

January 13, 2021

**WHEREAS**, the City recognizes the importance of its role in local economic development; and

**WHEREAS**, many municipalities within the Dallas-Fort Worth region have economic development programs to compete with the City for establishments, expansions, and relocations of business operations; and

**WHEREAS**, decisions made by businesses are often significantly influenced by a municipality's ability to provide competitive economic development incentives; and

**WHEREAS**, it is in the interest of the City of Dallas to support and secure the establishments, expansions, and relocations of business operations within the city of Dallas and the economic vitality and employment opportunities that these business operations bring for Dallas residents; and

**WHEREAS**, the use of economic development incentives is a necessary tool in supporting catalyst projects in southern Dallas; and

**WHEREAS**, on May 22, 2019, City Council approved Resolution No. 19-0827, authorizing a Chapter 380 Grant Agreement with Chime Solutions, Inc. ("Chime") in an amount not to exceed \$2,000,000.00 (payable in two equal installments of \$1,000,000.00 each) to support Chime's establishment and operation of a new business process outsourcing center ("BPO") within Red Bird Mall located at 3662 W. Camp Wisdom Road, thereby stimulating economic development, job creation, and increased business activity in southern Dallas; and

**WHEREAS**, pursuant to Resolution No. 20-1972, authorized by the City Council on December 9, 2020, the City: **(1)** elected to continue its participation in economic development incentives and approved an extension of its Public/Private Partnership Program - Guidelines and Criteria, which established certain guidelines and criteria for the use of City incentive programs for private development projects, **(2)** established programs for making loans and grants of public money to promote local economic development and to stimulate business and commercial activity in the City pursuant to the Economic Development Programs provisions under Chapter 380 of the Texas Local Government Code ("Economic Development Act"), and **(3)** established appropriate guidelines and criteria governing tax abatement agreements to be entered into by City as required by the Property Redevelopment and Tax Abatement Act, as amended, (V.T.C.A. Tax Code, Chapter 312) ("Tax Abatement Act"); and

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**WHEREAS**, Chime now requests amendment to the Chapter 380 Grant Agreement previously authorized by City Council Resolution No. 19-0827 to **(1)** delete a requirement for Grant Installment #2 that Chime execute a right of first refusal to lease an additional 30,000 square feet within Red Bird Mall with a minimum five-year term and obtain a final certificate of occupancy for the additional minimum 30,000 square feet by June 30, 2022; **(2)** delete a requirement for Grant Installment #2 that Chime make an additional investment of at least \$2,200,000.00 in business personal property (furniture, fixtures, machinery & equipment) at Red Bird Mall by June 30, 2022; **(3)** increase Chime's job creation requirement for Grant Installment #2 from an additional 500 new FTEs to an additional 700 new full-time equivalents ("FTE"s) (for a cumulative minimum total of 1,200 FTEs) by June 30, 2022; and **(4)** add a third grant installment ("Grant Installment #3) in an amount not to exceed \$500,000.00 in consideration of Chime creating an additional 250 new FTEs (for a cumulative minimum total of 1,450 FTEs).

**WHEREAS**, the proposed amendment complies with the City's Public/Private Partnership Program – Guidelines and Criteria; and

**WHEREAS**, consistent with the authority granted under the Economic Development Act and the City's Public/Private Partnership Program - Guidelines and Criteria, staff recommends that the City approve the proposed amendment as a part of the City's ongoing program to promote local economic development and to stimulate business and commercial activity in the city of Dallas.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute an amendment to the Chapter 380 Grant Agreement with Chime Solutions, Inc. ("Chime") previously approved on May 22, 2019 by Resolution No. 19-0827 to **(1)** delete a requirement for Grant Installment #2 that Chime execute a right of first refusal to lease an additional 30,000 square feet within Red Bird Mall with a minimum five-year term and obtain a final certificate of occupancy for the additional minimum 30,000 square feet by June 30, 2022; **(2)** delete a requirement for Grant Installment #2 that Chime make an additional investment of at least \$2,200,000.00 in business personal property (furniture, fixtures, machinery & equipment) at Red Bird Mall by June 30, 2022; **(3)** increase Chime's job creation requirement for Grant Installment #2 from an additional 500 new FTEs to an additional 700 new full-time equivalents ("FTE"s) (for a cumulative minimum total of 1,200 FTEs) by June 30, 2022; and **(4)** add a third grant installment ("Grant Installment #3) in an amount not to exceed \$500,000.00 in consideration of Chime creating an additional 250 new FTEs (for a cumulative minimum total of 1,450 FTEs) by December 31, 2023.

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**SECTION 2.** That the third grant installment ("Grant Installment #3") shall be paid when the following key conditions are satisfied:

- (a) Chime shall continue to remain in compliance with all conditions of Grant Installment #1 and Grant Installment #2 (as amended).
- (b) Chime shall create a minimum additional 250 new FTEs (for a cumulative minimum total of 1,450 FTEs) by December 31, 2023.
- (c) The additional 250 new FTEs shall have a minimum starting wage of \$14.00/hour and shall include a benefits package. Benefits package shall include medical, prescription, dental, vision, life insurance, and disability.
- (d) A minimum 35% of the additional 250 new FTEs shall be residents of the city of Dallas.
- (e) By December 31, 2023, Chime shall host a minimum of two additional job recruitment events targeting city of Dallas residents. Chime shall also coordinate with Workforce Solutions Greater Dallas to promote the job opportunities to residents of the city of Dallas. Chime shall also use best efforts to hire veterans, re-entry candidates, and other hard-to-place job applicants.
- (f) By December 31, 2023, Chime shall provide workforce development training for at least 200 of the additional 250 new FTEs and shall document that an additional minimum of \$500,000.00 in costs have been incurred for that purpose.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds in an additional amount not to exceed \$500,000.00 to Chime Solutions, Inc. from Public/Private Partnership Fund, Fund 0352, Department ECO, Unit W435, Object 3016, Activity PPPF, Encumbrance/Contract No. ECO-2019-00010398, Vendor VS100334.

**SECTION 4.** 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.