

**FORT WORTH
STOCKYARDS**

★ INC ★

**222 W EXCHANGE AVE
FORT WORTH, TX 76164**

Date: May 23, 2024

From: Paul Paine, Fort Worth Stockyards, Inc.
To: Reginald Zeno, Chief Financial Officer
Via: Robert Sturns, Economic Development Director
Re: Operating Cash Flow (Seed Money) Advance for PID 11-Stockyards

Section VI. 11(a) of the O-PID policy authorizes and defines operating cash flow (seed money) advance as:

a. Operating Cash Flow (Seed Money) Advance:

i. The Director of Economic Development may consider a written request for an advance of operating cash flow (i.e., seed money) from a Management Company if (1) the advance is requested as part of the establishment/creation of the O-PID or (2) when a new Management Company begins managing an existing O-PID. An operating cash flow advance is subject to approval by the Director of Finance and City Council.

Pursuant to Section 2.1(1) of City Secretary Contract Number 61465, between the City of Fort Worth ("City") and Fort Worth Stockyards, Inc ("FWSI"), this memo serves as confirmation of the agreed upon resolution regarding the disposition and repayment of seed money for three months (May, June, and July 2024) in the amount not to exceed fund balance for PID 11 - Stockyards (PID).

On May 1, 2024, Fort Worth Stockyards, Inc. (FWSI) assumed management of PID 11 – Stockyards, taking over as the new management entity for the existing O-PID.




In accordance with Chapter 372.023 of the Texas Local Government Code and the O-PID Policy, the City typically issues disbursements to the PID Management Company as reimbursements for the prior month's expenses. The estimated average monthly reimbursement ranges between \$25,000.00 and \$30,000.00, provided the entity maintains sufficient operating cash flow to cover these expenses upfront.

The amount dispersed to FWSI will not exceed \$100,000.

Fort Worth Stockyards, Inc. (FWSI) lacks sufficient operating cash flow to cover initial expenses and is therefore requesting that Fort Worth PID 11 - Stockyards provide 100% seed money reimbursements for May, June, and July 2024. This advance will enable FWSI to establish its

finances to a point where it can independently sustain the funding of PID 11 expenses. FWSI commits to reimbursing PID 11 for 100% of all expenses incurred during this period, with the payment to be issued by check in August 2024.

Paul Paine, President
Fort Worth Stockyards, Inc.

City of Fort Worth: By:  Name: Reginald Zeno Title: Chief Financial Officer Date: <u>Jun 7, 2024</u>	FORT WORTH STOCKYARDS, INC., a Texas nonprofit corporation: By:  Paul Paine President Date: <u>Jun 6, 2024</u>
Approval Recommended: By:  Name: Robert Sturns Title: Economic Development Director	