



MEMORANDUM

AGENDA ITEM #V.C

DATE: MAY 15, 2023

TO: COUNCIL MEMBERS

FROM: STAFF

SUBJECT: SFRPC REVOLVING LOAN FUNDS STATUS REPORT

The South Florida Regional Planning Council Revolving Loan Program has historically served the needs of businesses that are not entirely served by conventional lenders, with an emphasis on applicants who have been denied credit by a conventional lender. As such, the Council's RLF loans are considered riskier than conventional loans. The Loan Administration Board may charge a higher interest rate to a particular borrower depending on the risk factors of that loan. In addition, most loan payments are due on the first day of each month until maturity.

Attached for your review is the Revolving Loan Fund Status Report. In reviewing the attached status report, please note that the borrowers' loan agreements provide a fifteen (15) day grace period in which they can make their payments without a five percent late charge penalty. This status report is generated fifteen (15) days prior to the end of the month. Council staff routinely makes phone calls and sends past due notices to past due accounts after ten (10) and fifteen (15) days.

The Council policy on loan amounts and the structure of the loans for each loan program is:

"Loan amounts may range from \$25,000 to \$500,000. Borrowers seeking more than one loan may not exceed \$500,000 in aggregate. Loans may be used for funding up to 100 percent of a project, provided that bank or conventional financing is unavailable, and that equity is nonexistent or is otherwise needed for cash flow. In cases where limited financing from a private/traditional source is available, loans can be used as supplemental or "second mortgage" funds. Second positions on collateral may be acceptable so long as the prior lien holder is a lending institution."

Please find attached Legal Counsel's South Florida Regional Planning Council ("SFRPC") / Revolving Loan Fund report on legal action that has been taken to collect on delinquent accounts.



South Florida Regional Planning Council
1 Oakwood Boulevard, Suite 250, Hollywood, Florida 33020
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LIST OF COMMITTED TRADITIONAL RLF FUNDS
April 30, 2023

Loan #	Company Name	Committed	Commitment Date	Disbursed	Disbursement Date	Remaining Commitment
4048		331,700	11/15/2021	13,668	3/2/2023	\$ 318,032.00
4049		331,700	11/15/2021	13,668	3/2/2023	\$ 318,032.00
4050		336,600	11/15/2021	13,668	3/2/2023	\$ 322,932.00
		\$1,000,000		\$ 41,004.00		\$ 958,996.00

*Committed Funds will be disbursed over an 8-month period

Cash Available to Lend						
Bank Balance as of		4/30/2023				\$ 882,483.41
Committed Funds						
Unfunded Loan Commitments	\$	958,996				
Administrative Fees		13,873.00				
Total Committed Funds						\$ 972,869.00
Total Uncommitted Funds						\$ (90,385.59)

Payment Status Report

Traditional RLF Payment Status Report

Loan	Company /Borrower	Amount	Disbursed	Pmts	Rate	Last Activity	Last Balance	Paid Thru	Days Late	Last Activity	Next Pay Due	Loan Date	Maturity Date	Board Action
1008		110,000.00	110,000.00	120	6.0	1,823.36	10,603.23	04/01/23	0	04/18/23	05/01/23	03/22/02	11/09/25	performing
1022		300,000.00	300,000.00	240	7.0	3,343.55	293,573.51	04/01/23	0	04/18/23	05/01/23	01/08/04	09/01/39	performing
1023		301,586.50	301,586.50	120	5.0	350.00	161,715.88	05/01/23	0	05/01/23	06/01/23	07/19/06	03/01/29	performing
1034		300,000.00	300,000.00	120	5.0	250.00	260,365.24	04/01/23	0	04/25/23	05/01/23	12/21/06	11/15/28	performing
1039		125,000.00	125,000.00	84	5.0	500.00	120,082.53	04/01/23	0	04/28/23	05/01/23	11/24/08	12/31/15	performing
1040		200,000.00	200,000.00	84	5.0	1,472.32	70,737.66	05/01/23	0	05/01/23	06/01/23	02/02/09	08/01/28	performing
3024		189,043.88	189,043.88	144	0.0	500.00	101,033.29	04/01/23	0	04/18/23	05/01/23	07/26/99	12/01/16	Default Final Judgment
4008		300,000.00	300,000.00	0	5.0	750.00	164,940.95	04/01/23	0	04/11/23	05/12/23	07/31/09	03/31/39	performing
4018		150,000.00	150,000.00	84	6.0	(465.00)	144,598.41	12/01/15	2,677	10/22/20	01/01/16	07/12/13	08/01/20	In Litigation - Mediation
4024		235,000.00	235,000.00	240	5.0	1,600.00	163,261.54	04/01/23	0	04/25/23	05/01/23	04/16/14	05/01/26	performing
4027		149,500.00	149,500.00	120	5.0	1,590.98	59,671.23	04/01/23	0	04/03/23	05/01/23	12/15/15	12/15//25	performing
4028		75,000.00	75,000.00	1	0.0	765.03	74,994.72	04/01/19	1,461	04/12/19	05/01/19	11/17/16	09/30/19	Default - collateral workout
4029		75,000.00	75,000.00	1	0.0	803.02	75,000.00	04/01/19	1,461	04/12/19	05/01/19	12/14/16	09/30/19	Default - collateral workout
4031		332,972.82	332,972.82	111	6.5	2,000.00	321,849.33	05/01/23	0	05/01/23	06/01/23	09/28/17	08/01/28	performing
4032		300,000.55	300,000.55	120	7.0	3,577.27	205,871.78	05/01/23	0	05/01/23	06/01/23	10/24/18	11/01/28	performing
4033		254,999.57	254,999.57	84	7.0	250.00	189,332.65	04/01/23	0	04/17/23	05/15/23	10/25/18	10/25/25	performing

Loan	Company /Borrower	Amount	Disbursed	Pmts	Rate	Last Activity	Last Balance	Paid Thru	Days Late	Last Activity	Next Pay Due	Loan Date	Maturity Date	Board Action
4034		84,506.66	84,506.66	84	7.0	300.00	71,412.80	08/01/22	242	08/01/22	09/01/22	01/03/19	01/03/26	Payment Default- Legal Notice Issued
4035		248,684.03	248,684.03	84	7.0	(3,773.17)	148,142.77	01/01/23	89	01/03/23	02/01/23	03/05/19	04/01/26	In Legal - Notice of Assignment
4036		549,223.30	549,223.30	84	7.0	(6,121.70)	484,719.60	01/01/23	89	01/03/23	02/01/23	03/05/19	04/01/26	In Legal - Notice of Assignment
4037		173,904.64	173,904.64	84	5.0	1,750.00	133,926.70	05/01/23	0	05/01/23	06/01/23	03/28/19	03/28/26	performing
4038		99,885.78	99,885.78	60	7.0	1,500.00	58,952.22	05/01/23	0	05/01/23	06/01/23	03/28/19	04/01/24	performing
4039		200,000.00	200,000.00	84	7.0	300.00	196,815.27	08/01/22	242	08/01/22	09/01/22	03/12/20	04/01/27	Payment Default- Legal Notice Issued
4040		400,000.00	400,000.00	84	7.0	250.00	389,882.46	04/01/23	0	04/17/23	05/15/23	09/23/19	09/23/26	performing
4043		200,000.00	200,000.00	120	4.5	2,322.17	161,114.48	05/01/23	0	05/01/23	06/01/23	04/22/21	04/01/31	performing
4044		130,000.00	130,000.00	120	4.5	1,347.30	106,439.47	05/01/23	0	05/01/23	06/01/23	03/22/21	03/01/31	performing
4046		100,000.00	100,000.00	60	5.0	1,887.12	89,563.52	05/01/23	0	05/01/23	06/01/23	10/06/22	10/01/27	performing
4047		250,000.00	250,000.00	60	4.5	875.00	250,000.00	05/01/23	0	05/01/23	06/01/23	01/04/23	01/01/28	performing
4048		349,497.00	31,565.00	60	4.5	92.98	26,565.00	05/01/23	0	05/01/23	06/01/23	02/23/23	03/01/28	performing
4049		331,700.00	13,668.00	60	4.5	47.84	13,668.00	05/01/23	0	05/01/23	06/01/23	02/23/23	03/01/28	performing
4050		331,700.00	13,668.00	60	4.5	47.84	13,668.00	05/01/23	0	05/01/23	06/01/23	02/23/23	03/01/28	performing
Totals		6,847,204.73	5,893,208.73			19,935.91	4,562,502.24							

Kerry L. Ezrol
KEzrol@GorenCherof.com



**GOREN CHEROF
DOODY & EZROL P.A.**
ATTORNEYS AT LAW

May 4, 2023

VIA E-MAIL (isabelc@sfrpc.com)

Isabel Cosio Carballo, MPA, Executive Director
South Florida Regional Planning Council
Oakwood business Center
One Oakwood Boulevard, Suite 250
Hollywood, FL 33320

Re: South Florida Regional Planning Council ("SFRPC") / Revolving Loan Fund Status Report

Dear Ms. Carballo:

Below please find the status of the Revolving Loan Fund cases which have been brought on behalf of the SFRPC. This shall confirm that once a judgment is obtained and recorded, our office has been instructed to take no further action, other than to re-record specified judgments, as requested, in a timely fashion. We have therefore removed all of the "Closed Cases" from this list. In the future, once a judgment is obtained and recorded relative to cases appearing on this list, they will be removed from this list.

**1. SFRPC (SFRPC Account #4018 and #1042) v. Angela Dawson, P.A.
(Our File No. 9940547)**

Complaint filed with the Court on May 7, 2018. Dawson filed a motion to recuse (remove) the judge, so litigation was delayed. Dawson filed an Answer and Counterclaim, which SFRPC moved to strike. Order entered approving our Motion to Strike Dawson's Affirmative Defenses and our Motion to Dismiss Dawson's Counterclaim. Dawson's Amended Counterclaim and Amended Answers and Affirmative Defenses were due on April 26, 2019. Dawson failed to file the pleadings by the deadline, and SFRPC filed a Motion for Summary Judgment. The hearing on the Motion for Summary Judgment was scheduled, and then reset at Dawson's request for October 23, 2019. A Motion for Judicial Default against Dawson was filed on October 25, 2019.

SFRPC requested an Amended Complaint to add a foreclosure count. A Motion to Amend Complaint was filed and there were two (2) initial hearings on the motion. Both times, the Court

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delayed a ruling on the motions, pending mediation. Ultimately, SFRPC set the hearing on the Motion to Amend Complaint six separate times, and each time the hearing was continued either due to the Judge ordering mediation or due to Dawson' requests for a continuance. The seventh time the Motion to Amend was set for a hearing, the Court granted SFRPC's motion and allowed SFRPC to Amend the Complaint to add the foreclosure count.

A Motion to Strike Defendants First Amended Affirmative Defenses was filed on November 13, 2019. A Motion to Dismiss Dawson's Counterclaim was filed on December 19, 2019. On June 15, 2020 a hearing was set for the court to hear SFRPC's Motion for Judicial Default, Motion for Leave to File Amended Complaint, Motion to Strike Defendants' First Amended Affirmative Defenses and Motion to Dismiss Counterclaim. Dawson filed a new Counterclaim and new Answer and Affirmative Defenses just prior to the hearing, which the court accepted in place of the defective pleadings. SFRPC's motions were denied due to the court accepting the replacement pleadings. Dawson filed various additional pleadings, including an Affidavit of Excusable Neglect and an Affidavit from Ed McGann. Dawson filed a Request for Production on June 8, 2020, requesting a significant volume of documents which are unrelated to the pending litigation. SFRPC's objection to the discovery request was filed on July 8, 2020.

Litigation of this matter has been extended and complicated by the volume of pleadings filed by Ms. Dawson; each pleading requires a response from SFRPC. Mediation occurred on October 29, 2020 before Judge Lynch. The parties were not able to reach a settlement at mediation.

Since the Court was encouraging the parties to mediate, SFRPC staff focused on attempting to settle with Dawson and to manage the costs of litigation by bringing this matter to a conclusion through settlement. With that intent, SFRPC made multiple offers and counter-offers to Ms. Dawson. As a follow-up to mediation, on November 3, 2020 and January 27, 2021, SFRPC sent a written settlement offer to Dawson and her attorney. SFRPC followed up again with written settlement offer to Dawson and her attorney on March 8, 2021. SFRPC made significant concessions and reductions of the late fees in a good faith attempt to settle the matter without further litigation. Despite SFRPC's multiple concessions, Ms. Dawson would not agree to any of the SFRPC's settlement proposals. Dawson submitted a Counteroffer which was transmitted to SFRPC on March 12, 2021. Per RLF Committee, the decision was made to proceed with the litigation.

The hearing on SFRPC's Motion to Amend the Complaint was set for June 24, 2021. At that hearing, the Court continued the hearing to September 2, 2021. SFRPC's Motion to Amend Complaint was granted and the Defendants had 20 days to file a response to the Amended Complaint. On September 3, 2021, the Court also entered an Order granting Dawson's request to file an Amended Counterclaim in response to SFRPC's Amended Complaint. On September 22, 2021, Defendants, Angela L. Dawson, P.A. and Angela Dawson filed their Answer to Plaintiff's Amended Complaint dated June 23, 2021. On October 1, 2021, SFRPC filed a Motion to Strike

Dawson's Second Amended Affirmative Defenses. On October 15, 2021, a hearing on the Motion to Strike was scheduled for January 26, 2022. On January 26, 2022, the court ordered a Mandatory Case Management Conference to be held on March 28, 2022.

On February 2, 2022, the Court entered an order on the Motion to Strike as follows: Defendants' first affirmative defense of in pari delicto is stricken without prejudice; Defendants' second affirmative defense of bad faith is stricken with leave to amend within twenty (20) days of the date of this Order; Defendants' fourth affirmative defense of fraudulent inducement is stricken with prejudice; Defendants' fifth affirmative defense of fraudulent misrepresentation is stricken with prejudice; Defendants' seventh affirmative defense of unjust enrichment is stricken with prejudice; Defendants' eleventh affirmative defense of ratification is stricken with leave to amend within twenty (20) days of the date of the Order. Plaintiff's Motion to Strike Defendants' Amended Affirmative Defenses was hereby denied as to the following affirmative defenses: Defendants' third affirmative defense of unclean hands; Defendants' sixth affirmative defense of promissory estoppel; Defendants' eighth affirmative defense of modification; Defendants' ninth affirmative defense of equitable estoppel; and Defendants' tenth affirmative defense of waiver.

Our Motion to dismiss the Defendants' amended counterclaim was set for hearing on May 4, 2022 at 9:30 am. On February 9, 2022, Plaintiff filed a reply to Defendants' affirmative defenses. On February 15, 2022, Defendants filed amended affirmative defenses. On February 22, 2022, Plaintiff filed a reply to the amended affirmative defenses.

On March 25, 2022, SFRPC responded to Dawson's request for a settlement offer, renewed the prior settlement dated November 30, 2020, and left it open for ninety (90) days. As of June 23, 2022, the settlement offer expired. On August 22, 2022, the SFRPC settlement offer was once again offered to Ms. Dawson with an expiration date of December 1, 2022. The settlement offer expired.

On May 4, 2022, the Court entered an Order for Uniform Case Management to be held August 22, 2022. On May 4, 2022, Judge Bidwell granted SFRPC's Motion to Dismiss Dawson's Counterclaim as to all counts. However, the Judge provided Dawson twenty (20) days to amend her complaint.

On May 23, 2022, Defendant served pre-suit notice on the Council and the Florida Department of Financial Services. On May 24, 2022, Defendant filed a Third Amended Counterclaim which was later deemed abandoned by the Clerk's office. On May 31, 2022, without permission of the Court, Defendant filed a Fourth Amended Counterclaim. On June 3, 2022, SFRPC filed a Motion to Dismiss Dawson's Third and Fourth Amended Counterclaims with Prejudice. A hearing on the SFRPC's Motion to Dismiss was scheduled for Friday, December 2, 2022. On June 30, 2022, Dawson filed an emergency motion with the Court asking the Court to require SFRPC to release its mortgage cross collateralized against 2748 NW 8th St. Fort Lauderdale. On July 6, 2022, SFRPC

filed a response to the Emergency Motion. On July 7, 2022, Dawson filed a Notice of Production from Non-party for Old Republic National Title Insurance Company and Alfred Andreu. On July 7, 2022, SFRPC filed a request for copies of records for Alfred Andreu and Old Republic National Title Insurance Company. On July 8, 2022, Ms. Dawson submitted a Public Records request to SFRPC. SFRPC has responded to Ms. Dawson. Ms. Dawson had until July 13, 2022 to send SFRPC the requested deposit of \$600.00 in order for SFRPC to start retrieving and reviewing documents. As of today's date, Ms. Dawson has not paid the deposit.

On August 22, 2022, the Court held a Case Management Conference. Ms. Dawson and her Co-counsel were not present. On October 10, 2022, another mandatory Case Management Conference was held. Ms. Dawson informed the court that she would be filing a motion for leave to amend based on new information from Benworth Capital. Copies have been requested through a filing, as of today's date, nothing has been received.

On November 29, 2022, the Defendant filed a Motion to Join Indispensable Parties and a Motion for Leave to Amend Complaint to Add Parties. On November 30, 2022, the Defendant filed a Notice of Filing Proposed Fifth Amended Counter Claim as Exhibit for Motion for Leave to Amend Complaint to Add Alfred F. Andreu P.A., Benworth Capital Partners LLC, and Old Republic National Title Insurance Company. Shortly before the hearing on the SFRPC's Motion to Dismiss on December 2, 2022, Ms. Dawson called our office and the Judge's office informing she was in the hospital. The hearing did not proceed and the Court scheduled another Case Management Conference on December 8, 2022. On December 7, 2022, SFRPC filed its Response in Objection to Defendants Motions to Join Indispensable Parties and for Leave to Amend Counterclaim. On December 8, 2022, pursuant to the Court's direction at the Case Management Conference, a Notice of Hearing was filed, scheduling the pending motions for December 20, 2022. On December 9, 2022, SFRPC filed its Response to Defendant's Motion for Disqualification. On December 18, 2022, Dawson filed a Motion to Withdraw Counter Plaintiff's Third Amended Counter Claims dated May 24, 2022.

At the December 20, 2022 Special Set Hearing, the Court again requested that the matter be scheduled for a Case Management Conference on January 30, 2023. The Court denied Defendants Motion to Join Benworth as an indispensable party and denied Defendants Motion to amend complaint to add Benworth and Old Republic Title Co. The Court also directed both parties to prepare and submit proposed orders for the Court to review for determination on SFRPC's Motion to Dismiss Dawson's Fourth Amended Counterclaim. On December 21, 2022, SFRPC filed its Proposed Order granting SFRPC's Motion. On January 29, 2023, the Court entered an Order denying Ms. Dawson's Motion to Join Indispensable Parties and Motion to Amend Complaint. At the January 30, 2023 Case Management Conference, the Judge informed the Parties that he is working on his order on SFRPC's Motion to Dismiss Dawson's Fourth Counterclaim with prejudice. Once the order is entered, the case will be scheduled for another Case Management Conference. As of today's date, the order has been not entered by the Court.

Isabel Cosio Carballo, Executive Director

Page 5 of 5

May 4, 2023

SFRPC served Ms. Dawson its First Set of Interrogatories, Request for Production and Request for Admissions. Ms. Dawson responded and we are currently reviewing her responses. Also, we are drafting SFRPC's motion for summary judgment.

**2. SFRPC adv. Philip J. Van Kahle, Assignee (J. Stephens Construction, LLC)
(Our File No. 9940631)**

On February 16, 2023, a Petition for Assignment for the Benefit of Creditors was filed, SFRPC was listed as a Secured Creditor. SFRPC's Proof of Claim is due by June 16, 2023. A Hearing for Motions to Approve Public Sale of Assets and Reject Lease of Non-Residential Real Property was scheduled for March 8, 2023. On March 13, 2023, the Court enter an Order approving the Public Sale of Assets "which shall conclude on or around August 25, 2022" [sic]. On March 15, 2023 the Court amended its Order and scheduled the sale for March 24, 2023. SFRPC's Proof of Claim was sent by certified mail on March 21, 2023. Confirmation of receipt was received on March 29, 2023 and assigned claim No. 6. The Assignee shall file a report of the results of the Auction with the Court within 30 days of the completion of the Auction. As of today's day, this report has yet to be filed.

**3. SFRPC adv. PHI Technologies Corp and Andre McAden
(Our File No. 9940629)**

Complaint was filed with the Court on April 18, 2023. This is currently out for routine process service.

Should you have any questions, please feel free to contact me.

Sincerely yours,

/s/ Kerry L. Ezrol

Kerry L. Ezrol

KLE:jc

cc: Samuel S. Goren, General Counsel (via e-mail & hard copy)
Alisha Lopez (via e-mail)
Steve Foreman (via e-mail)
Jeffrey Tart (via e-mail)
Kathe Lerch (via e-mail)