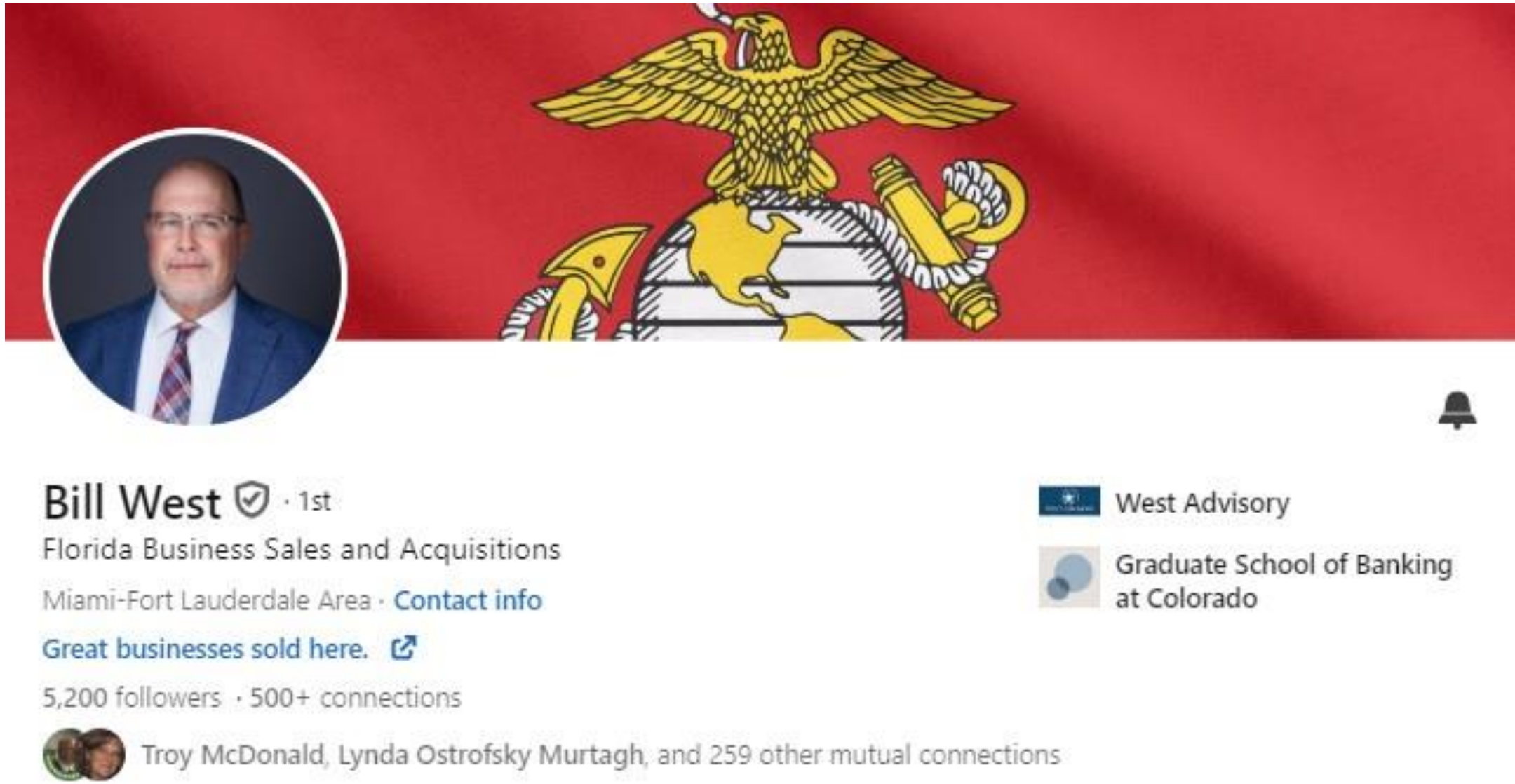
 Troy McDonald, Bill West, and 13 other mutual connections





Special Guest!

William T. Corbin CEcD
Incoming Executive Director
Business Development Board of
Martin County

Please Welcome



Bill West  · 1st
Florida Business Sales and Acquisitions
Miami-Fort Lauderdale Area · [Contact info](#)
[Great businesses sold here.](#) 
5,200 followers · 500+ connections
 Troy McDonald, Lynda Ostrofsky Murtagh, and 259 other mutual connections

West Advisory
Graduate School of Banking at Colorado

Moderator

Bill West
Business Advisor, West Advisory
Consultant & Pulse Volunteer,
BDB



Your Funding Roadmap



Understand the type of business you are building

Current status, short-term and long-term status or goals

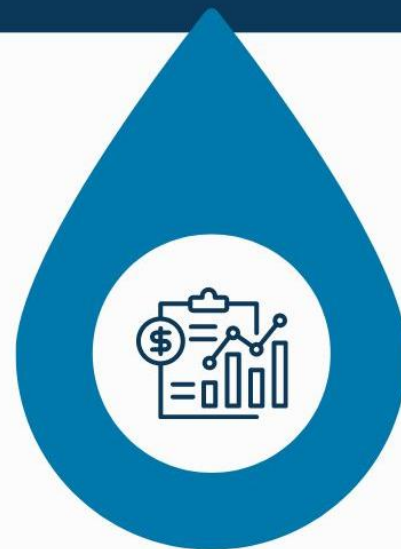


Identify the type of funding that will work best for your business

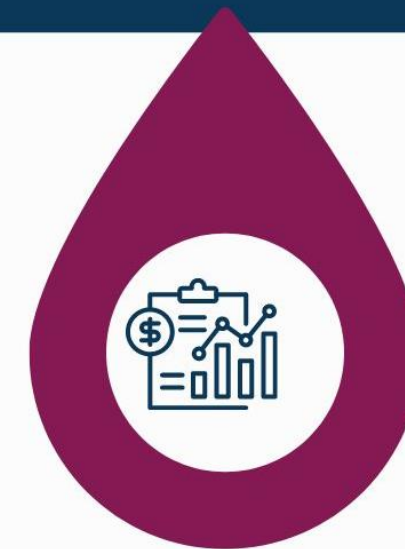
Traditional sources, banks, venture, private equity, government grants, commercial loans, secured credit, crowdfunding, acquisitions, stock, and many more.



Create a list of capital providers



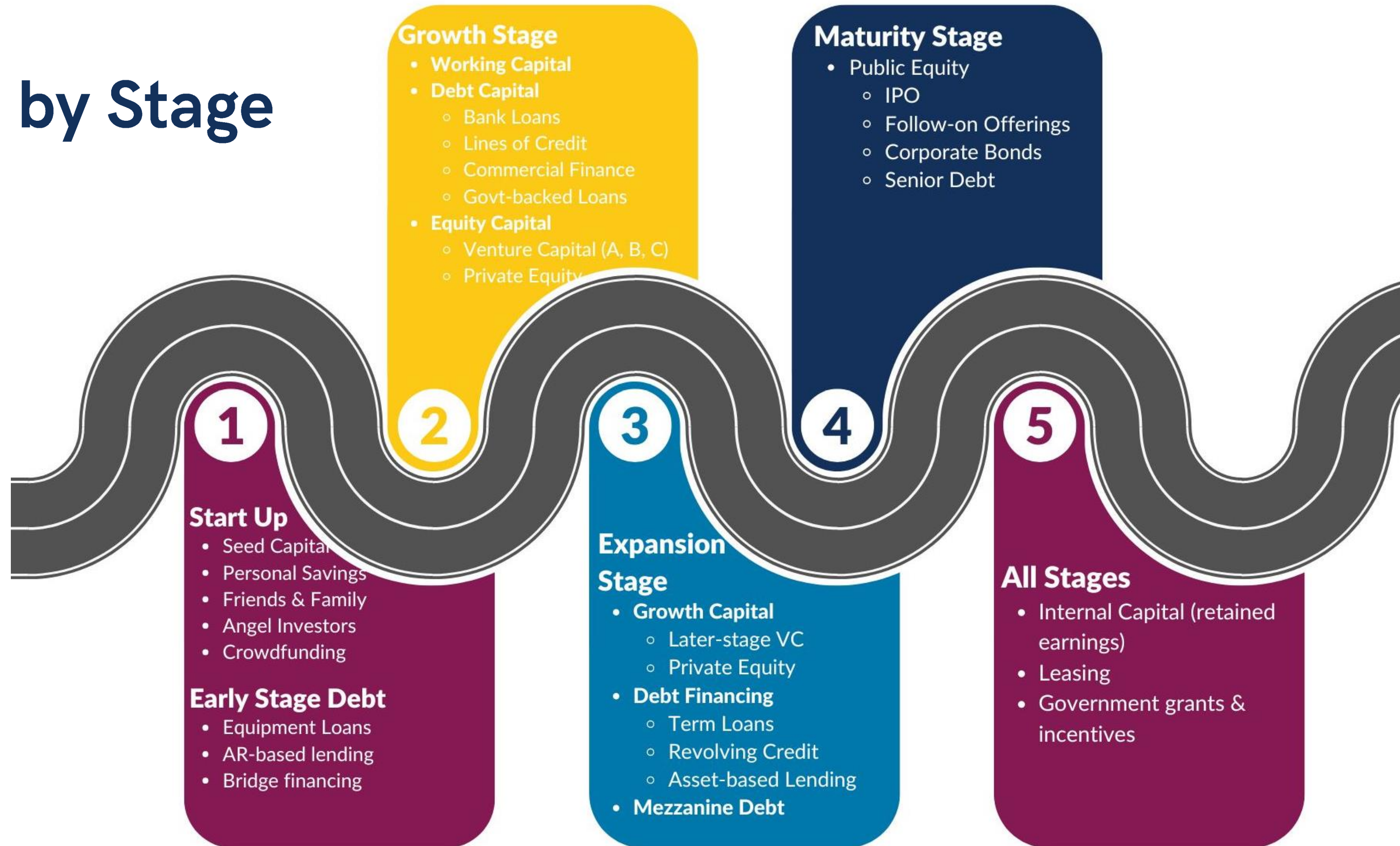
Draft your funding proposal



Start talking to providers

Capital Continuum

Resources by Stage



Welcome



Robert Harvey ✓ · 1st

Florida Opportunity Fund | Florida Development Finance Corp

West Palm Beach, Florida, United States · [Contact info](#)

500+ connections



Susan Rabinowitz, George Stokus, and 5 other mutual connections



Southern Illinois University,
Carbondale



Robert J. Harvey

**President & Executive Director
Florida Opportunity Fund and
Florida Development Finance
Corp.**

Venture Capital in Florida



FOF Programs

Multiple Programs to Achieve Strategic Priorities

Florida Venture Capital Program (FLVCP)

Founded in 2011 by State of Florida after allocating approximate \$42M of SSBCI program funding.

- Direct investments in start-up Florida Businesses with max of 250 employees (target <100).
- Equity or convertible debt **investments of \$0.5-3.0M+ in sectors strategic to Florida.**

Clean Energy Investment Program (CEIP)

Founded in 2010 with an initial capitalization of \$36M to promote energy efficiency and renewable energy investments in Florida.

- Makes investments in Florida Businesses to increase use of energy efficient technologies, equipment, and materials.
- Focus on **energy savings, job creation, and strong returns.**

Fund of Funds Program (aka “Series A”)

Founded with \$29.5M appropriated to FOF from FL Legislature.

- Invests in **early-stage venture funds** that have experienced managers with demonstrated experience, expertise, and performance investing in opportunities within the State of Florida.

Equity Capital Program (ECP)

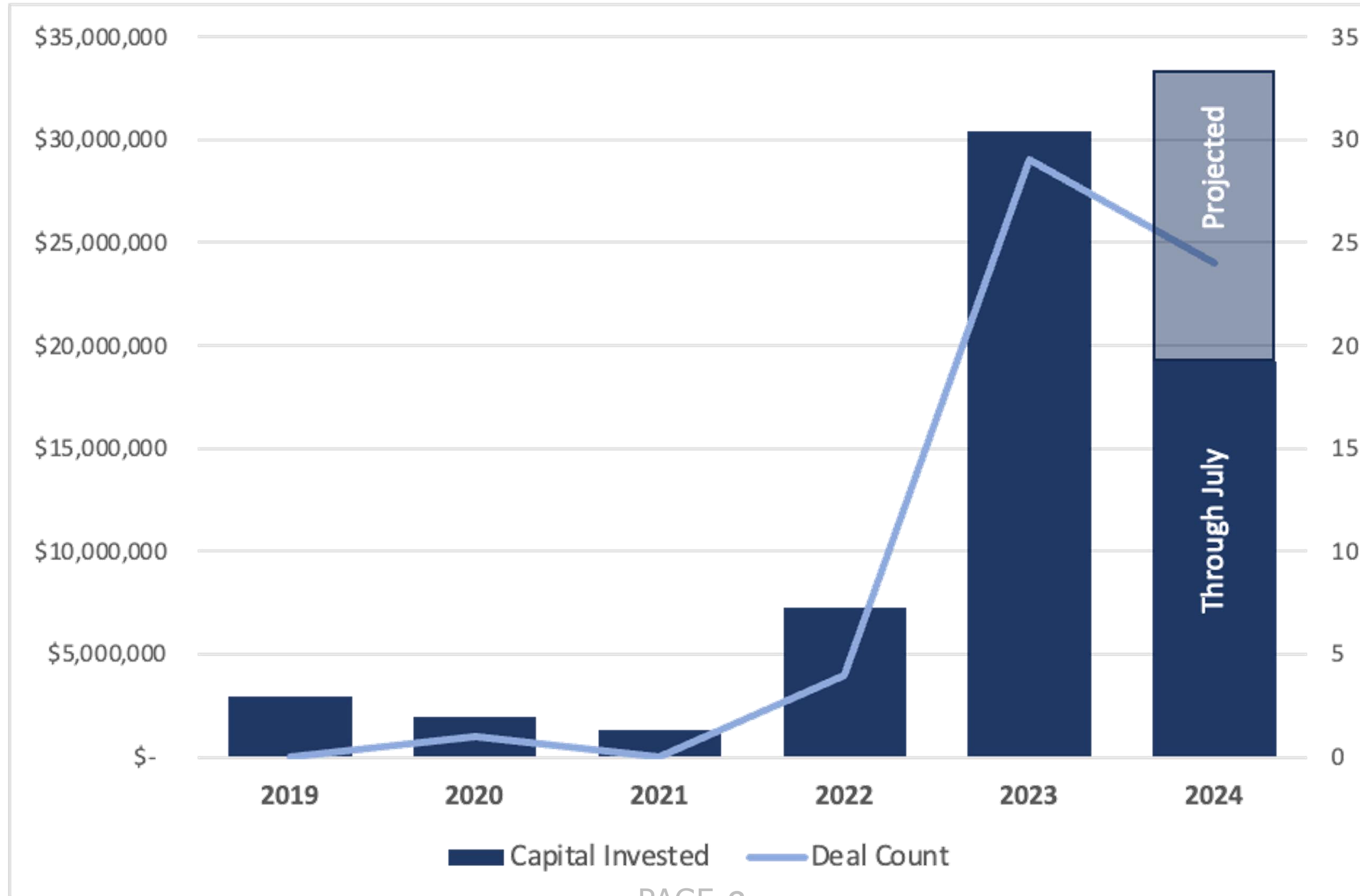
Founded in 2023 with \$30M appropriated to FOF from FL Legislature.

- Direct investments in start-up Florida Businesses (<500 FTEs) with additional objectives in supporting companies owned by Socially and Economically Disadvantaged Individuals (SEDI), Very Small Businesses (VSB), and those in Community Development areas (CDFI).



FOF Investment Activity

Deal Activity Over Last Five+ Years



Florida Opportunity Fund 24 Month **Activities & Impact** in Florida



- 1750+** new FL jobs to be created over next 2 years
- 43 investments** into new companies and funds
- \$50M+** deployed through new direct investments
- \$500M+** deployed by co-investors (9:1 leverage)
- 7 fund commitments** into FL-based fund managers
- 12 pro rata** investments into portfolio companies

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W.W.W.D

FOF & ECP

DeepWork
CAPITAL

أرامكو السعودية
saudi aramco

Breakout
Ventures

NVIDIA

RISE OF THE REST
a revolution fund

SUSV
DFJ GROWTH

GREYCROFT

SANDS CAPITAL

Co-Investors

INTUITIVE
SURGICAL

BOEING

OPTUM
VENTURES

NEXTERA
ENERGY

MARK CUBAN COMPANIES

LOCKHEED MARTIN

SAGEVIEW
PARTNERS

PRIMETIME
PARTNERS



Software & Technology



Life Sciences & Biotech



CleanTech & Energy



SpaceTech & Aerospace



Advanced Manufacturing



Mobility & Logistics



Healthcare & Medical Devices



Cyber & National Security



Other Emerging Technologies

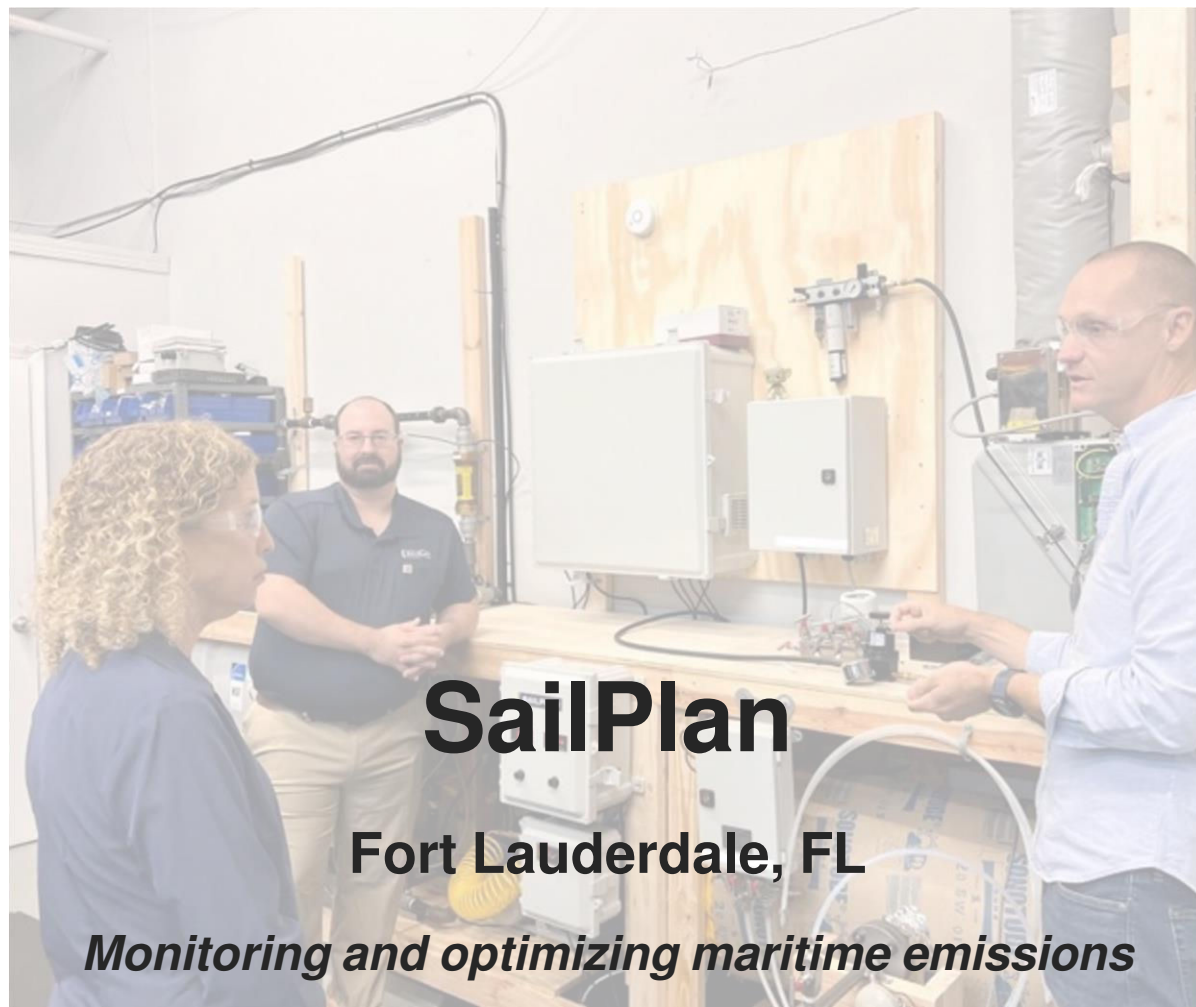




Haddy

St Petersburg, FL

3D-printing eco-friendly furniture



SailPlan

Fort Lauderdale, FL

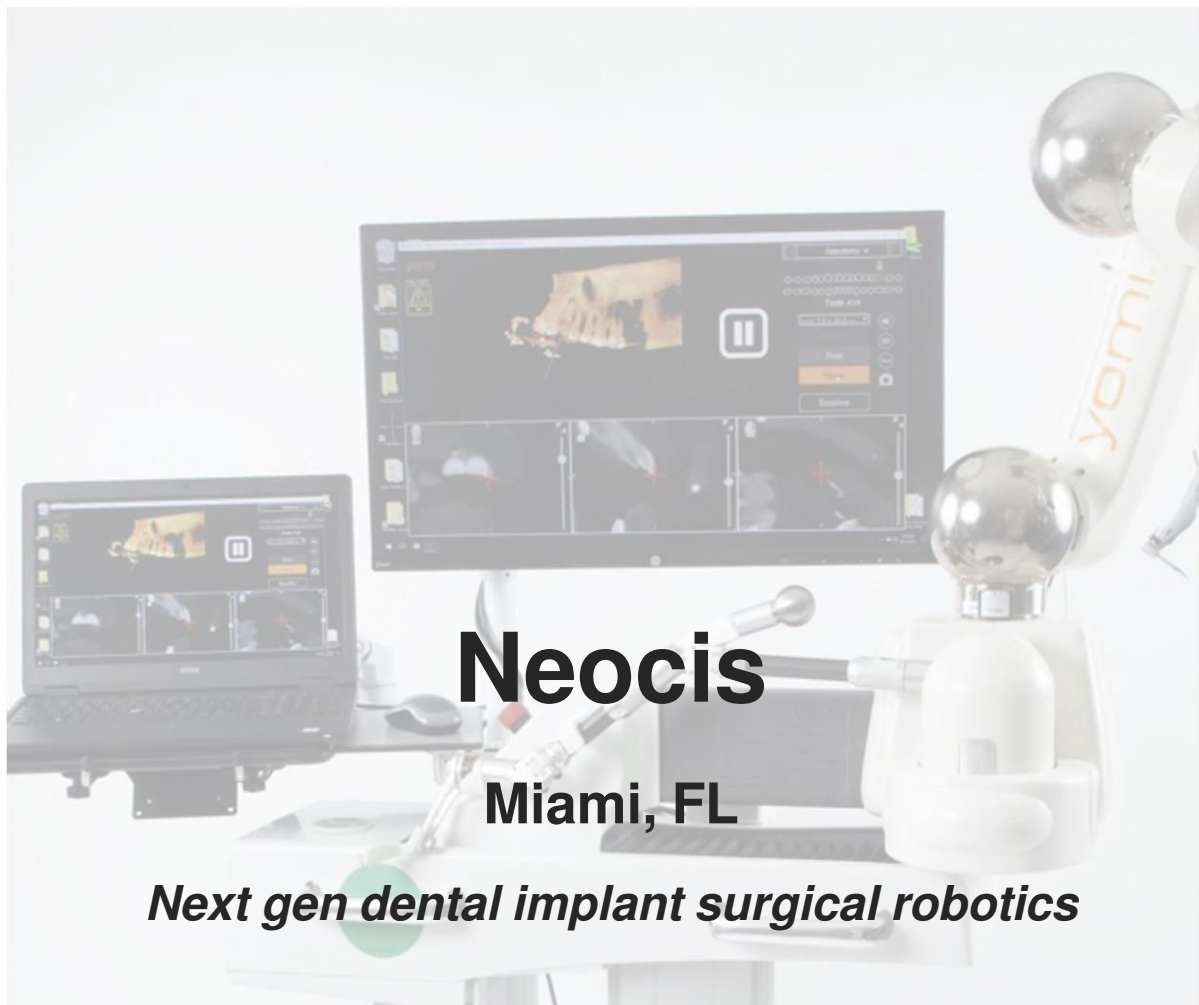
Monitoring and optimizing maritime emissions



Red6

Orlando, FL

Training our next generation of fighter pilots



Neocis

Miami, FL

Next gen dental implant surgical robotics



Canaery

Alachua, FL

Using scent to detect disease, weapons, drugs



Carewell

Miami, FL

The leading marketplace for all caregiving needs

Blue Frontier

FOF Portfolio Companies in the News

Based in Boca Raton, FL, **Blue Frontier** is a clean energy and advanced manufacturing company developing next generation air conditioning technologies. Blue Frontier's technology leverages intellectual property developed by NREL and DOE to achieve up to 85% savings on energy consumption compared to traditional HVAC systems.

FOF invested in Blue Frontier's Series A alongside NextEra Energy, Breakthrough Energy Ventures, VoLo Earth, and 215 VC.

Read More:

[Blue Frontier Raises \\$17M Series A](#)
[MIT's 2023 Climate Tech Companies to Watch](#)

With a fresh \$16.9M injection of capital, Blue Frontier is leading the eco air revolution – from Boca Raton to the world



Riley Kaminer
February 2, 2024



OneRail

FOF Portfolio Companies in the News

Based in Orlando, FL, OneRail is a growth stage company providing leading technology solutions that optimize and automate final mile delivery to improve dependability and reduce costs. OneRail works with partners and customers including Lowe's, PepsiCo, American Tire, Tractor Supply, and Advanced Auto Parts and has grown >7000% in the last three years.

FOF invested in OneRail's Series B bridge alongside Las Olas VC and various strategic investors.

Read More:

[OneRail ranked #59 fastest growing companies in North America in Inc 5000](#)



OneRail Earns 'Top 100' Ranking on the Inc. 5000 Annual List for Second Consecutive Year

OneRail Ranks No. 59 Among America's Fastest-Growing Private Companies with 7,409% Growth

Kind Designs

FOF Portfolio Companies in the News

Based in Miami, FL, **Kind Designs** is an early-stage advanced manufacturing and sustainability company developing the world's first 3D printed "living seawalls" that protect coastlines while enabling marine habitats to remain intact. Kind Designs is founded and led by Anya Freeman, a female-founder Ukrainian immigrant, and Jeremy Morris, a former engineer for Elon Musk's The Boring Company.

FOF invested in Kind Design's Series Seed alongside Govo Venture Partners, Mark Cuban Companies, and several strategic investors and family offices.

Read More:

[Kind Designs featured by BBC](#)

[Kind Designs installs world's first 3D printed seawall \(NBC\)](#)

[Kind Designs named top 10 most innovative companies in North America by FAST](#)



Worth AI

Based in Orlando, FL, **Worth AI** is a seed stage fintech company building a credit-underwriting platform to improve credit scores. Florida Opportunity Fund previously invested in Fattmerchant (Stax), which was also founded by Suneera and Sal Rehmetullah and is now **valued at over \$1B**.

FOF invested in Worth's Series Seed alongside DeepWork Capital.

• **Read More:**

• [Inc.'s Coverage of Worth AI Launch](#) [Worth AI Part 2](#)

After Scaling Stax to Unicorn Status, Co-Founders Suneera Madhani and Sal Rehmetullah Unveil a New Mission-Driven Fintech Business

The sibling entrepreneurs' AI-powered credit-underwriting platform, Worth AI, aims to standardize business credit scores.

BY ALI DONALDSON, STAFF REPORTER @ALICDONALDSON

MAR 13, 2024



A long-exposure photograph of a rocket launch at night. A bright, glowing orange arc of light curves across the dark blue sky, starting from a point on the horizon on the right and ending on the left. The background is a deep, dark blue, suggesting a clear night sky. The overall mood is dramatic and awe-inspiring.

Why are we **so bullish** on Florida?

38,000+ high tech companies and 120+ billion-dollar companies call Florida home

#4 in U.S. for total technology jobs, with over 440K

#1 in U.S. in 2021 and 2022 for new technology businesses established #1 in net migration

(2016 – 2020) – 85% higher than any other state

#1 in the nation for attracting and developing skilled workforce (Lightcast, 2022 Survey)

Home to the **#1 and #2 "Emerging Tech Cities"** in the U.S. (Forbes)

4x more STEM-related certifications & degrees than business-related certifications & degrees

Florida universities invest over \$1.4B every year into life sciences R&D

#2 in medical device manufacturing, **#2** in pharmaceutical manufacturing, and **#4** in biotech R&D

Florida's \$1.44T GDP makes it the **14th largest economy in the world**

FOF Co-Investors

Look Who's Investing in Florida



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W.W.W.D

What's Next?

Our "Call to Action"

Early-Stage Companies

We are active!

Venture Capital Firms

Looking for co-investors and fund-of-funds opportunities

Other Ecosystem Players

We will get you connected and engaged



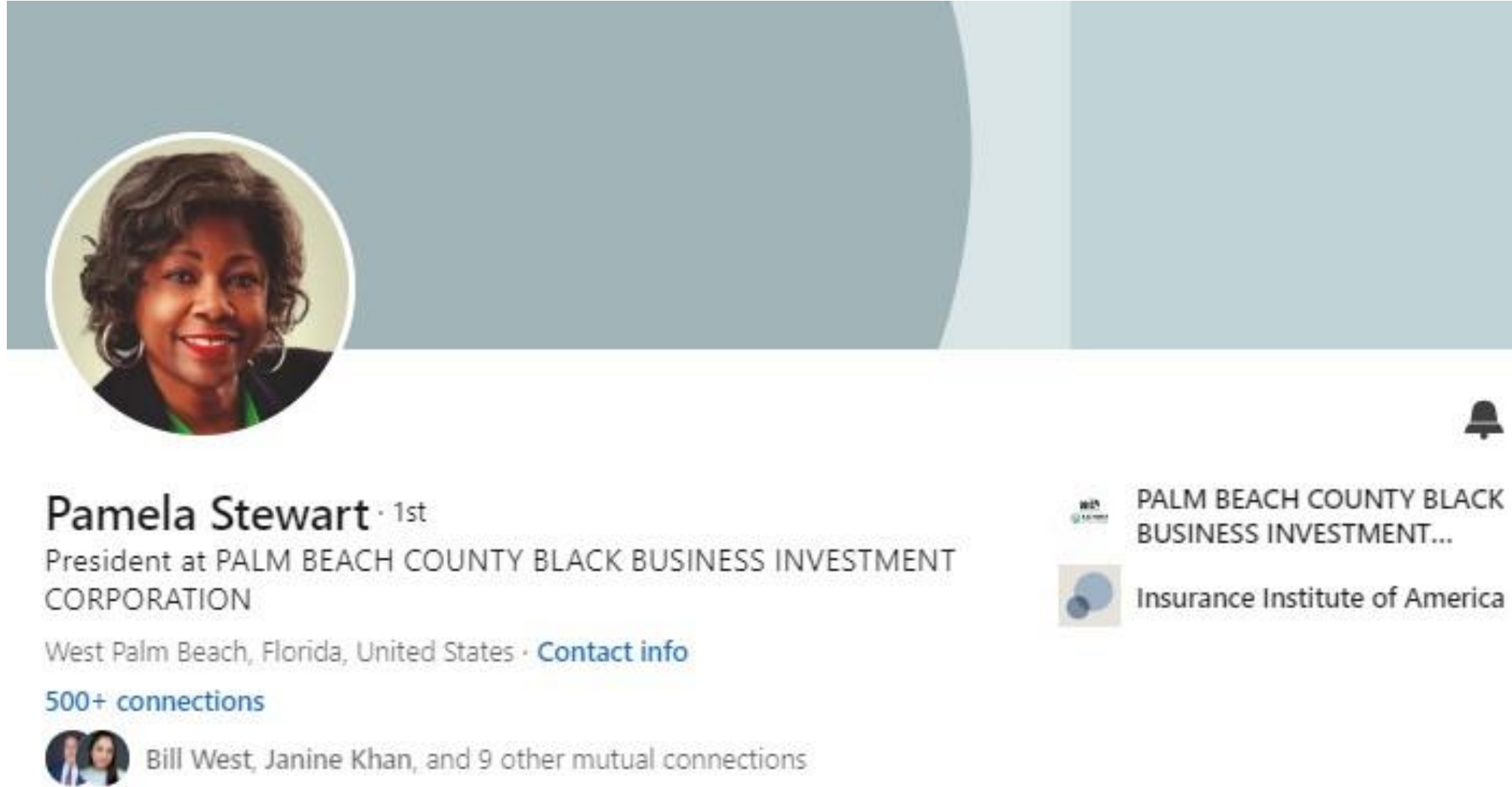
Thank you!

Robert Harvey:

Rharvey@floridaopportunityfund.com



Welcome



A screenshot of a LinkedIn profile for Pamela Stewart. The profile includes a circular profile picture of a woman with dark curly hair, a light blue header banner, and a notification bell icon. The text on the profile reads: "Pamela Stewart · 1st", "President at PALM BEACH COUNTY BLACK BUSINESS INVESTMENT CORPORATION", "West Palm Beach, Florida, United States · [Contact info](#)", "500+ connections", and "Bill West, Janine Khan, and 9 other mutual connections". To the right of the profile, two company logos are visible: "PALM BEACH COUNTY BLACK BUSINESS INVESTMENT..." and "Insurance Institute of America".

Pamela Stewart

President
Black Business Development Center
And Pathways Capital Funding Inc.





ACCESS TO CAPITAL

Pamela Stewart | President
Black Business Investment Corporation
Pathway Capital Funding
www.bcbbic.biz
www.pathwaycf.org



Our Business Model

WHO DO WE SERVE

People of Color

Women

Low/Moderate Income

HOW DO WE DO IT

Access to Capital

Access to Coaching / Training

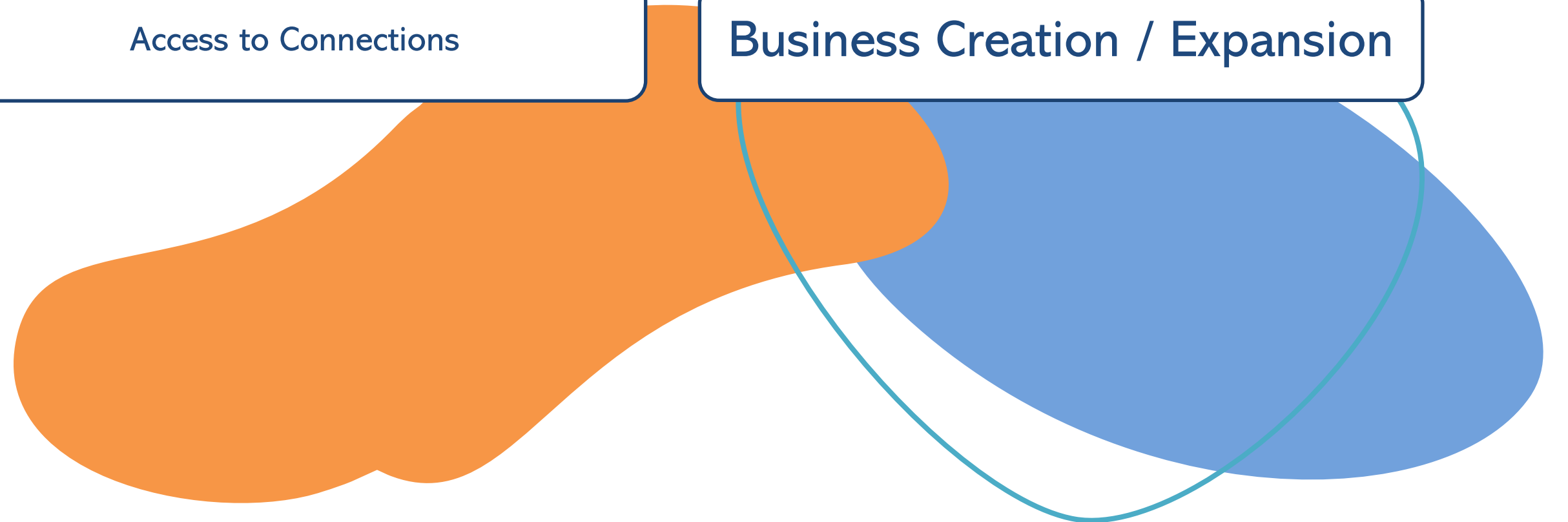
Access to Connections

HOW WE IMPACT OUR COMMUNITY

Job Creation / Retention

Creation of Wealth and Assets

Business Creation / Expansion



What We Fund



Working capital



Machinery, equipment or technology upgrades



Contract financing



Leasehold improvements



Commercial Real estate



Restructure predatory business loans



LENDING CRITERIA

More Flexible
Credit
Requirements

Pay More
Attention To
The Character
Of The Business
Owners

Provide
Technical Help
And Advice with
Application

Understand the
Conditions in
the Local
Community

LAUNCH FUND \$5K - \$25K



Scan QRCode
for more
information

Start-up, newly established business less than 18 months in operation

INTEREST RATE **as low as**

4 point below WSJ Prime or 4.5%

FEES

\$150 application fee and 3% origination fee

TERM

1 – 3 years

PRE-PAYMENT PENALTY

None

COLLATERAL

UCC lien on business assets

PERSONAL GUARANTEES


Must be provided by individual with 20% or more ownership

LOAN PURPOSE

- Working capital, inventory
- Machinery, equipment, furniture, fixtures
- Supplies, leasehold improvements, and minor building renovations
- Mobilization dollars to execute on contract

GROWTH FUND

\$25K - \$50K



Scan QRCode for more information

Established or growing small business generating revenue 18+ months

INTEREST RATE

Up to 10%

FEES

\$150 application fee and 3% origination fee

TERM

3 – 5 years

PRE-PAYMENT PENALTY

None

COLLATERAL

UCC lien on business assets; key man insurance under certain circumstances

PERSONAL GUARANTEES

Must be provided by individual with 20% or more ownership

LOAN PURPOSE

- Working capital, inventory
- Machinery, equipment, furniture, fixtures
- Supplies, leasehold improvements, and minor building renovations
- Mobilization dollars to execute on contract
- Refinance predatory debt

IMPACT FUND

\$50K - \$100K



INTEREST RATE

Up to 10%

FEES

\$150 application fee and 3% origination fee

TERM

4 – 7 years

PRE-PAYMENT PENALTY

None

COLLATERAL

UCC lien on business assets, real-estate and/or key-man insurance

PERSONAL GUARANTEES

Must be provided by individual with 20% or more ownership

LOAN PURPOSE

- Working capital, inventory
- Machinery, equipment, furniture, fixtures
- Supplies, leasehold improvements, and minor building renovations
- Mobilization dollars to execute on contract
- Refinance predatory debt
- Refinance predatory debt

At the discretion of the Loan Committee, Loans may be funded up to \$250,000

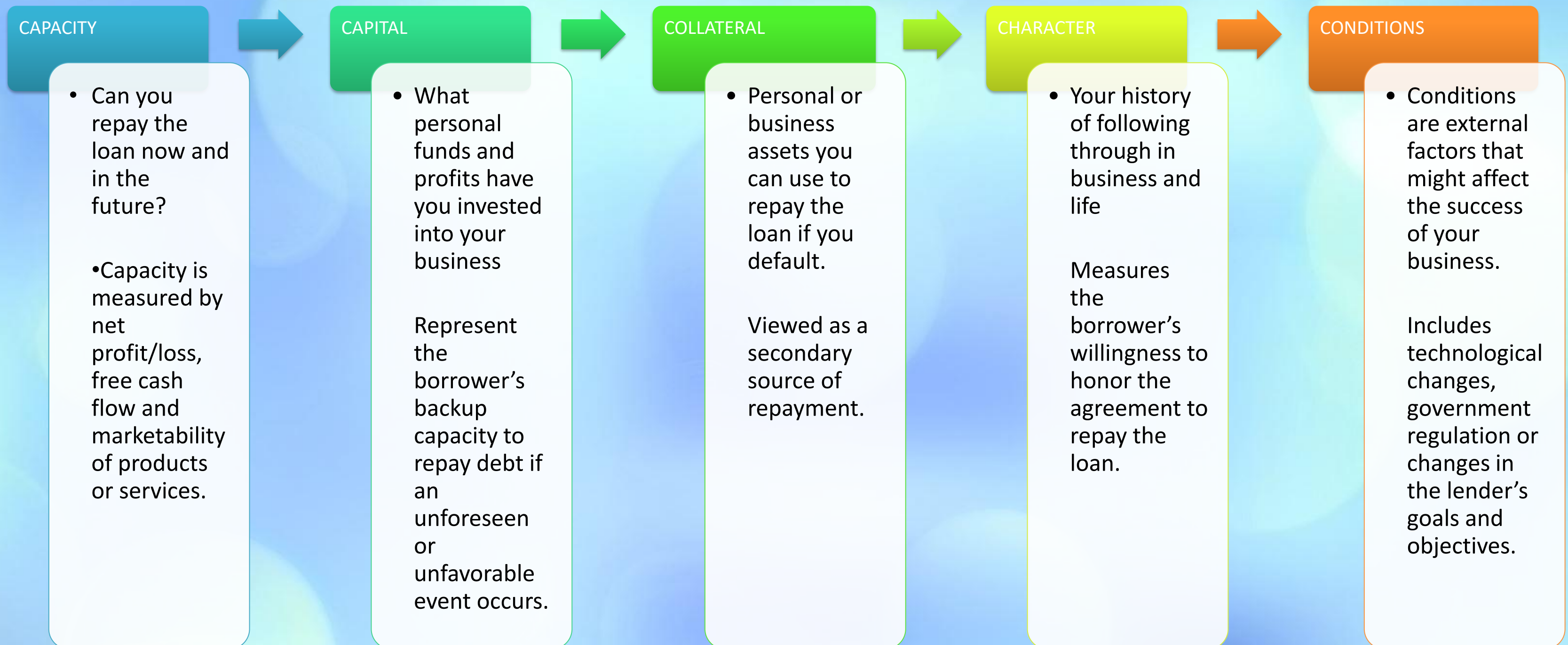
Our Lending Partners



Loans up to \$4 Million

- SBA 7a Loans
- SBA Express Loans
- SBA 504 Loans
- Lines of Credit
- Commercial Real Estate Loans

The Five Cs of Credit



SMALL BUSINESS LOAN

How Lenders Use Credit Scores

- Decide if the business is creditworthy.
- Establish a history of financial responsibility.
- Determine the size of a loan they can give the business.
- Approve or reject loans.
- Assess the risk of lending money to the business.

Applying For A
 Permit ID Card Renewal Replacement

Your Personal

Full Last Name

Full First Name

Date of birth

Nationality

ID card number and Details

enter the identification number it appears on the card

Your Personal Details

Height

Email Address: (optional)

Status:

Others

Address where you live

Street No.

State

Street

Post Code

Eye color

Single Married Divorced

Home

Mob

Fa

Identification Information

Driver license? Yes No

Leamer permit? Yes No

Non-driver ID Card? Yes No

The objectives will be based on how you
sales by acquiring and keeping custo
A marketing strategy helps on mak
messages with the right twist of
proaches in order to have a go
your sales and marketing act

Loan Application Checklist

- A well-thought-out Business Plan & Financial Projections
- An itemized listing of how the funds will be used
- Credit Report on all principals and guarantors in the business
- The amount of cash that you intend to invest in the business
- A list of all collateral offered to secure the loan
- Résumés for all loan applicants as well as key individuals in the business

Loan Application Checklist(cont.)

- Personal Financial Statements (PFS) for all applicants
- Last three months bank statements (personal and business accounts)
- Business Tax Returns for the last (3) years
- Personal Tax Returns for the last (2) years
- Current Balance Sheets & Income Statement
- Vendor's Estimate for all equipment & leasehold improvements
- If Buying Real Estate, proposed terms of sale and a recent appraisal

The Loan Process



1st Step – Contact/Email
Julie.Joseph@pbcbbic.biz



2nd Step – Register into
our Loan Portal - Lenderfit

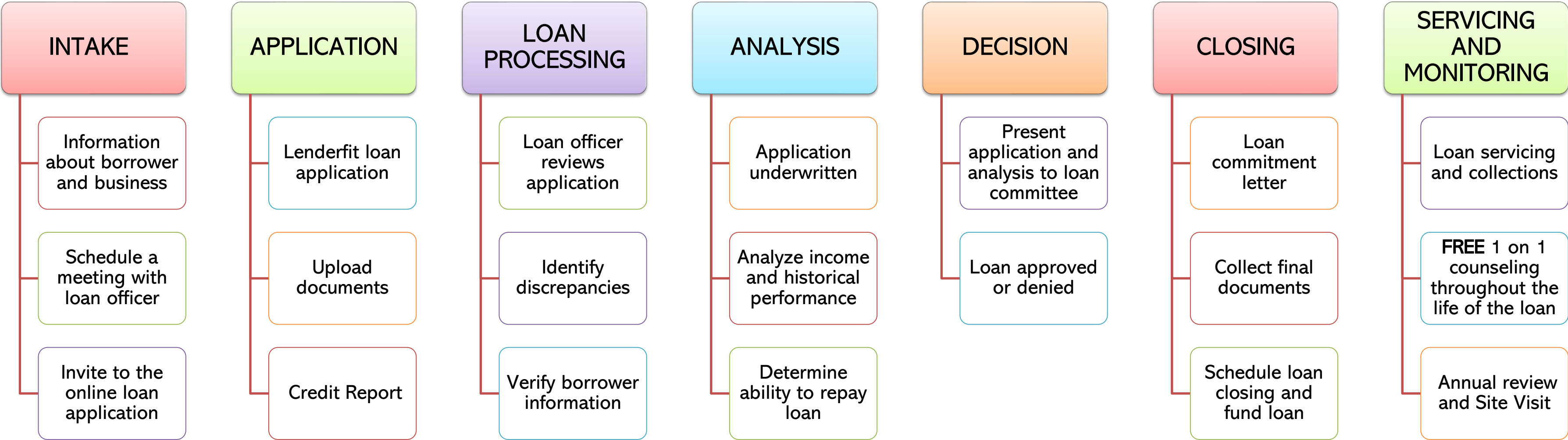


3rd Step – Complete a 1
on 1 Counseling Session



4th Step - Start Application
and Submit
Documentation

The Loan Process



SMALL BUSINESS OWNERS

Business CREDIT

The **Business Credit Workshop** aims to educate small business owners on the importance of establishing and managing their **business credit** effectively.

 **SEP. 16TH & 17TH**

@ BBIC Training Center **5:30 PM - 8:00 PM**
380 Columbia Drive, Suite 100, West Palm Beach, FL 33409

WORKSHOP OUTLINE >>>

- 1** Introduction to Business Credit
- 2** Understanding Business Credit
- 3** Establishing Business Credit
- 4** Managing Credit Utilization
- 5** Credit Monitoring and Reporting
- 6** Managing Credit Utilization

INSTRUCTORS >>>



ZEUS Protect Invest Grow

FOR MORE INFORMATION
CONTACT TRAINING COORDINATOR

 **561-845-8055**
 **INFO@PBCBBIC.BIZ**

 **FLORIDA COMMERCE**

Palm Beach County
BBIC
Black Business Investment Corporation



Register Now

SCAN QR CODE
TO REGISTER
AND TO GET
MORE INFO.



Upcoming Event

Upcoming Event

SEPARATING BUSINESS AND PERSONAL FINANCES

SEPTEMBER 24, 2024 ⁺⁺
12:00 PM - 1:00 PM **LIVE** ON ZOOM

- How to pay yourself
- Business Structure and organizing your finances
- Financial accounts & tools

Presenter:
Alexis Rosario

TRUIST 



BBIC
Black Business Investment Corporation

PATHWAY
CAPITAL FUNDING

FOR MORE INFORMATION
CONTACT TRAINING COORDINATOR

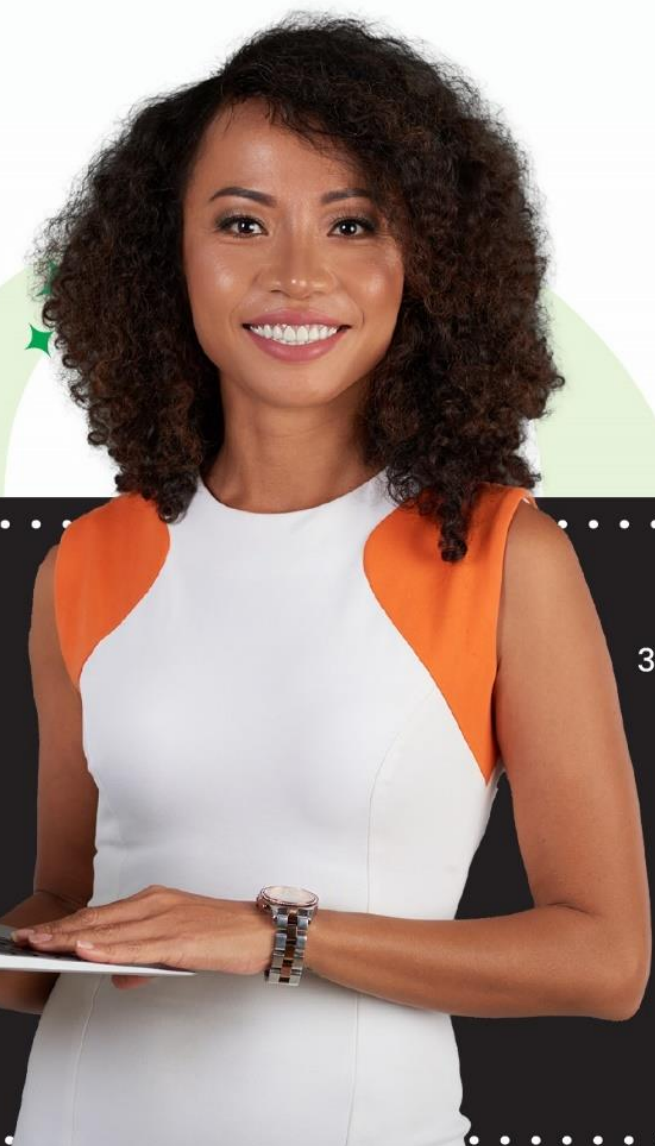
 561-845-8055
 INFO@PBCBBIC.BIZ

Register Now
SCAN QR CODE TO REGISTER
AND TO GET MORE INFO.



OPTIMIZEU

Now's the time to transition your business into the powerful machine it's capable of becoming. Whatever challenges you may be facing in your business, **OPTIMIZEU** is your opportunity to bring it to the table and let experienced consultants share proven practices that will empower you to take your business to the next level.



APPLY NOW
SPACE IS LIMITED



Registration Fee
\$150.00
Once Selected

PROGRAM STARTS

SEP 25ST



@ BBIC Training Center
6:30 PM - 8:30 PM
380 Columbia Drive, Suite 100,
West Palm Beach, FL 33409

ELIGIBILITY

Must be in operation
for at least **18 months**

DURATION

1 night per week for
10 weeks

Grants to be Awarded

AT THE PITCH COMPETITION IN 10TH WEEK

- ✔ Customized Solutions
- ✔ Expert Insights
- ✔ Long-term Success
- ✔ Ongoing Support & Opportunities
- ✔ Drive Sustainable Growth

» FOR MORE INFORMATION,
CONTACT THE TRAINING COORDINATOR.

📞 **561-845-8055**

✉ Training@pathwaycf.org



Upcoming Event

Launch your business with
START-UP U
Powered by PBCBBIC



September 28, 2024
8:30 AM – 12:00 PM

GRANTS FOR PROMISING VENTURES
UP TO \$500 VALUE

PROGRAM OUTLINE:

- Sunbiz Registration
- Formation Documents Completion
- TIN Registration
- Legal Basics in Business

FINANCE TALK
FUNDING YOUR BUSINESS

FOR MORE INFORMATION
CONTACT TRAINING COORDINATOR

☎ 561-845-8055
✉ info@pbcbbic.biz
www.pbcbbic.biz

@ THE BBIC / PATHWAY TRAINING CENTER
380 COLUMBIA DRIVE, SUITE 100
WEST PALM BEACH, FL 33409

REGISTER
NOW!



SCAN QR CODE TO
REGISTER



Upcoming Event

Questions

A blurred background image showing a person in a white shirt presenting to an audience. Several audience members in the foreground have their hands raised, indicating an interactive session or a Q&A period. The setting appears to be a modern office or conference room with large windows.

Markeisha Johnson

VP Development & Compliance
Mjohnson@pbcbbic.biz

[Julie Joseph](#)

Loan Officer
Julie.Joseph@pbcbbic.biz

www.pbcbbic.biz
www.pathwaycf.org

561-845 – 8055

Welcome



America's SBDC DA Helping Businesses Grow & Succeed



Katherine Culhane · 1st
Associate Director - FSBDC at Indian River State College
Boca Raton, Florida, United States · [Contact info](#)
448 connections
Jill Marasa, Bill West, and 10 other mutual connections



Florida SBDC Network



Barry University

Katherine Culhane

**Associate Director
Small Business Development Center
At Indian River State College**





Hosted by



Florida SBDC

at Indian River State College

Close More Deals With SBA Programs

Visit Our Website
FloridaSBDC.org/find/irsc/





How to Secure an SBA Guaranteed The Florida SBDC at IRSC



Treasure Coast - 2022-2023 SBDC Impact Report

Region is Growing!

In 2022-2023 The SBDC assisted
835 Regional Clients

In 2022-2023 The SBDC helped launch
49 New Regional Businesses

The SBDC Has Assisted Small Businesses in The
Treasure Coast Region Acquire Access to :

\$30,433,525

CAPITAL
ACCESS

\$72,939,869

GOVERNMENT
CONTRACTS

SBDC Consultants Provided

12,872 Consulting Hours

To Treasure Coast Businesses in 2022-2023



Loans

Steps for Getting Ready for a Loan

- By following these critical steps, we not only demonstrate preparedness but also significantly enhance our prospects of securing the necessary funds to propel our business forward.

01

• Have a Business Plan

02

• Know What You Can Afford

03

• Study Your Financial Statements

04

• Check Your Credit Report

05

• Establish Collateral Options

06

• Show Your Equity Contribution

07

• Research Your Financing Options

Loan Package

What are common elements of a loan package?

- ✓ Business Plan
- ✓ Business Financial Statements (Current & Historical)
- ✓ Personal Financial Statements
- ✓ Personal & Business Tax Returns





Close More Deals with the SBDC!

Topics Covered in Profit Mastery

- | Small Business Finance 101

- | Understanding Financial Statements

- | Budgeting & Forecasting

- | Managing Your Cash Flow

- | How to Make Your Business Bankable



Tools & Resources to Help You Close More Deals!



Tools & Resources

referenceUSA[®]

Reference USA
business and consumer data about millions of U.S. and Canadian businesses.



BIZ Miner
Industry financial analysis benchmarks for over 5,000 lines of business and industry market trends on thousands more.



Vertical IQ
Build stronger relationships and sales through actionable, convenient, and focused Industry Intelligence covering more than 97% of the US Economy.



LivePlan
Companies That Plan Grow 30% Faster. Start Your Business Plan Today with LivePlan. Automatic Financials and Export Support Make Creating Your Business Plan Easy.

A photograph of a young boy in a green plaid shirt sitting at a desk with his head buried in his arms. He is holding a small white sign with the word "HELP!" written in red capital letters. The background is a blurred indoor setting.

HELP!



Close More Deals with the SBDC!

Because of the center's Relationship with
Regional Institutions/SBA Partners

- Begin capital access client engagement with discussion and deal review
- Potentially engage bank representative in a client meeting





Close More Deals with the SBDC!

Because of the center's Relationship with FFC

Video Links:

Phatz: https://youtu.be/5_8D_f7wx9k

Sound Brewing: <https://youtu.be/JQXeoRMJabE>



Contact



Us



772-336-6285



FloridaSBDC.org/find/irsc/



FSBDC@IRSC.EDU



Please Welcome



Michael Wiener ✓ · 2nd
Attorney at Holland & Knight LLP
Lakeland, Florida, United States · [Contact info](#)
500+ connections

HK Holland & Knight LLP

FSU Florida State University



Michael Wiener

**Bond Counsel
Martin County Industrial
Development Authority
Holland & Knight, LLP**

Demystifying Access to Capital

Tax-Exempt Lending Options

Presentation to
Martin County Industrial Development Authority –
Your local issuer



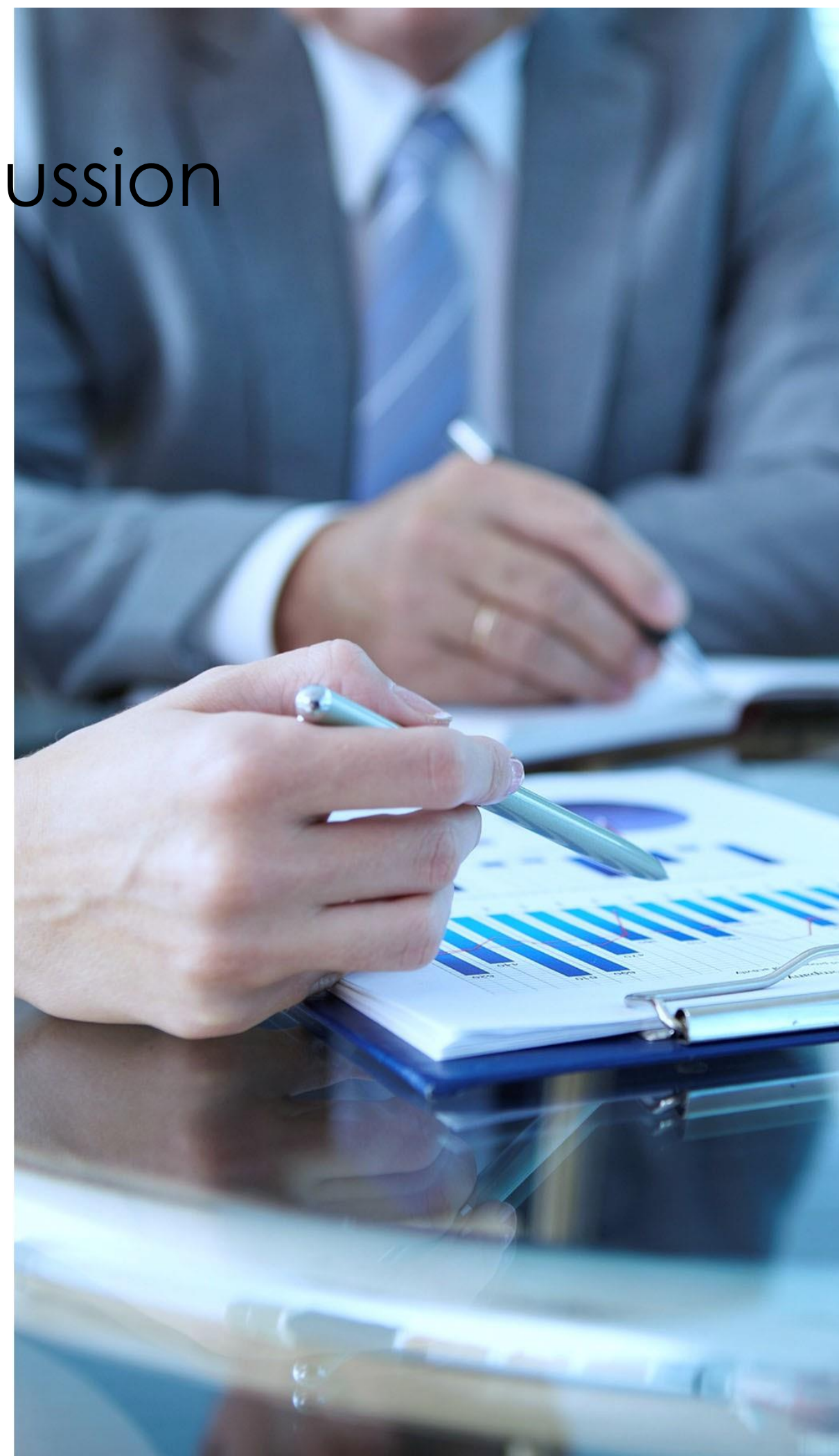
Michael Wiener

September 13, 2024

Holland & Knight

Summary Of Discussion

1. What are the benefits of bonds issued through the Martin County Industrial Development Authority (Martin County IDA)?
2. What is the process for issuing bonds through the Martin County IDA?
3. What types of bonds can be issued?
4. What types of tax-exempt bonds can be issued?
5. Federal Tax Law Limitations on Private Activity Bonds
6. Additional Considerations for Tax-Exempt Bonds
7. Conclusion



Benefits of Issuing Tax Exempt Bonds Through the Martin County IDA

- Tax-exempt bonds are securities issued by governments or other qualifying entities.
- Interest earned by bondholders is exempt from federal income taxes, and sometimes state and local taxes.
- Tax Exempt Bonds issued by the Martin County IDA will have a lower interest rate than taxable bonds.
- Florida does not have an income tax, so there is no exemption from income taxes.
- Taxable Bonds can also be issued.
- Broad and diverse market for tax-exempt bonds
 - State and local governments finance public infrastructure of roads, bridges, airports, docks, water and sewer systems, power plants, sports stadiums
 - Community Development Districts
 - Also permitted are private activity bonds that finance projects for private corporations

Benefits of Bonds Issued through the Martin County IDA (Continued)

- Lower Borrowing Costs
 - Reduced Interest Rates: Because the interest is excludable to the holder from its gross income, there is a reduced interest rate from the lender compared to taxable rates.
 - Bonds are exempt from documentary and intangibles taxes reducing the costs of issuance.
 - Savings of up to 0.55/\$100 on mortgage secured loans.
- Flexibility in Types of Issuance
 - May be issued as a direct placement with bank or other investor or publicly offered.
 - Exempt from registration requirements of comparable taxable public bond issue.
- Flexibility in Structure
 - Fixed or variable rate
 - Fully funded
 - Lines of credit
- Public issues may offer greater flexibility in duration, terms and structure than a traditional bank loan
 - 30 years, fixed rate, option for some borrowers
 - May offer less restrictive covenants compared to traditional bank loans

What is the Process For Issuing Bonds through the Martin County IDA?

- Borrower meets with bond counsel to determine if project is eligible for financing;
 - Must meet both State law requirements and if tax exempt bonds are issued, federal tax law requirements
- Borrower identifies a bank or underwriter to obtain loan or issue bonds;
 - Martin County IDA serves as the conduit issuer - it does not have its own funds to loan
 - Lender will loan funds to the Martin County IDA which funds are then loaned to the Borrower
- File application with Martin County IDA (or other municipal issuer) and pay application fee;
- Martin County IDA adopts inducement resolution and holds public TEFRA hearing;
- Martin County Board of County Commissioners approves TEFRA;
- Bond documents drafted by bond counsel;
- Martin County IDA adopts resolution approving the documents and authorizing the issuance of the tax-exempt or taxable loan;
- Bonds receive volume cap (if applicable);
- Pre-closing; and
- Closing/funding.

What Bonds Can be Issued?

Must first meet state law requirements under Chapter 159, Part II

“Project” means any capital project comprising:

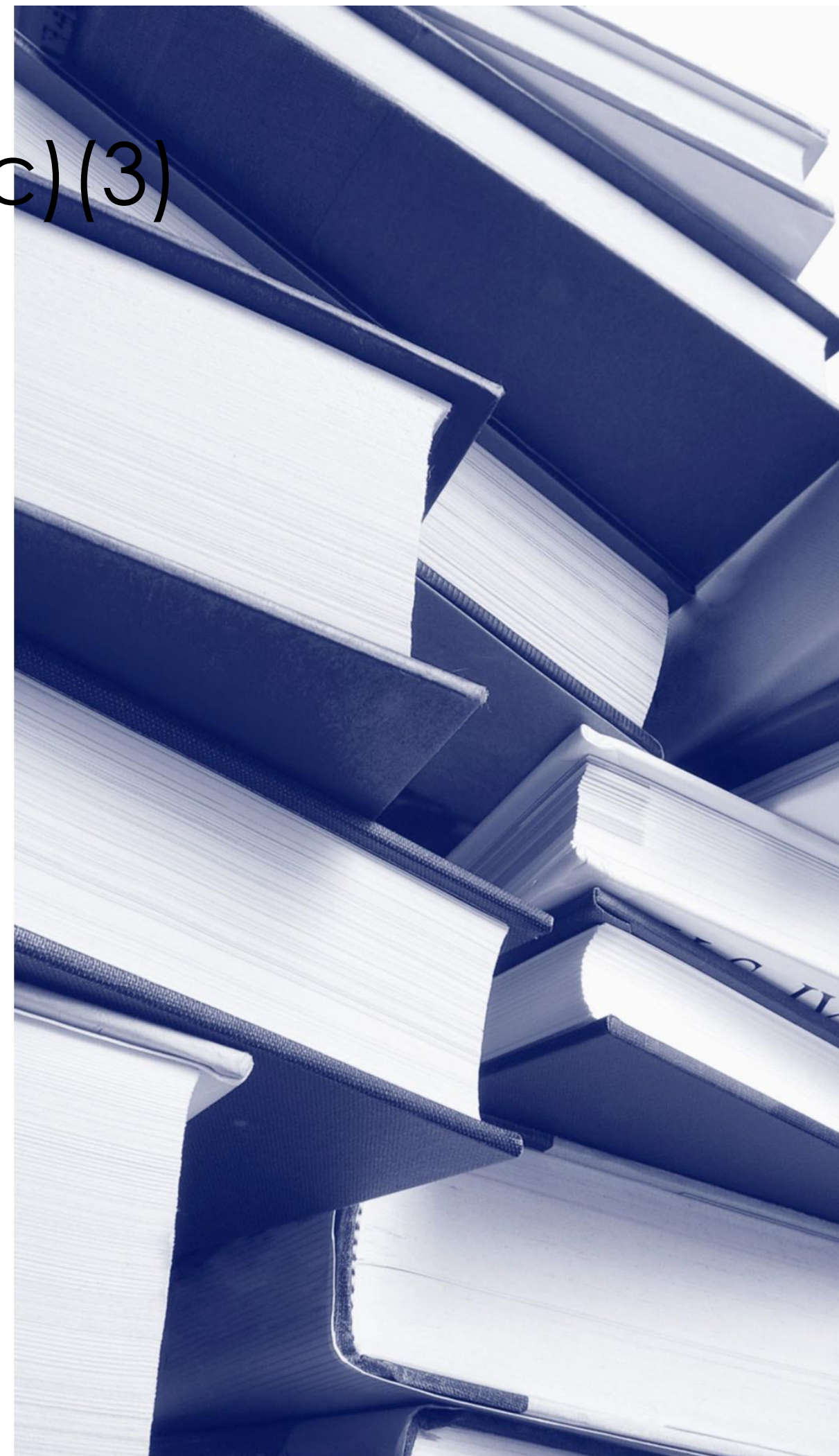
- **industrial or manufacturing plant,**
- research and development park,
- agricultural processing or storage facility,
- **warehousing or distribution facility,**
- **headquarters facility,**
- **tourism facility,**
- **convention or trade show facility,**
- urban parking facility,
- trade center,
- **health care facility,**
- **educational facility,**
- correctional or detention facility,
- motion picture production facility,
- preservation or rehabilitation of a certified historic structure,
- airport or port facility,
- solid waste facility,
- **social service center,**
- mass commuting facility.

What Types of Tax-Exempt Bonds Can Be Issued?

- Examples of private activity bonds that can be issued as tax-exempt bonds under the Internal Revenue Code:
 - Qualified 501(c)(3) bonds.
 - Private schools and colleges.
 - Social services centers (i.e. YMCAs, Goodwill, etc.).
 - Tourism facilities.
 - Manufacturing.
 - Solid waste disposal facilities.
 - Water and sewer facilities.
 - Exempt facility bonds – airports and docks
 - Senior living facility – may not be 501(c)(3) but structured based on a housing bond.
 - Affordable housing projects

Qualified 501 (c) (3)

- Designated a 501(c)(3) not for profit corporation under the Internal Revenue Code.
- No limitations on size of issue.
- No limitations on acquiring land.
- No volume cap limitations.
 - Colleges and Universities
 - Private Schools
 - Senior living facilities
 - Social Service Centers: YMCA and Goodwill



Solid Waste Disposal Facilities

- Solid waste disposal facility means – any facility to the extent that it:
 - Processes solid waste in a qualified solid waste disposal process;
 - Performs a preliminary function; or
 - Is functionally related and subordinate to a facility which either processes solid waste in a qualified solid waste disposal process or performs a preliminary function.
- Eligible types of solid waste disposal processes:
 - Final disposal process – either the placement of solid waste in a landfill, the incineration of solid waste without capturing any useful energy, or the containment of solid waste.
 - Energy conversion process – a thermal, chemical, or other process that is applied to solid waste to create and capture synthesis gas, heat, hot water, steam or other useful energy.
 - Recycling process – reconstituting, transforming or otherwise processing solid waste into a useful product.
- Subject to volume cap limitations.
- Limitations on purchase of used existing facilities, used equipment and land.

Manufacturing Facilities

- Size of loan should be at least \$2 million to ensure additional costs justify savings.
- Maximum bond issue – \$10 million (no inflation adjustments).
- Capital investment limitation – \$20 million (including project being financed):
 - Limitation of capital expenditures in same city, township or incorporated municipality; and
 - Looks back three years from date of issue and three years from date of issue.
- Limitations on purchase of used existing facilities, used equipment and land.
- Cannot finance intellectual property.
- Borrower and related entities cannot have over \$40 million in manufacturing bonds and exempt facility bonds outstanding nationwide.

Federal Tax Law Limitations On Private Activity Bonds

- Limits on the maturity of the bonds in relation to the assets being financed
 - The maturity of the bonds cannot be greater than 120% of the economic life of the project being financed;
 - Less than 25% of the bond proceeds can be used to acquire land (except for certain airport costs);
- Limits on financing working capital
 - 95% of financed costs must be capital expenditures;
- Public Hearing
 - Tax Equity and Fiscal Responsibility Act (TEFRA) – public approval of bonds through public hearing;
- Issuance costs cannot be any greater than 2% of the bond proceeds; and
- Certain types of private activity bonds are subject to state volume cap limitations.

Additional Considerations for Tax-Exempt Bonds

- Time – Takes longer with multiple hearings and approvals
- Documents submitted to the issuer, such as the Martin County IDA, become public records
 - Limited exceptions for trade secrets
- Public bond issues will require full disclosure of the borrower and the project
- Higher cost compared to traditional bank loan
 - Higher costs can be recouped through interest savings
 - Larger projects have larger benefits
- Public bond issue
 - No registration requirements
 - Issuance costs could be lower compared to a corporate debt offering
- Future changes may require approval of the issuer
- Continuing compliance required of tax Code to maintain tax-exempt status of the Bonds

Examples of Martin County IDA Financings

<u>Name of Borrower</u>	<u>Issue Size</u>	<u>Bond Title</u>	<u>Summary of Financing</u>
One HC-Jensen Beach, LLC	\$16,311,564.84	Reissuance of Health Care Facility Revenue Bonds (One HC-Jensen Beach, LLC Project), Series 2014 (2019)	Health care facility
One HC-Jensen Beach, LLC	\$16,716,500 (not to exceed)	Health Care Facility Revenue Bonds (One HC-Jensen Beach, LLC Project), Series 2014	Health care facility
Indiantown Cogeneration, L.P.	\$127,790,000	Industrial Development Refunding Revenue Bonds (Indiantown Cogeneration, L.P. Project), Series 2013	Solid waste/sewage facility
Stuart Web, Inc.	\$4,795,000	Industrial Development Revenue Bond (Stuart Web, Inc. Project), Series 2008	Commercial printing facility
Young Men's Christian Association of the Treasure Coast, Florida, Inc.	\$4,250,000	Industrial Development Revenue Bonds (Young Men's Christian Association of the Treasure Coast, Florida, Inc. Project), Series 2001	Tourism and social service center facilities

Biography



- Practices public finance in the Lakeland office of Holland & Knight. He currently practices in Tax Advantaged Project Finance group concentrating on tax exempt finance in Florida.
- Mr. Wiener has worked as bond counsel, bank counsel and disclosure counsel for numerous bond offerings for counties, cities and conduit bond issuers.

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Michael L. Wiener

- Tax Advantaged Project Finance
- Financial Services
- Corporate Services

Education

- Florida State University College of Law, J.D., *magna cum laude*
- Binghamton University, B.S., *magna cum laude*

Bar Admission

- Florida

Welcome



Keith Costello CFA  · 1st

Locality Bank CEO | Empowering Local Business with Technology

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Locality Bank



University of Miami Herbert
Business School



Keith Costello

**Chair-elect
Florida Bankers Association
And CEO Locality Bank**

Commercial Loan Basics

Key Documents +
Expectations for
Businesses



Introducti on

Commercial loans can be a game-changer, but what do lenders expect?...

01

Initial Loan Application Process

Started with basic application forms.

02

Credit Assessment + Approval

Evaluation of creditworthiness and finances.

03

Ongoing Compliance + Reporting

Regular checks to ensure compliance standards.

04

Final Approval + Disbursement

Funds released for business use now.



Key Requirements

01

Character

02

Financial Reports

03

Audits

04

Tax Returns

05

Cash on Hand

06

Collateral



Character

Character is the most crucial criterion for lenders.

Foundation of Lending Decisions

- **Borrower's Reputation**
 - Trustworthiness and integrity
- **Industry Experience**
 - Years in business and expertise
- **Past Credit Performance**
 - Credit history and reliability in repaying debts





Financial Reports

Businesses typically need to provide financial statements.

01

Balance sheets

02

Profit & loss statements

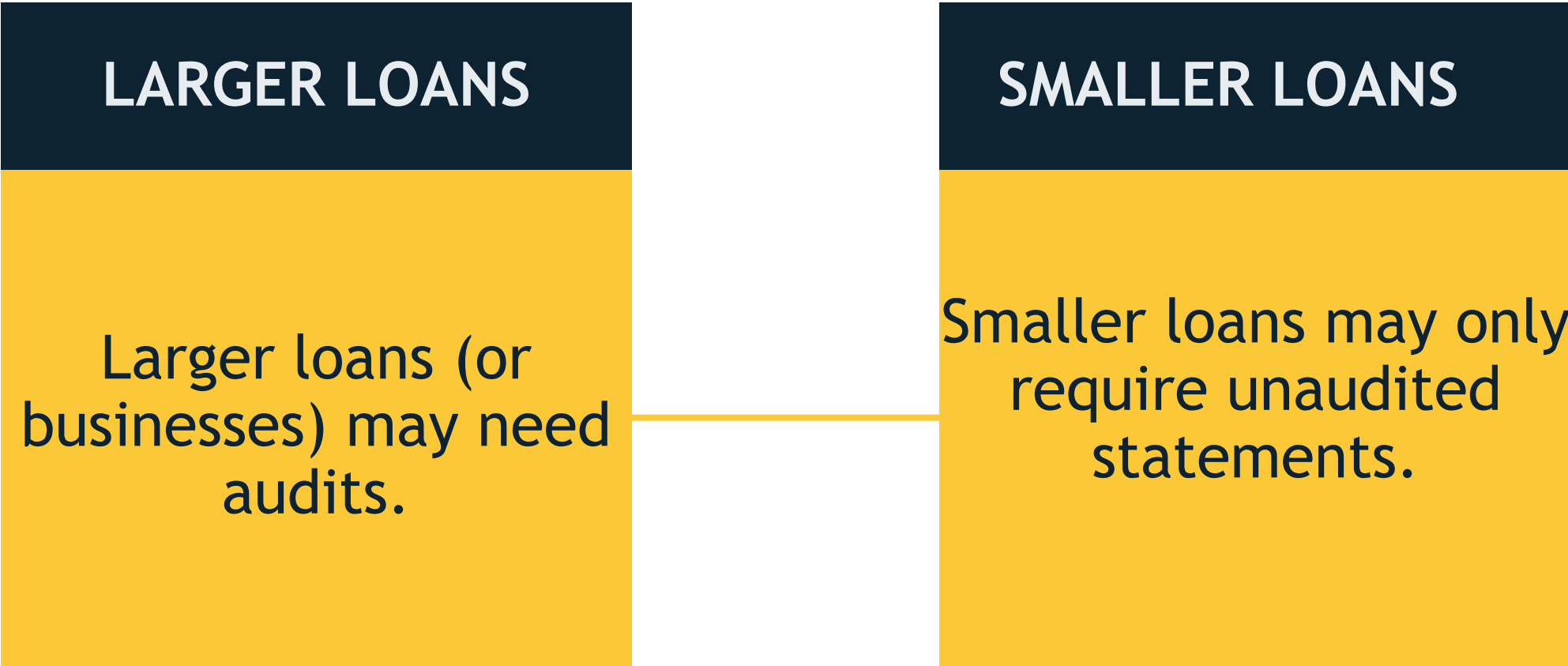
03

Cash flow statements



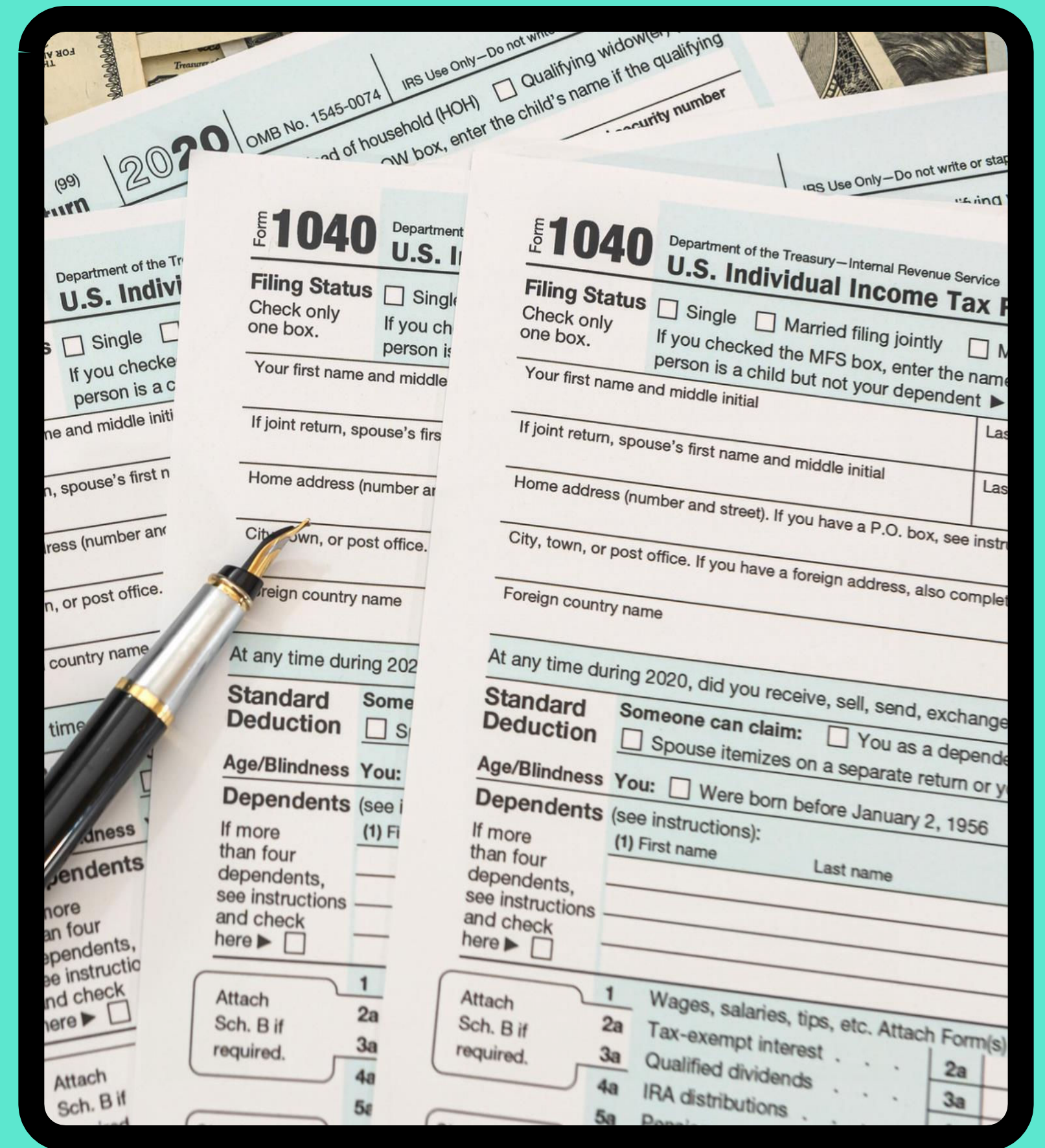
Audited vs. Unaudited Reports

Do they need to be audited? It depends.



Tax Returns

-
-
- Tax returns are required. Typically, two years' worth of returns are needed.



- Cash on Hand

- How much cash is needed?



- Lenders typically prefer businesses with healthy cash reserves.
- Minimum cash requirements vary based on loan size.



Collateral

Collateral is often required



- **Common types:** real estate, inventory, equipment.
- The value of collateral impacts loan approval and terms.



Recap of Key Requirements

1. Character
2. Financial reports
3. Audits (if required)
4. Tax returns (2 years)
5. Cash on hand
6. Collateral



Questions?

Any questions? We're here to help
your business grow.



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About the BDB



VISION

Marin County is known as a distinct, prosperous, entrepreneurial community.

MISSION

To champion and strengthen Martin County's economy.

PRIORITIES

- Tout Martin County is GOOD FOR BUSINESS
- Build vibrancy, jobs, business investments
- Grow Martin County businesses, entrepreneurs, and the talent pipeline
- Promote strategic economic development areas of opportunity – HUBS OF EXCELLENCE

About the BDB



Pulse Visits



2023 Pulse Report

TAKING A PULSE ON THE MARTIN COUNTY BUSINESS COMMUNITY



It's critically important to engage with our local business community as they are the backbone of our economy. Our Pulse Visits, allows us to collaborate, innovate and build a vibrant future for Martin County.

~ Trisha Hawthorne, BDB Corporate Council Chairperson & TD Bank Vice President, Commercial Relationship Manager

ABOUT THE BUSINESSES PULSED

Martin County business leaders are passionate. They are innovators, trend-setters, record-breakers, resilient and regardless of their position or title all have the quintessential entrepreneurial spirit embedded in their DNA and proud to call this distinctive community home.



Inez van Ravenzwaaij
Programs & Partnerships
BDBMC

Schedule a Pulse

Inez@bdbmc.org or 772-872-2660

BUSINESS
DEVELOPMENT BOARD
MARTIN COUNTY | FLORIDA

United in Economic Leadership

*Thank You
To Our
Speakers &
Investors!*



Colliers, Evergreen Private Care, MidFlorida Credit Union, Industrial Development Authority of Martin County and the **Marine Industry of the Treasure Coast.**

Express Employment Professionals, First Citizens Bank, Growth Squad, Manpower South Florida, South Florida District Export Council, SouthState Bank, West Advisory

*New Investors in July