

## **JOINT RESOLUTION**

**JOINT RESOLUTION OF THE CITY OF OKLAHOMA CITY (“CITY”) AND THE OKLAHOMA CITY ECONOMIC DEVELOPMENT TRUST (“OCEDT”) APPROVING AN ALLOCATION TO THE CITY OF OKLAHOMA CITY FROM GENERAL OBLIGATION LIMITED TAX (“GOLT”) BOND FUNDS AND “OTHER ECONOMIC DEVELOPMENT FUNDS” IN AN AMOUNT NOT TO EXCEED \$750,000, TO BE USED TO AMEND AN AGREEMENT WITH THE ALLIANCE FOR ECONOMIC DEVELOPMENT OF OKLAHOMA CITY (“ALLIANCE”) TO MANAGE AND OPERATE THE CITY’S AMERICAN RESCUE PLAN ACT (“ARPA”) GRANT FUNDS FOR THE FISCAL RECOVERY FUNDS BUSINESS SUPPORT PROGRAM FOR AN INCREASE IN FUNDING FOR FAÇADE AND OTHER STOREFRONT IMPROVEMENTS; AND BY NO LATER THAN MAY 1, 2025, THE ALLIANCE SHALL PROVIDE THE CITY AND TRUST A FULL ACCOUNTING OF ITS EXPENDITURE OF THIS ADDITIONAL \$750,000 AND RETURN ANY REMAINING FUNDS NOT SPENT ON APPROVED PROGRAMS BY THE SAME DATE.**

**WHEREAS**, the City of Oklahoma City is an Oklahoma municipal corporation operating under a City Charter and the laws of the State of Oklahoma. OCEDT, a public trust whose sole beneficiary is the City, was created by Trust Indenture dated October 9, 2007, for the purpose, in part, of promoting and assisting the City with economic and community development projects; and

**WHEREAS**, on February 15, 2022, the City entered into an agreement with the Alliance (the “Contract”) to manage the federal grant funds the City received through ARPA for the use of Fiscal Recovery Funds for programs and projects to directly address the negative economic impacts caused by COVID-19 in the areas of: (1) job training and workforce development, (2) minority/disadvantaged business support and technical assistance; and (3) small business and non-profit assistance (“Approved Programs”); and

**WHEREAS**, the Contract term would have expired December 31, 2024, however, it was amended in June of 2024 (“Amendment No. 1”) to extend the term of the Contract until December of 2026, to increase the amount of funding available for use on the Approved Programs, and to increase the Alliance’s management fee from \$1,500,000 to \$1,655,000. The Contract provides that the funds for the Approved Programs shall not exceed \$20,446,500; and

**WHEREAS**, however, the Alliance has indicated that it has qualified applicants for expenditures on Approved Programs that would exceed the \$20,446,500 authorized by

**JOINT RESOLUTION ALLIANCE ARPA AMENDED ALLOCATION**

Amendment No. 1, by the amount of approximately \$1,750,000. Applicants for the façade and storefront improvement program, an Approved Program, were required to complete construction of façade/storefront improvements, before they were eligible to receive the funds (reimbursement grants). The applicants who made the façade and storefront improvements personally funded these improvements or obtained bank loans for them. These applicants who completed the improvements are now seeking reimbursement, but the Alliance's contracted amount of \$20,446,500 will not cover all expenses incurred by the applicants; and

**WHEREAS**, the federal government's initial timeframes for spending down the funds made management of the later phases of the Approved Programs difficult while endeavoring to fully deploy the ARPA funding. Prior experience managing earlier phases of the façade and storefront program led the Alliance to believe that only 68% of the applicants would complete the improvements. However, 90% of applicants actually completed improvements in the later phases of the façade and storefront program, which lead to obligations exceeding the \$20,446,500 contract authority by approximately \$1,750,000; and

**WHEREAS**, in order to address the shortfall, the Alliance has reduced obligations in other programs by approximately \$452,000 and plans to apply interest earned on the ARPA funds, currently totaling approximately \$548,000, which have remained in the Alliance's possession, to reduce the shortfall to approximately \$750,000;

**WHEREAS**, the Alliance's management fee remains \$1,655,000; and

**WHEREAS**, while not specifically listed as an allowed program under the City's Amended Oklahoma City General Obligation-Limited Tax Bond Program, commonly referred to as the SIP, façade and storefront improvements would be allowed pursuant to state law. Section 802 of Title 62 of the Oklahoma Statutes authorizes the use of GOLT bond funds for qualified economic and community development purposes including economic development programs. Such an economic development program could legally include making façade and storefront improvements to small businesses, which enhance the aesthetics of the building making it more inviting to potential customers/clients;

**WHEREAS**, by no later than May 1, 2025, the Alliance shall provide the City and Trust a full accounting of its use of the \$750,000 paid to the Alliance for the shortfall and any interest earnings used for the same; and shall pay any remaining City/Trust funds, including interest earnings, back to the Trust by the same date. The Alliance will continue to invoice the City in

accordance with Section 2-801 of the Municipal Code for any remaining administrative fees as allowed pursuant to Amendment No. 1.

**NOW, THEREFORE, BE IT RESOLVED**, by the City and Trust that an allocation to the City in an amount not exceeding \$750,000 in GOLT bond funding and “other economic development funding” for use on façade and storefront improvements be approved, upon amendment of the Contract, to be used for Approved Programs to cover the shortfall incurred by the Alliance in serving eligible and qualified applicants for the City’s Fiscal Recovery Funds Business Support Program, which the Alliance was contracted to manage on the City’s behalf, and by no later than May 1, 2025, the Alliance shall provide the City and Trust a full accounting of its expenditure of this additional \$750,000 on Approved Programs and return all remaining funds to the Trust by the same date, including all interest earnings.

[Signatures on following page.]

**ADOPTED** by the Trustees and signed by the Chairman of the Oklahoma City Economic Development Trust, Oklahoma, this 17TH day of DECEMBER, 2024.

ATTEST:

*Thidi Graham*  
Secretary



*Todd Starnes*  
Chairman

**ADOPTED** by the Council and signed by the Mayor of the City of Oklahoma City, Oklahoma, this 31ST day of DECEMBER, 2024.

ATTEST:

*Amy K Simpson*  
City Clerk



*David Holt*

**REVIEWED** for form and legality.

*Amy K Simpson*  
Assistant Municipal Counselor