

June 24, 2026

WHEREAS, the City is committed to supporting enhanced economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

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

WHEREAS, the use of economic development incentives is a necessary tool in promoting community sustainability; and

WHEREAS, the United States Department of Treasury (Treasury Department) has established the New Markets Tax Credit (NMTC) program to stimulate investments in predominately low-income communities; and

WHEREAS, the goals and purposes of the NMTC program are consistent with and complementary to the economic development programs previously established by the City to support expanded economic development opportunities for low-income communities within the City and to low-income persons residing within those communities; and

WHEREAS, under the NMTC program, tax credits are competitively awarded annually by the Treasury Department through its Community Development Financial Institutions (CDFI) Fund to qualified Community Development Entities (CDEs) after review and evaluation of applications submitted by CDEs, which are then made available to investors; and

WHEREAS, the City of Dallas created the Dallas Development Fund (DDF) as a non-profit Texas corporation in order to apply for an award under the NMTC program; and

WHEREAS, DDF was awarded a \$55 million NMTC allocation under the 2009 NMTC program; and

WHEREAS, DDF was awarded a \$30 million NMTC allocation under the 2012 NMTC program; and

WHEREAS, DDF was awarded a \$45 million NMTC allocation under the 2014 NMTC program; and

WHEREAS, DDF was awarded a \$55 million NMTC allocation under the 2017 NMTC program; and

WHEREAS, DDF was awarded a \$55 million NMTC allocation under the 2021 NMTC program; and

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WHEREAS, DDF was awarded a \$55 million NMTC allocation under the 2024-2025 NMTC program; and

WHEREAS, on May 15, 2026, the DDF board approved awarding up to \$15 million in NMTC allocation to Pecan Deluxe Candy Company (Pecan Deluxe), and its affiliates for the construction and equipment installation of a new state-of-the-art food manufacturing production facility located at 2575 Lone Star Drive, Dallas, Texas.

Now, Therefore,

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

Section 1. That the City Council hereby authorizes a New Markets Tax Credit (NMTC) transaction between the Dallas Development Fund, a Dallas-based Texas non-profit corporation and certified Community Development Entity (CDE) or a subsidiary thereof (DDF), Pecan Deluxe and affiliated entities (Pecan Deluxe), and Dudley Ventures, LLC, a subsidiary of Valley Bank, and its subsidiaries thereof (Dudley Ventures), including up to \$15 million of DDF's \$55 million NMTC allocation, in support of the Pecan Deluxe Manufacturing Expansion Project (Project) located at 2575 Lone Star Drive, Dallas, Texas 75212 (Project), a qualified project under Section 45D of the Internal Revenue Code of 1986, as amended, as further described in **Attachment A**, and for DDF to collect related closing costs and annual fees related to the Project.

Section 2. That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation.

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, and it is accordingly so resolved.