



Legislation Details (With Text)

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On agenda: 5/13/2020 **Final action:** 5/13/2020

Title: Authorize (1) extensions of up to six months, subject to approval of the Director of the Office of Economic Development (“Director”) for city-imposed contractual deadlines occurring on or after March 1, 2020 for active incentive agreements approved by the City Council prior to March 1, 2020; (2) an additional extension of up to six months, subject to approval of the Director for such active incentive agreements; and (3) forbearance of loan payments and extension of loan maturity dates for a period of up to six months, subject to approval of the Director - Financing: No cost consideration to the City

Sponsors:

Indexes: 100

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Attachments: 1. Resolution

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: May 13, 2020

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Economic Development

EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

Authorize **(1)** extensions of up to six months, subject to approval of the Director of the Office of Economic Development (“Director”) for city-imposed contractual deadlines occurring on or after March 1, 2020 for active incentive agreements approved by the City Council prior to March 1, 2020; **(2)** an additional extension of up to six months, subject to approval of the Director for such active incentive agreements; and **(3)** forbearance of loan payments and extension of loan maturity dates for a period of up to six months, subject to approval of the Director - Financing: No cost consideration to the City

BACKGROUND

To support businesses and development projects impacted by COVID-19, and in acknowledgement of the economic impact caused by the virus, the City hereby authorizes the Director, in his or her discretion, to approve extensions up to six months for all city-imposed deadlines in any active economic development incentive agreement approved by the City Council on or before March 1,

2020, regardless of whether the agreement has been executed or not by the parties. These agreements include, but are not limited to, tax increment financing development agreements, Chapter 380 loan and grant agreements, tax abatement agreements, small business loans, workforce development agreements, and any other agreement whereby the City of Dallas agreed to provide incentives or financial assistance to an external party through the Office of Economic Development. If the awardee demonstrates need for an additional extension after expiration of the period described above, an additional extension of up to six months may be granted upon approval of the Director, in his or her sole discretion.

The extension of deadlines in any incentive agreement is not automatic. Incentive awardees must request such extensions in accordance with the notice requirements of each incentive agreement, and the approval of and terms of any extension shall be determined by the Director. The extensions discussed above shall be in addition to any extensions already provided for in any active economic development incentive agreement.

Additionally, the City hereby authorizes forbearance of loan payments owed to the City of Dallas for up to six months, with an extension of the loan agreement maturity date for the same time period. The intent of such forbearance is to act as a pause of the loan, and not to accrue interest, fees, or penalties during such pause. The paused payments will be added to the end of the extended loan term. The forbearance and extension of any loan is not automatic. Borrowers must request such amendments in accordance with the notice requirements of each loan agreement, and the approval of and terms of any forbearance and extension shall be determined by the Director.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

This item has no prior action.

FISCAL INFORMATION

No cost consideration to the City.