



Legislation Text

File #: 20-1297, Version: 1

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: August 12, 2020
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Economic Development
EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

Authorize **(1)** an amendment to the Small Business Continuity Fund Program; **(2)** a first amendment to the subrecipient agreement between the City of Dallas and Dallas Development Fund (DDF) in accordance with the amended Program Statement; and **(3)** the execution of a subrecipient agreement with DDF to administer \$2,000,000.00 in Coronavirus Relief Funds funding appropriated to the SBCF Program - Not to exceed \$2,000,000.00 - Financing: U.S. Department of Treasury Coronavirus Relief Fund

BACKGROUND

On April 22, 2020, City Council authorized the creation of the SBCF Program to provide grant and loan funding to Dallas small businesses impacted by COVID-19 pursuant to Resolution No. 20-0646. The program was initially funded through Community Development Block Grant (CDBG) funds provided by the CARES Act, and subject to CDBG program regulations. An additional \$2 million, non-CDBG funding provided by the CARES Act has been allocated to this program.

Non-CDBG funds provided through Coronavirus Relief Funds (CRF) are more flexible and as a result, adhering to CDBG program requirements for non-CDBG funds creates an unnecessary administrative burden. The revised program statement removes the CDBG eligibility requirements for those SBCF awards not funded by CDBG funding and removes the requirement that businesses have at least 51 percent low to moderate income (LMI) employees as it is not required under CDBG regulations. Businesses are still required to create or retain one job and remain in business for at least six months for all grant awards. Businesses with 50 or fewer employees must also still show that they employ or employed LMI workers.

Additionally, the contract between the City of Dallas and DDF needs to be amended to reflect the amendments to the program and the City of Dallas and DDF need to enter into a subrecipient agreement to administer the additional CRF funding of \$2 million and the revisions of the program statement.

A revised Program Statement is available and attached to the resolution as Exhibit A.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided at the Special Called meeting of the Ad Hoc Committee on COVID-19 Economic Recovery & Assistance on April 14, 2020.

On April 22, 2020, City Council authorized the acceptance of Coronavirus Relief Funding in the amount of \$234,443,127.60 from the U.S. Department of Treasury which \$2 million of CRF was allocated to support the Small Businesses in the form of grants by Resolution No. 20-0644.

On April 22, 2020, City Council authorized the establishment and administration of the City of Dallas SBCF Program by Resolution No. 20-0646.

On June 10, 2020, City Council authorized amendments to the SBCF Program Statement by Resolution No. 20-0913.

On June 17, 2020, City Council was briefed on the Budget Workshop: Update on COVID-19, FY20, and Upcoming Biennial Budgets, in which \$2 million was allocated to CRF funding.

Information about this item was provided to the Economic Development Committee on August 3, 2020.

FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
U.S. Department of Treasury Coronavirus Relief Fund	\$ 2,000,000.00	\$0.00	\$0.00