



## City of Dallas

### **NOTICE OF PUBLIC REVIEW AND COMMENT PERIOD FOR THE SUBSTANTIAL AMENDMENT NO. 1 TO THE CITY OF DALLAS FY 2019-20 HUD ACTION PLAN**

On December 11, 2019, Dallas City Council authorized (1) preliminary adoption of Substantial Amendment No. 1 to the FY 2019-20 Action Plan for the City of Dallas Community Development Block Grant (CDBG) Business Revolving Loan Program (BRLP), to terminate the CDBG Revolving Loan fund program from the FY 2019-20 Action Plan; and (2) a public hearing to be held on January 22, 2020, to receive comments on Substantial Amendment

The purpose of the public hearing is to receive residents' comments on the proposed termination of the Revolving Loan Program from the FY 2019-20 U.S. Department of Housing and Urban Development (HUD) Action Plan for the City of Dallas Community Development Block Grant (CDBG) Program.

Since 1989, the City of Dallas has used a portion of its CDBG funds to support the City of Dallas CDBG BRLP, as approved by Resolution No. 89-0815. Initially, Southern Dallas Development Corporation (SDDC) was the sub-recipient of CDBG Business Revolving Loan Program. SDDC merged with PeopleFund in December of 2015 and was awarded a one-year contract, with four renewal options, to operate the CDBG BRLP program as authorized under Resolution No. 16-1476, on September 14, 2016.

SDDC provided an estimated average of eight business loans per year and funded approximately 202 business loans totaling an estimated \$20,270,565.00 since program inception. These loans have been used to leverage an estimated \$42,439,502.00 in private investment and created/retained and estimated 2,029 jobs. Since the transition of the CDBG BRLP from SDDC to PeopleFund, there have been a total of five business loans, totaling \$372,500.00. Under the current contract, the City has the option to not renew the final term of the PeopleFund contract to continue the CDBG BRLP and has opted to not continue the existing CDBG BRLP due to declining productivity.

The existing CDBG loan portfolio and accounts receivable consist of 11 loans totaling \$460,246.92 and a cash bank balance of \$1,305,277.05 as of November 30, 2019.

When PeopleFund merged with SDDC, they also acquired the Southern Dallas Small Business Loan Program (SDSBLP), which was authorized by CR 10-1238 and funded by Public-Private Partnership funds. Under this program, SDDC originated 17 loans but no loans have been originated in the past 4 years. The existing SDSBLP loan portfolio and accounts receivable consist of 6 loans totaling \$176,045.14 and a cash bank balance of \$922,880.40 as of November 30, 2019. Due to declining productivity, the City has opted to not continue this program with PeopleFund.

All loan agreements for both programs will be assigned back to the City.

Program income generated from the BRLP will be returned to the City and eligible program delivery costs will be reimbursed from the program income as defined by the contract and HUD regulations. A portion of the PPP Loan Fund repayment will be used to repay HUD for its portion of the outstanding loan portfolio. Those funds will then be available in the City's CDBG line of credit (approximately \$500,000.00). The remaining funds will be returned to the PPP fund.

City shall return all CDBG Program Income to HUD to also be placed in the city's line of credit. No general fund dollars will be used for the loan program. The City will no longer have program with agency, program/loans will be managed inhouse.

The public review and comment period will run through January 21, 2020. Final adoption is scheduled for January 22, 2020. Details of the proposed substantial amendment will be available at all City of Dallas libraries, the Office of Budget and may be reviewed at [www.dallascityhall.com](http://www.dallascityhall.com).

Members of the public wishing to make comments are invited to attend the public hearing, which will be held not earlier than 1 p.m. Wednesday, January 22, 2020, in the City Council Chambers, Dallas City Hall, 6th floor, 1500 Marilla St. Anyone interested in signing up in advance to speak at the public hearing may contact the City Secretary's Office at (214) 670-3738.

Residents in the Dallas Metropolitan area may submit written comments to the Office of Budget / Grant Administration Division, Dallas City Hall, 1500 Marilla St., 4FS, Dallas, Texas 75201, or email [ofscommunitydevelopment@dallascityhall.com](mailto:ofscommunitydevelopment@dallascityhall.com) before 5:00 p.m., on Tuesday, January 21, 2020. Written comments may also be faxed to (214) 670-0741.

The City of Dallas will make "Reasonable Accommodations" to programs and/or other related activities to ensure any and all disabled individuals have access to services and resources to create an equal opportunity to participate in all city related programs, services and activities. Anyone who requires an auxiliary aid or service to fully participate in or attend any meeting should notify the Office of Budget/Grants Administration Division at (214) 670-4557 or TTY 1-800-735-2989, forty-eight (48) hours prior to the scheduled meeting.

Cualquier persona que requiera asistencia auxiliar o algún servicio para participar plenamente en, o para asistir a cualquier reunión del CDC, debe notificarlo a la oficina de Servicios Financieros/División de la Administración de Subvenciones al (214) 670-4557 o TTY 1-800-735-2989, cuarenta y ocho (48) horas antes de la reunión programada.

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