

November 9, 2022

WHEREAS, the City of Dallas ([the](#) “City”) recognizes the importance of its role in local economic development and supporting small business enterprises; and

WHEREAS, on June 27, 2018, City Council authorized revisions to the South Dallas Fair Park Opportunity Fund (“Opportunity Fund”), including establishing a purpose for the Opportunity Fund, which is to “provide loans and grants to promote economic development and support human development initiatives in the neighborhoods surrounding Fair Park” by Resolution No. 18-0922; Ordinance No. 30905; and

WHEREAS, on March 9, 2022, City Council (1) authorized transfer of the programmatic elements and funding of the Opportunity Fund from the Office of Economic Development (“OED”) to the Small Business Center (“SBC”); (2) authorized the Director of the SBC to take any actions necessary to administer those programs and related agreements that transferred from OED to SBC under Section 4(11) in the Operating and Capital Budgets’ Appropriations Ordinance (Ordinance No. 32000); and (3) created the SBC effective October 1, 2021, by Resolution No. 21-1950; and

WHEREAS, the purpose of the Opportunity Fund is to provide loans and grants to promote economic development and support human development initiatives in the neighborhoods surrounding Fair Park (“service area”) that create new jobs, retain existing jobs, or increase the service area tax base; and

WHEREAS, DFW Dawg Life, LLC ([“Borrower”](#)) seeks incentives from the Opportunity Fund to make leasehold improvements ~~business operations~~ [too the real property](#) located at 2721 Logan Street, [Dallas, Texas](#) to expand [retail](#) services; and

WHEREAS, ~~Developer~~ [Borrower](#) estimates the total Project costs to be \$100,000.00 for construction costs, which consist of new heating, ventilation, air conditioning, fencing, millwork, exterior improvements; and

WHEREAS, this Project meets the ~~Economic Development~~ program criteria for the Opportunity Fund as it ~~creates~~ [stimulates small business activity and growth](#) ~~taxable improvements~~ and will potentially create seven jobs_ ~~as well as provide services to the service area.~~

Now, Therefore,

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

November 9, 2022

SECTION 1. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2. That the City Manager is hereby authorized, ~~upon approval as to form by the City Attorney,~~ to execute a ~~conditional~~ loan agreement ~~(the "Agreement"), approved as to form by the City Attorney,~~ and all other necessary documents ~~between the City and~~ with DFW Dawg Life, LLC ~~or an affiliate thereof~~ ("~~Borrower~~Developer") (VC21988) to provide an economic development loan ~~in a total amount not to exceed One Hundred Thousand (\$100,000.00)~~ to ~~permit Borrower to~~ make capital improvements to leased space located at 2721 Logan Street, ~~in~~ Dallas, Texas 75215 (the "~~Property~~ject Site") ~~in a total amount not to exceed \$100,000.00 as a conditional loan agreement with Developer in an amount not to exceed \$100,000.00 from the City, the "Agreement").~~

SECTION 3. That the Agreement, including disbursement of the loan ("loan funds"), is hereby expressly made subject to all the following contingencies, which ~~Borrower~~ Developer must perform or cause to occur:

- (a) The loan term will be for seven years and ~~the loan~~ will accrue interest at a 2% fixed interest rate.
- (b) For the loan funds, the compliance period shall commence on the date of the loan period and shall terminate upon payment (including refinance) of the loan ("Loan Compliance Period").
- (c) The ~~Developer~~ Borrower shall use the loan funds to make the following improvements to the Property: ~~(i)~~ install heating, ventilation, air conditioning, fencing, millwork, and exterior improvements to the existing leased space on the Property in accordance with the scope of work and budget attached in **Exhibit A** (Project Improvements) ~~(loan proceeds)~~
- (d) The ~~Developer~~ Borrower shall only use the loan funds to support the Project improvements ~~specified in this resolution and as identified in Section 3, Exhibit A;~~
- (e) ~~For the loan funds, in addition to the Agreement, Developer~~ Borrower shall execute a loan agreement, promissory note, and personal guarantee, each upon ~~approval~~ as to form by the City Attorney, ~~in favor of the City.~~
- (f) As consideration for the loan funds, ~~Developer~~ Borrower shall provide no less than seven jobs prior to the termination of the Loan Compliance Period~~;~~

SECTION 3. (continued)

(g) The loan shall be paid upon closing;

~~(h) For the loan funds, Developer shall obtain the SBC Director's prior written approval to sell the Property during the Loan Compliance Period.~~

(~~h~~ⁱ) During the Loan Compliance Period, if ~~Developer~~ Borrower fails to comply with the Agreement or causes or permits an uncured default to remain, including: (i) failure to maintain and operate the Property as an ~~D~~doggy daycare during the Loan Compliance Period; (ii) failure to maintain the leaseholds and Property in compliance with all federal, state, and local laws and codes during the Loan Compliance Period; (iii) failure to timely submit complete and accurate annual compliance reports, which shall include proof of operations and a tenant list during the Loan Compliance Period; and (iv) failure to obtain SBC Director approval for the sale of the Property during the Loan Compliance Period, following notice and an opportunity to cure, the City may declare the ~~Developer~~ Borrower in default, terminate the Agreement, or pursue any remedies available to it at law or in equity, including, but not limited to, requiring ~~Developer~~ Borrower to convey fee simple title of the Property to the City, free of any liens or encumbrances, in a form acceptable to the City.

(~~i~~^j) following notice and an opportunity to cure, the City may declare the ~~Developer~~ Borrower in default, terminate the Agreement, or pursue any remedies available to it at law or in equity, including, but not limited to, requiring ~~Developer~~ Borrower to convey fee simple title of the Property to the City, free of any liens or encumbrances, in a form acceptable to the City; ~~and~~.

(~~ik~~^k) ~~Developer~~ Borrower shall execute the Agreement with the City no later than December ~~March~~ 31, 2023.

SECTION 4. That pursuant to Section 2 of this resolution, once loan documents are signed and loan funds disbursed, that the Chief Financial Officer be and is hereby authorized to set up the respective notes receivable for the principal in the SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT-SBC, Balance Sheet Account 023D notes receivable, and deferred revenue Balance Sheet Account 0898 in the amount of respective amount of the loan disbursement not to exceed \$100,000.00.

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SECTION 5. That the Chief Financial Officer is hereby authorized to receive and deposit the principal amount not to exceed \$100,000.00 and estimated interest amount not to exceed \$7,248.59 in SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT, Unit: W812, Principal Revenue Code 847G, and Interest Revenue Code 847H. Late payments will be subject to late fees as defined in the Agreement. All late fees collected during the loan payment period shall be recorded in SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT, Unit: W812, various Revenue Code.

SECTION 6. That pursuant to Section 2 of this ~~f~~[Resolution](#), once the principal payments are received, the Chief Financial Officer be and is hereby authorized to reverse the notes receivable for the principal balance in the SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT-SBC, Balance Sheet Account 023D notes receivable, and deferred revenue Balance Sheet Account 0898 in the amount of the loan disbursement not to exceed \$100,000.00.

SECTION 7. That pursuant to Section 2 of this resolution, once loan documents are signed and loan funds disbursed, the Chief Financial Officer be and is hereby authorized to set up an interest receivable for the interest in the SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT-SBC, Balance Sheet Account 028E interest receivable and deferred revenue Balance Sheet Account 0898 in the estimated amount of \$7,248.59 related to the loan.

SECTION 8. That pursuant to Section 2 of this resolution, once the interest payments on the loan are received, the Chief Financial Officer be and is hereby authorized to reverse the interest receivable for the interest in the SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT-SBC, Balance Sheet Account 028E interest receivable and deferred revenue Balance Sheet Account 0898 in the estimated amount of \$7,248.59 related to the loan.

SECTION 9. That the Chief Financial Officer is hereby authorized to disburse funds to ~~Developer~~ [Borrower](#) from SBC South Dallas Fair Park Opportunity Fund, Fund 0443, Department MGT, Unit 0448, Object 3015, Activity SBC, Program [0443MLK](#), Encumbrance/Contract No. CX-SBC-2022-00019558, Vendor VC21988, total amount not to exceed \$100,000.00.

SECTION 10. That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the grant or loan funds described herein, until such time as the Agreement and related documents are duly approved and executed by all parties.

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SECTION 11. 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.