



Thursday, March 01, 2007

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**Neighborhood Housing and Community
Development
RECOMMENDATION FOR COUNCIL ACTION**

ITEM No 5

Subject Approve the negotiation and execution of a loan to McCullen Academy Incorporated dba Baby Boomers Academy, Austin, Texas, in compliance with applicable federal requirements, including Title 24 Code of Federal Regulations Section 85 40 performance goals, under the Neighborhood Commercial Management Program in an amount not to exceed \$90,000 for the development of a private children's preparatory academy to be located at a proposed site on RR 620 South of FM 2222, Austin, TX

Amount and Source of Funding Funding is available in the Neighborhood Housing and Community Development Department Special Revenue Fund - Neighborhood Commercial Management Program Section 108 This loan is subject to completion of the federal environmental assessment and fund release process

**Additional Backup
Material**

(click to open)

No Attachments Available

For More Information Paul Hilgers, Director, Neighborhood Housing and Community Development, 974-3108

Prior Council Action June 23, 2005, approved an original NCMP loan to Regina McCullen dba Baby Boomers

This action authorizes the negotiation and execution of a subordinate loan to Baby Boomers, Inc , and Regina McCullen, Executive Director in an amount not to exceed \$90,000 in Section 108 Loan funds under the Neighborhood Commercial Management Loan Program (NCMP) for the purposes of collateral under a depository agreement for the development of a private children's preparatory academy to be located at a propose site on RR 620 south of FM 2222, Austin, TX

The NCMP loan approval process includes a review and analysis by NHCD staff and by a loan advisory committee consisting of bankers, real estate professionals, and community representatives On June 23, 2005, the Austin City Council approved Regina McCullen, dba Baby Boomers Academy for a NCMP loan in the amount of \$59,680 Due to a change in location, the passage of time and increased construction and equipment costs, the total NCMP investment is now recommended at \$90,000 As a result, the landlord, DHD Ventures, LLC has agreed to provide a Tenant Finish-Out Allowance of \$180,000 BiG Austin has also agreed to provide additional financing in the amount of \$50,000

Baby Boomers Academy has over 11 years operating experience In an attempt to improve and expand operations, increase profitability and create jobs, the Baby Boomers, Inc is proposing to relocate to a 10,000 square foot facility located at a proposed site on RR 620 south of FM 2222

Baby Boomers Academy will add a total of (16) part-time employees (PTE), or the equivalent of 8 full-time employees (FTE)

At least 5 (FTE) positions or 10 (PTE) positions will be made available to low and moderate income persons (One [1] FTE position for every \$35,000 in NCMP loan funds)

Baby Boomers Academy will add a total of 16 part-time employees or the equivalent of 8 full-time employees At least five full-time employee positions or 10 part-time employee positions will be made available to low and moderate income persons (One full time employee position for every \$35,000 in NCMP Loan funds)