

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of programs, including programs for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

**WHEREAS**, on February 18, 1987, City Council approved and adopted the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established the South Dallas/Fair Park Trust Fund (sometimes herein called the "Trust Fund") by Resolution No. 87-0632; and

**WHEREAS**, on November 8, 1989, City Council, acting on certain recommendations put forth by the Fair Park Task Force, authorized Resolution No. 89-3605 which created guidelines and projects concerning the Trust Fund; and

**WHEREAS**, on August 26, 1992, City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board (Board) to submit recommendations for a long-range plan for the Trust Fund; and

**WHEREAS**, on March 24, 1993, City Council approved and adopted certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145; and

**WHEREAS**, on October 27, 1999, City Council authorized Resolution No. 99-3439 to replace and rescind Resolution No. 93-1145 regarding the programs and administration of the Trust Fund; and

**WHEREAS**, on February 25, 2004, City Council authorized that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801; and

**WHEREAS**, on May 9, 2006, City staff presented certain recommendations to the Economic Development and Housing Committee regarding certain modifications to the administration and programs of the Trust Fund, which recommendations were adopted by the committee; and

**WHEREAS**, on June 13, 2006, the Board reviewed the recommendations approved by the Economic Development and Housing Committee and approved the recommendations being submitted to the City Council for its review and approval; and

**WHEREAS**, in order to accomplish certain of the recommendations adopted by the Economic Development and Housing Committee and the South Dallas/Fair Park Trust Fund Advisory Board, the City Council desires to act to replace by Resolution No. 99-3439.

**WHEREAS**, on June 28, 2006, City Council authorized Resolution No. 06-1833 to replace and rescind Resolution No. 99-3439; and

**WHEREAS**, on October 10, 2007, pursuant to Resolution No. 07-2962, City Council amended Resolution No. 06-1833 providing modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund; and

**WHEREAS**, it has been determined that, in part, due to its complexity, the visitors' formula intended to be established in Resolution No. 87-0632 in order to provide revenues for the South Dallas/Fair Park Trust Fund was never implemented and monies from this source of revenue was not appropriated by previous City Councils; and

**WHEREAS**, monies have now been identified to provide the South Dallas/Fair Park Trust Fund with funds to restore the money that would have been set aside for the Trust Fund under the visitors' formula, but not appropriated by the City; and

**WHEREAS**, additional programs for the Trust Fund have been identified for which monies may be appropriated on an annual basis in order to assist the purpose of the Trust Fund; and

**WHEREAS**, additional revisions to South Dallas/Fair Park Trust Fund programs and operations have been proposed and the City now desires to implement; and

**WHEREAS**, the City wishes to rescind Resolutions No. 06-1833 and No. 07-2962 and to continue the South Dallas/Fair Park Trust Fund Program in the manner described as follows; and

**WHEREAS**, the City wishes to continue the South Dallas/Fair Park Trust Fund Program.

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the City Council adopts this resolution to replace City Council Resolution Nos. 06-1833 and 07-2962, previously approved on June 28, 2006 and October 10, 2007 respectively, to: (1) re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; (2) provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; (3) establish revised funding sources for the South Dallas/Fair Park Trust Fund and other programs supporting the area; (4) allocate funding from existing programs for water conservation at City facilities; and (5) add Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Program Offerings.

**Section 2.** That the City Council approves the following regarding the Trust Fund:

- A. The following program areas may be funded through the Trust Fund:
- a. Business and economic development initiatives to:
    - (i) promote local economic development;
    - (ii) improve and stimulate business and commercial; activities/opportunities;
    - (iii) create and retain jobs;
  - b. Community service programs to provide job related and human services assistance.
- B. The following initiatives may be funded in the program areas:
- a. Business Plan Technical Assistance and Market Analysis Program. Technical assistance for detailed market analyses and business plan assistance for business owners, property owners, and interested investors/developers. The individual(s) receiving assistance and the Trust Fund would share in the cost of developing the business plan. The Board will develop a sliding scale for the cost of this service.
  - b. Revolving Business Loan Program. A revolving loan fund program may be established to provide low interest business loans of up to \$50,000. Applications for loans under this program may not be forwarded to the Board for the Board's review and recommendation unless and until either: (i) two Board Members with loan underwriting experience have reviewed the application, or, (ii) one Board Member with loan underwriting experience has reviewed the application as well as one City staff member from the City's Office of Economic Development (OED) will have reviewed and commented on the application.
  - c. Micro Grant Program. A micro grant award program may be established in which \$1,000 to \$2,000 micro grant awards may be provided to businesses in good legal standing to be used in case of emergency situations. Emergency situations are defined as natural disasters (other than flood), or man-made disasters not covered by insurance.
  - d. Community-Based Non-Profit Organization Grant Program. A competitive grant award program may be established that funds community-based non-profit organizations determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A. §501(c)(3)) at an amount up to \$35,000 per year per organization to undertake program initiatives in the three approved program areas.

**Section 2.** (Continued)

The maximum award to the same organization may not exceed \$75,000 and the same organization may receive no more than three (3) grants. It is the objective that multiple grant awards to the same organization shall decrease through the three years of eligibility.

The grant award funds shall be used to supplement other matching sources which may include in-kind service and goods contributions up to twenty-five percent (25%) of the grant award. The match must include at least seventy-five percent (75%) cash.

- e. Challenge Grants. A competitive challenge grant award program for direct assistance may be established to provide grant funding to neighborhood groups for activities that are consistent with Trust Fund objectives. These grant awards shall be a maximum of \$5,000 per grant and shall be matched by: (i) appropriately documented one-hundred percent (100%) volunteer in-kind service or goods, or (ii) one-hundred percent (100%) matching funds raised, or, (iii) a combination of both volunteer in-kind service or goods and matching funds raised that equals the grant award.

Trust Fund monies may be paid to grantees prior to the grantees having received its match where City staff has determined that the match commitment is binding, will be imminently provided and that the grantee project will be jeopardized without the Trust fund monies being contributed prior to the match commitment being accomplished.

- f. Public Safety Grant. The Public Safety Grant Program provides direct assistance to neighborhood groups and nonprofit organizations for public safety and crime reducing activities. Projects or programs must be reasonable, and directly and measurably enhance the public safety of a significant and clearly identifiable segment of the Trust Fund Target area.

Organizations are not required to be 501(c)3 certified, but must have a certified organizational structure with a listing of member and officers. For the purpose of the Public Safety Grant program, neighborhood groups are defined primarily as community-based, self-help groups, which are operated primarily by unpaid community volunteers and carry out projects of limited scope and duration; providing social/human services in the Fair Park community.

The maximum eligible organizations may receive from this grant is \$10,000 per applicant per year for no more than three consecutive years.

**Section 2. (Continued)**

- g. Special Grant/Loan Program. A special economic development grant/loan program may be established to be used as catalyst funding to promote economic development, or to stimulate business and commercial activity in the South Dallas/Fair Park area. Funding may include, but is not limited to, interim financing for businesses or projects promoting economic development, workforce development, retail development projects, development studies, public safety projects and other economic development purposes that benefit the South Dallas/Fair Park community. Eligible recipients for such funding shall include: (i) for-profit entities that are in good legal standing and that are authorized to do business in the state of Texas; (ii) non-profit entities that have been determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 USCA. §501(c)(3)) that have as their purpose either: (1) the development or diversification of the South Dallas/Fair Park economy, (2) the elimination of unemployment or underemployment in the South Dallas/Fair Park community, or, (3) the development or expansion of commerce in the South Dallas/Fair Park community; and (iii) governmental entities that are authorized to accept funding for economic development purposes and have pledged to use the funding in the South Dallas/Fair Park community for that purpose.

Projects should have tangible economic or community impact. Such loans/grants shall be recommended by the Board reviewed by and approved by the City manager or City Council, where applicable, under City contracting guidelines. Loans/grants may or may not require match funding and may or may not have collateral support. Applications for the special grant/loan program may be accepted throughout the fiscal year and grant/loan disbursements may be through reimbursement to the grant/loan recipient or the direct payment of invoice by a vendor providing documented services or goods to the project in accordance with city contracting procedures.

- h. Donor-Designated Grants. A donor-designated grant award program may be established in which the Board shall advise the City Manager or City Council, where applicable under City contracting guidelines, in determining funding in amounts and for lawful purposes determined by the donor for projects that have positive benefit to the South Dallas/Fair Park community.

- C. The following measures will be utilized in the implementation of approved funding activities:

**Section 2. (Continued)**

- a. The geographic focus of the program shall be the thirteen (11) census tracts identified in the 2000 Census as Census Tracts 25, 27.01, 27.02, 29, 34, 35, 37, 38, 39.01, 39.02 and 40.
  - b. The Trust Fund will primarily support activities which are designed to assist current residents, businesses and programs in the target community, and, to a lesser degree, support to assist those businesses wishing to relocate or start up activities that would benefit the area. Marketing of the program will target all ethnic and economic groups in the area to ensure opportunities for community wide participation. A good-faith effort shall be made to identify Hispanic recipients for at least ten percent (10%) of the loans/grants.
- D. The following measures shall govern the funding of the Trust Fund:
- a. A target amount of \$500,000 annually from Fair Park Activities as specified herein, shall flow into the Trust Fund from the following sources: (i) GEXA ticket sales in accordance with the most current agreement with operator (ii) funding from flea market and antique shows held at Fair Park in accordance with Resolution No. 89-1674 adopted May 24, 1989. The Chief Financial Officer is hereby authorized to accept and deposit revenues collected to fund 0351, Unit 0448, Revenue Source 8529 (GEXA, and to fund 0351, Unit 0448, Revenue Source 8529) (flea market and antique shows).
  - b. If revenues from Section 2.D.a. (i) and (ii) above do not reach \$500,000 for a particular fiscal year, funding will be augmented by an allocation of funding from the City's Public/Private Partnership Fund to attain the annual target funding amount of \$500,000. The Chief Financial Officer is hereby authorized to transfer funds in such amount as is determined to be the difference between actual revenue collected and the target of \$500,000 from PPPF 0352, Unit 9949, Object Code 3690 to South Dallas/Fair Park Trust Fund 0351, Unit 0448, Revenue Source 9201.
  - c. If revenues received from Section 2. D. a. (i) and (ii) total \$500,000 or more in any fiscal year, no Public/Private Partnership Fund resources will be allocated to the Trust Fund to augment actual revenues received.
  - d. Annual funding from Fair Park Activities described in Section 2.D.a. (i) and (ii) is capped at \$1,000,000.

**Section 2. (Continued)**

- e. Principal and Interest from Trust Fund Business Loan payments, Interest on Trust Fund account balances and sponsorships from Enterprise activity that generates income may be used above the \$500,000 annual funding sources.
  - f. In order to supplement the annual funding target of \$500,000 from Fair Park Activities and other sources described within this Section above, the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: (Fund 0001, Department TBD, Unit TBD, Object Code 3690 to Fund 0351, Department ECO, Unit 0448, Revenue Source 9201) to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.
  - fg. Funds available for annual Trust Fund programs shall consist of funds received by the Trust Fund from July 1st of the previous calendar year through June 30th of the next succeeding calendar year. Funds from each funding source shall be available for Trust Fund programs in the City fiscal year beginning October 1st, with the annual program appropriation equal to funds received from all funding sources. The Board, through the City Manager, may recommend in accordance with Resolution No. 04-0801 that unused and unencumbered Trust Fund monies which have been accrued at the end of a fiscal year be used in a subsequent fiscal year to fund and support activities that are consistent with the Trust Fund's approved program areas.
- E. The following measures shall govern the administration of the Trust Fund:
- a. Trust Fund Disbursements. The Trust Fund shall disburse funds through one funding cycle per year (except for disbursements for the ~~basic home repair grant/loan program~~, the micro grant program and the special grant/loan program), based on an annual budget. Emergency grants may be approved throughout the year or until budgeted funds for programs have been committed.
  - b. Administration. Program administration shall remain in the OED and continued as an activity funded by the Trust Fund. In order to provide fiscally responsible management, fiscal management of the Trust Fund shall be the responsibility of the OED Budget/Finance Manager. Trust Fund operating expenses are to be budgeted annually by the Trust Fund Manager and OED Budget/Finance Manager with review by the Trust Fund Advisory Board.

**Section 2. (Continued)**

The final approval of the Trust Fund budget shall be determined by the City Council through the City budgeting process. An internal mid-year budget re-programming may be recommended by the Board to the City Manager if a significant amount of funds become available. The Board and the City staff should formulate a budget by April of each year and submit a recommended budget to the City Manager and City Council during the budget cycle.

Loan payments are to be posted as they are received to the proper accounts, money deposited with cashier and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be made available to the Trust Fund Manager by the 20th of each month. The Trust Fund Manager will work with OED Budget/Finance Manager to pursue the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. OED Budget/Finance Manager will reconcile the Trust Fund's business loans with other financial systems.

- c. Administrative Costs. Trust Fund monies may be used for at least one (1) City staff position to serve as a South Dallas/Fair Park Neighborhood Advocate/Public Information Officer and/or Trust Fund Manager to assist community groups, individuals and business owners with community services, economic development and housing and neighborhood improvement initiatives and to promote the Trust Fund and develop marketing materials. Administrative costs for the Trust Funds operations, including staff expense, will be paid from the ~~General Fund unit assigned to the Trust Fund~~ Program funding unit currently 0351.

Before the end of the program year, to the PPPF Fund 0352, Unit P151, will be reimbursed from the Trust Fund. Fund 0351, Unit 0448, in an amount that is no more than 15% of budgeted annual operating expenses. Beginning FY 16/17, for a period of four years ending FY 20/21, ALL administrative costs will be reimbursed to PPPF Fund 0352, Unit P151 from Trust Fund: Fund 0351, Unit 0448. THEREAFTER, commencing FY21/22, administrative cost for Trust Fund operations will be reimbursed from the Trust Fund: Fund 0351, Unit 0448 to the PPPF Fund 0352, Unit P151 in an amount that is no more than 15% of budgeted annual operating expenses.

- d. Support of Trust Fund from Other City Departments. The Trust Fund will be supported by other City departments in carrying out its programs.



June 17, 2015

**Section 2. (Continued)**

- (i) Parks & Recreation Department. The City's Department of Parks and Recreation, under the terms of the Pace Contract, will allocate and deposit to the Trust Fund the monies described in the Pace Contract for events held at GEXA and will deposit the allocated antique show and flea market monies to the Trust Fund in accordance with Council Resolution No. 89-1674. The Parks and Recreation Department will also validate the accuracy of the number of tickets sold with regards to the events described herein. (subject to appropriations)

In order to supplement the annual funding target of \$500,000 from Fair Park Activities (subject to future appropriations the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: Fund 0001, Department PKR, Unit 9487, Object Code 3690 to fund 0351, Department ECO, Unit 0448, Revenue Source 9201) shall be provided to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.

- (ii) Water Utilities Department. The Water Utilities Department will be responsible for funding and implementing a City Leadership Grant Program specific to South Dallas Fair Park for three years beginning FY2015/16, funded at \$200,000 annually for the three year period (total funding not to exceed \$600,000). (subject to appropriations)
- (iii) The City Attorney's Office. The City Attorney's Office will advise the Board and will prepare all pertinent loan documents, review and approve documentation for loans and grants, make demand on delinquent loan accounts as inappropriate and facilitate collateral lien perfection and recovery.

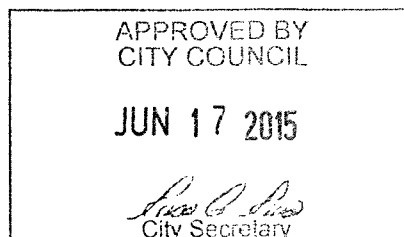
**Section 2.** (Continued)

- (iv) The City Auditor's Office. The City Auditor shall perform an annual audit of the Trust Fund and its operations. The annual audit shall include an audit of cash coming into the Trust Fund account as well as expenditures. The City Auditor shall conduct the fiscal audit requirement and shall also require an annual audit of operations of the Trust Fund and the Board. The annual audit of the operations of the Trust Fund and the Board shall be conducted with the Trust Fund Manager.
- (v) The Office of Economic Development. Beginning in FY2016/17, the Office of Economic Development (OED) will allocate "Seed Money" through the City's Public/Private Partnership Fund in the amount of \$250,000 annually for four years (total not to exceed \$1 million) (subject to appropriations) for Grand Park South Tax Increment Finance (TIF) District projects approved by the TIF Board.

The OED will further allocate funding for FY2016/17 in the amount of \$250,000 (subject to appropriations) through the City's Public/Private Partnership Fund (total not to exceed \$250,000) to the South Dallas Adaptive Reuse Program herein established and described on **Exhibit 1**.

- F. The composition of the Board shall be changed to insure that at least eight members must have direct connection to South Dallas/Fair Park community (live, own a business, work, active community involvement). Seven (7) positions will be "at large" having qualifications related to business, housing, non-profit management and/or community building. At least two (2) current board members must have loan underwriting experience. The Board shall hold a minimum of one public hearing a year, hold at least six monthly meetings in the Trust Fund area each year and shall provide citizens an opportunity to address the Board at each regular meeting.

**Section 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



# ATTACHMENT A

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Frequency</u>	<u>Total</u>	<u>Funding Source/ Responsible Department</u>
Supplement to existing special grant program for catalyst initiatives	To be used for re-development/development purposes (Examples include: Grand Park Place development, Hatcher Gardens Phase II, South Fair redevelopment, Spring Ave. Retail development, and private development throughout the area.	\$800K	Annually for 4 years	\$3.2M	General Fund (Special Fair Park Program)
"Seed" \$ for Grand Park South TIF	Supplement to Tax Increment generated by TIF for project support	\$250K	Annually 4 years	\$1M	PPP Program
South Dallas Adaptive Reuse Program	Modeled after existing Southern Dallas programs	\$250K	Once	\$250K	PPP Program
City Leadership Grant Program	Address water conservation at City owned facilities	\$200K	Annually for 3 years	\$600K	DWU-CLEP
				<u>\$5,050M</u>	

# Attachment B

October 10, 2007

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of programs, including programs for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

**WHEREAS**, on February 18, 1987, the City Council approved and adopted the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established the South Dallas/Fair Park Trust Fund (Trust Fund) by Resolution No. 87-0632; and

**WHEREAS**, on November 8, 1989, the City Council, acting on certain recommendations put forth by the Fair Park Task Force, authorized Resolution No. 89-3605 which created guidelines and projects concerning the Trust Fund; and

**WHEREAS**, on August 26, 1992, the City Council affirmed its commitment to the Trust Fund and directed the City Manager and South Dallas/Fair Park Trust Fund Board (Board) to submit recommendations for a long-range plan for the Trust Fund; and

**WHEREAS**, on March 24, 1993, the City Council approved and adopted certain recommendations contained in the long-range plan submitted for the Trust Fund by Resolution No. 93-1145; and

**WHEREAS**, on October 27, 1999, the City Council approved Resolution No. 99-3439 to replace Resolution No. 93-1145 regarding the programs and administration of the Trust Fund; and

**WHEREAS**, on February 25, 2004, the City Council authorized that unused Trust Fund monies under certain conditions may be used in subsequent fiscal years by Resolution No. 04-0801; and

**WHEREAS**, on May 9, 2006, City staff presented certain recommendations to the Economic Development and Housing Committee regarding certain modifications to the administration and programs of the Trust Fund, which recommendations were adopted by the committee; and

**WHEREAS**, on June 13, 2006, the Board reviewed the recommendations approved by the Economic Development and Housing Committee and approved the recommendations being submitted to the City Council for its review and approval; and

**WHEREAS**, in order to accomplish certain of the recommendations adopted by the Economic Development and Housing Committee and the South Dallas/Fair Park Trust Fund Advisory Board, the City Council desires to act to replace by Resolution No. 99-3439.

**WHEREAS**, on June 28, 2006, City Council authorized Resolution No. 06-1833 to replace and rescind Resolution No. 99-3439; and

**WHEREAS**, on October 10, 2007, pursuant to Resolution No. 07-2962, City Council amended Resolution No. 06-1833 providing modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund; and

# Attachment B

October 10, 2007

WHEREAS, it has been determined that, in part, due to its complexity, the visitors' formula intended to be established in Resolution No. 87-0632 in order to provide revenues for the South Dallas/Fair Park Trust Fund was never implemented and monies from this source of revenue was not appropriated by previous City Councils; and

WHEREAS, monies have now been identified to provide the South Dallas/Fair Park Trust Fund with funds to restore the money that would have been set aside for the Trust Fund under the visitors' formula, but not appropriated by the City; and

WHEREAS, additional programs for the Trust Fund have been identified for which monies may be appropriated on an annual basis in order to assist the purpose of the Trust Fund; and

WHEREAS, additional revisions to South Dallas/Fair Park Trust Fund programs and operations have been proposed and the City now desires to implement; and

WHEREAS, the City wishes to rescind Resolutions No. 06-1833 and No. 07-2962 and to continue the South Dallas/Fair Park Trust Fund Program in the manner described as follows.

WHEREAS, the City wishes to continue the South Dallas/Fair Park Trust Fund Program.

NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

~~Section 1. That the City Manager, upon approval as to the form by the City Attorney, is hereby authorized to amend subsection D (a), (b), (c), subsection E (c) and subsection G in Section 2 of Resolution No. 06-1833, previously approved on June 28, 2006, that authorized modifications to certain policies, procedures and guidelines for funding sources, administrative cost and name change for operating the South Dallas/Fair Park Trust Fund.~~

Section 1. That the City Council adopts this resolution to replace City Council Resolution Nos. 06-1833 and 07-2962, previously approved on June 28, 2006 and October 10, 2007 respectively, to: (1) re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund; (2) provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; (3) establish revised funding sources for the South Dallas Fair Park Trust Fund and other programs supporting the area; (4) allocate funding from existing programs for water conservation at City facilities; and (5) add Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Program Offerings.

**Section 2.** That the City Council approves the following modifications regarding the Trust Fund:

- A. The following program areas may be funded through the Trust Fund:
  - a. Business and economic development initiatives to:
    - (i) promote local economic development;
    - (ii) improve and stimulate business and commercial activities/opportunities;
    - (iii) create and retain jobs; and
    - (iv) encourage affordable housing development.

# Attachment B

October 10, 2007

## Section 2 (Continued)

~~b. Housing and neighborhood improvement projects to provide assistance for low cost repairs of owner-occupied residences and provide needed community improvements.~~

~~eb. Community service programs to provide job-related and human services assistance.~~

### B. The following initiatives may be funded in the program areas:

a. Business Plan Technical Assistance and Market Analysis Program. Technical assistance for detailed market analyses and business plan assistance for business owners, property owners, and interested investors/developers. The individual(s) receiving assistance and the Trust Fund would share in the cost of developing the business plan. The Board will develop a sliding scale for the cost of this service.

b. Revolving Business Loan Program. A revolving loan fund program may be established to provide low interest business loans of up to \$50,000. Applications for loans under this program may not be forwarded to the Board for the Board's review and recommendation unless and until either: (i) two Board Members with loan underwriting experience have reviewed the application, or, (ii) one Board Member with loan underwriting experience has reviewed the application as well as one City staff member from the City's Office of Economic Development (OED) will have reviewed and commented on the application.

c. Micro Grant Program. A micro grant award program may be established in which \$1,000 to \$2,000 micro grant awards may be provided to businesses in good legal standing to be used in case of emergency situations. Emergency situations are defined as natural disasters (other than flood), or man-made disasters not covered by insurance.

~~d. Home Repair Program. A basic home repair grant/loan program may be established to provide grants for low income and elderly homeowners and/or low interest loans to moderate income homeowners not to exceed \$8,000 per household. The program shall be managed by the Housing Department which shall submit a request for no more than \$100,000 annually to the Board. The program shall be funded upon the recommendation of the Board and approval by the City Manager and City Council. Contractors should be from the program area whenever possible. Low and moderate income limits shall be consistent with those used in the Community Development Block Grant Program.~~

~~ed. Community-Based Non-Profit Organization Grant Program. A competitive grant award program may be established that funds community-based non-profit organizations determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A. §501(c)(3)) at an amount up to \$35,000 per year per organization to undertake program initiatives in the three approved program areas.~~

# Attachment B

October 10, 2007

## Section 2 (Continued)

The maximum award to the same organization may not exceed \$75,000 and the same organization may receive no more than three (3) grants. It is the objective that multiple grant awards to the same organization shall decrease through the three years of eligibility. The grant award funds shall be used to supplement other matching sources which may include in-kind service and goods contributions up to twenty-five percent (25%) of the grant award. The match must include at least seventy-five percent (75%) cash.

- e. Challenge Grants. A competitive challenge grant award program for direct assistance may be established to provide grant funding to neighborhood groups for activities that are consistent with Trust Fund objectives. These grant awards shall be a maximum of \$5,000 per grant and shall be matched by: (i) appropriately documented one-hundred percent (100%) volunteer in-kind service or goods, or (ii) one-hundred percent (100%) matching funds raised, or, (iii) a combination of both volunteer in-kind service or goods and matching funds raised that equals the grant award.

Trust Fund monies may be paid to grantees prior to the grantees having received its match where City staff has determined that the match commitment is binding, will be imminently provided and that the grantee project will be jeopardized without the Trust fund monies being contributed prior to the match commitment being accomplished.

- f. Public Safety Grant. The Public Safety Grant Program provides director assistance to neighborhood groups and nonprofit organizations for public safety and crime reducing activities. Projects or programs must reasonable, directly and measurable enhance the public safety of a significant and clearly identifiable segment of the Trust Fund Target area.

Organizations are not required to be 501(c)3 certified, but must have a certified organizational structure with a listing of member and officers. For the purpose of the Public Safety Grant program, neighborhood groups are defined primarily as community-based, self-help groups, which are operated primarily by unpaid community volunteers and carry out projects of limited scope and duration; providing social/human services in the Fair Park community.

The maximum eligible organizations may receive from this grant is \$10,000 per applicant per year for no more than three consecutive years.

- g. Special Grant/Loan Program. A special economic development grant/loan program may be established to be used as catalyst funding to promote economic development, or to stimulate business and commercial activity in the South Dallas/Fair Park area, including, but not be limited to, interim financing for businesses or projects promoting economic development, workforce development projects, retail development projects, development studies, public safety projects and for other economic development purposes that benefit the South Dallas/Fair Park community.

# Attachment B

October 10, 2007

## Section 2 (Continued)

Eligible recipients for such funding for such grants/loans shall include: (i) for-profit entities that are in good legal standing and that are authorized to do business in the state of Texas; (ii) non-profit entities that have been determined to be tax-exempt under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code (26 U.S.C.A. §501(c)(3)) that have as their purpose either: (1) the development or diversification of the South Dallas/Fair Park economy, (2) the elimination of unemployment or underemployment in the South Dallas/Fair Park community, or, (3) the development or expansion of commerce in the South Dallas/Fair Park community; and (iii) governmental entities that are authorized to accept funding for economic development purposes and have pledged to use the funding in the South Dallas/Fair Park community for that purpose.

Projects should have tangible immediate ~~(within one year)~~ economic or community impact. Such loans/grants shall be recommended by the Board reviewed by and approved by the City manager or City Council, where applicable, under City contracting guidelines. Loans/grants may or may not require match funding and may or may not have collateral support. Applications for the special grant/loan program may be accepted throughout the fiscal year and grant/loan disbursements may be through reimbursement to the grant/loan recipient or the direct payment of invoice by a vendor providing documented services or goods to the project in accordance with city contracting procedures.

- h. Donor-Designated Grants. A donor-designated grant award program may be established in which the Board shall advise the City Manager or City Council, where applicable under City contracting guidelines, in determining funding in amounts and for lawful purposes determined by the donor for projects that have positive benefit to the South Dallas/Fair Park community.
- C. The following measures will be utilized in the implementation of approved funding activities:
  - a. The geographic focus of the program shall be the thirteen (~~43~~11) census tracts identified in the 2000 Census as Census Tracts 25, 27.01, 27.02, ~~28,~~ 29, 34, 35, ~~36,~~ 37, 38, 39.01, 39.02 and 40.
  - b. The Trust Fund will primarily support activities which are designed to assist current residents, businesses and programs in the target community, and, to a lesser degree, support to assist those businesses wishing to relocate or start up activities that would benefit the area. Marketing of the program will target all ethnic and economic groups in the area to insure opportunities for community wide participation. A good-faith effort shall be made to identify Hispanic recipients for at least ten percent (10%) of the loans/grants.



# Attachment B

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## Section 2 (Continued)

D. The following measures shall govern the funding of the Trust Fund:

- a. ~~Trust Fund funding sources shall include: (i) an annual \$200,000 contribution from the General Fund (contingent on the annual approval by the City Council); (ii) funding from the visitors formula described in Council Resolution 91-1597 adopted on May 22, 1991; (iii) funding from Smirnoff Music Center ticket sales in accordance with that certain agreement with Pace Entertainment Group, Inc. dated December 9, 1987, as that agreement is amended (the Pace Contract); (iv) funding from flea market, and antique shows, held at Fair Park in accordance with the proposal developed in accordance with Council Resolution 89-1674 adopted on May 24, 1989; (v) Trust Fund business loan repayments (both principal and interest); and (vi) interest on Trust Fund account balances. The Trust Fund may sponsor enterprise activities (e.g., vending at Fair Park events) to generate additional income and shall seek to leverage other public-private funding sources when feasible.~~

A target amount of \$500,000 annually from Fair Park Activities as specified herein, shall flow into the Trust Fund from the following sources: (i) GEXA ticket sales in accordance with the most current agreement with operator (ii) funding from flea market and antique shows held at Fair Park in accordance with Resolution No. 89-1674 adopted May 24, 1989. The Chief Financial Officer is hereby authorized to accept and deposit revenues collected to fund 0351, Unit 0448, Revenue Source 8529 (GEXA, and to fund 0351, Unit 0448, Revenue Source 8529) (flea market and antique shows).

- b. ~~If allowable under state and federal law, the City Manager may recommend that Community Development (CD) funds of up to \$100,000 be allocated to the Trust Fund's basic home repair program, and, if such allocation is approved by the Community Development Commission and City Council, the General Fund appropriation described in Section 2.D.a.i. above shall be reduced by an amount equal to such allocation.~~

If revenues from Section 2.D.a. (i) and (ii) above do not reach \$500,000 for a particular fiscal year, funding will be augmented by an allocation of funding from the City's Public Private Partnership Fund to attain the annual target funding amount of \$500,000. The Chief Financial Officer is hereby authorized to transfer funds in such amount as is determined to be the difference between actual revenue collected and the target of \$500,000 from PPPF 0352, Unit 9949, Object Code 3690 to South Dallas/Fair Park Trust Fund 0351, Unit 0448, Revenue Source 9201.

- c. If revenues from Section 2. D. a. (i) and (ii) reach \$500,000 or more in any fiscal year, no Public/Private Partnership Fund resources will be allocated to the Trust Fund to augment actual revenues received.
- d. Annual funding from Fair Park Activities described in Section 2.D.a. (i) and (ii) is capped at \$1,000,000.

# Attachment B

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## Section 2 (Continued)

- e. Principal and Interest from Trust Fund Business Loan payments, Interest on Trust Fund account balances and sponsorships from Enterprise activity that generates income may be used above the \$500,000 annual funding sources.
  - f. In order to supplement the annual funding target of \$500,000 from Fair Park Activities and other sources described within this Section above, the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: (Fund 0001, Department TBD, Unit TBD, Object Code 3690 to Fund 0351, Department ECO, Unit 0448, Revenue Source 9201) to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.
  - g. Funds available for annual Trust Fund programs shall consist of funds received by the Trust Fund from July 1st of the previous calendar year through June 30th of the next succeeding calendar year. Funds from each funding source shall be available for Trust Fund programs in the City fiscal year beginning October 1st, with the annual program appropriation equal to funds received from all funding sources. The Board, through the City Manager, may recommend in accordance with Resolution No. 04-0801 that unused and unencumbered Trust Fund monies which have been accrued at the end of a fiscal year be used in a subsequent fiscal year to fund and support activities that are consistent with the Trust Fund's approved program areas.
- E. The following measures shall govern the administration of the Trust Fund:
- a. Trust Fund Disbursements. The Trust Fund shall disburse funds through one funding cycle per year (except for disbursements for the ~~basic home repair grant/loan program~~, the micro grant program and the special grant/loan program), based on an annual budget. Emergency grants may be approved throughout the year or until budgeted funds for programs have been committed.
  - b. Administration. Program administration shall remain in the OED and continued as an activity funded by the Trust Fund. In order to provide fiscally responsible management, fiscal management of the Trust Fund shall be the responsibility of the OED Budget/Finance Manager. Trust Fund operating expenses are to be budgeted annually by the Trust Fund Manager and OED Budget/Finance Manager with review by the Trust Fund Advisory Board. The final approval of the Trust Fund budget shall be determined by the City Council through the City budgeting process. An internal mid-year budget re-programming may be recommended by the Board to the City Manager if a significant amount of funds become available. The Board and the City staff should formulate a budget by April of each year and submit a recommended budget to the City Manager and City Council during the budget cycle.
- Loan payments are to be posted as they are received to the proper accounts, money deposited with cashier and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be made available to the Trust Fund Manager by the 20th of each month.

# Attachment B

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## Section 2 (Continued)

The Trust Fund Manager will work with OED Budget/Finance Manager to pursue the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. OED Budget/Finance Manager will reconcile the Trust Fund's business loans with other financial systems.

- c. Administrative Costs. Trust Fund monies may be used for at least one (1) City staff position to serve as a South Dallas/Fair Park Neighborhood Advocate/Public Information Officer and/or Trust Fund Manager to assist community groups, individuals and business owners with community services, economic development and housing and neighborhood improvement initiatives and to promote the Trust Fund and develop marketing materials. Administrative costs for the Trust Fund operations, including staff expense, will be paid from the General Fund unit assigned to the Trust Fund. ~~Before the end of the program year, the General Fund will be reimbursed from the Trust Fund Program funding unit currently 0351 no more than 15 percent of budgeted annual operating expenses.~~

Before the end of the program year, to the PPPF Fund 0352, Unit P151, will be reimbursed from the Trust Fund. Fund 0351, Unit 0448, no more than 15% of budgeted annual operating expenses. Beginning FY 16/17, for a period of four years ending FY 20/21, ALL administrative costs will be reimbursed to PPPF Fund 0352, Unit P151 from Trust Fund Fund 0351, Unit 0448. THEREAFTER, commencing FY21/22, administrative cost for Trust Fund operations will be reimbursed from the Trust Fund: Fund 0351, Unit 0448 to the PPPF Fund 0352, Unit P151 no more than 15% of budgeted annual operating expenses.

- d. Support of Trust Fund From Other City Departments. The Trust Fund will be supported by other City departments in carrying out its programs.
- (i) Parks & Recreation Department. The City's Department of Parks and Recreation, under the terms of the Pace Contract, will allocate and deposit to the Trust Fund the monies described in the Pace Contract for events held at the Smirnoff Music Center GEXA and will deposit the allocated antique show and flea market monies to the Trust Fund in accordance with Council Resolution 89-1674. The Parks and Recreation Department will also validate the accuracy of the number of tickets sold with regards to the events described herein. (subject to appropriations) , ~~compile statistics for the visitor's formula annually per Resolution No. 91-1597 and allocate and deposit to the Trust Fund the appropriate monies based on that formula.~~

# Attachment B

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## Section 2 (Continued)

In order In order to supplement the annual funding target of \$500,000 from Fair Park Activities (subject to future appropriations the Chief Financial Officer is hereby authorized to transfer an additional \$800,000 from the City's General Fund: Fund 0001, Department PKR, Unit 9487, Object Code 3690 to fund 0351, Department ECO, Unit 0448, Revenue Source 9201) shall be provided to the Trust Fund annually commencing FY 16/17 for a period not to exceed four years (total not to exceed \$3,200,000) and allocated to the Special Grant/Loan Program for catalyst economic development initiatives.

- (ii) Water Utilities Department. ~~Special Collections will set up loan accounts, assign account numbers and mail out payment coupons with customer letters outlining the terms of the loan agreement and informing Trust Fund loan recipients of when, how and where to make payments. Payments are to be posted as they are received to the proper accounts, money deposited with cashiering and deposits reconciled monthly. A monthly report of all accounts showing current account balance and activity will be sent to the Trust Fund Manager by the 11th of each month. Special Collections will assist the Trust Fund Manager in the collection of delinquent accounts according to the procedures that the City Comptroller's Office has developed for the collection of business loan accounts. Special Collections will also reconcile the Trust Fund's business loan system with other financial systems.~~

The Water Utilities Department will also be responsible for funding and implementing a City Leadership Grant Program specific to South Dallas Fair Park for three years beginning FY 15/16, funded at \$200K annually for the three year period (total funding not to exceed \$600,000). (subject to appropriations)

- (iii) The City Attorney's Office. The City Attorney's Office will advise the Board and will prepare all pertinent loan documents, review and approve documentation for loans and grants, make demand on delinquent loan accounts as inappropriate and facilitate collateral lien perfection and recovery.
- (iv) The City Auditor's Office. The City Auditor shall perform an annual audit of the Trust Fund and its operations. The annual audit shall include an audit of cash coming into the Trust Fund account as well as expenditures. The City Auditor shall conduct the fiscal audit requirement shall also require an annual audit of operations of the Trust Fund and the Board. The annual audit of the operations of the Trust Fund and the Board shall be conducted with the Trust Fund Manager.

# Attachment B

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## Section 2 (Continued)

- (v) The Office of Economic Development. Beginning in FY2015/16, the Office of Economic Development (OED) will allocate "Seed Money" through the City's Public Private Partnership Fund in the amount of \$250,000 annually for four years (total not to exceed \$1 million) for Grand Park South Tax Increment Finance (TIF) District projects approved by the TIF Board.

The OED will further allocate additional funding for FY2016/17 in the amount of \$250,000 through the City's Public Private Partnership Fund (total not to exceed \$250,000) to the South Dallas Adaptive Reuse Program herein established and described on **Exhibit 1**.

- F. The composition of the Board shall be changed to insure that at least eight members must have direct connection to South Dallas/Fair Park community (live, own a business, work, active community involvement). Seven (7) positions will be "at large" having qualifications related to business, housing, non-profit management and/or community building. At least two (2) current board members must have loan underwriting experience. The Board shall hold a minimum of one public hearing a year, hold at least six monthly meetings in the Trust Fund area each year and shall provide citizens an opportunity to address the Board at each regular meeting.

~~**Section 3.** That Resolution No. 06-1833 approved on June 28, 2007, shall remain in full force and effect except as amended herein.~~

~~**Section 4 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas; and it is accordingly so resolved.~~