



Recommendation for Action

File #: 20-3158, **Agenda Item #:** 12.

10/1/2020

Posting Language

Ratify a contract amendment with the Better Business Bureau to administer a total of \$25,890,750 in emergency funds through the Austin Small Business Relief Grant, the Austin Non-Profit Relief Grant, and the Austin Creative Worker Relief Grant programs to small businesses, non-profits, and creative workers in need of relief as a result of the COVID-19 pandemic, with an option to amend and extend the term and administrative fee should additional grant funds become available to administer.

Lead Department

Economic Development Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

May 7, 2020 - Approved Resolution No. 20200507-023 directing the City Manager to develop an initial program directed towards sustaining small and local non-profit organizations and businesses using a portion of federal dollars designated for pandemic-related relief, and partner in the creation of a regional Economic Response Dashboard

June 4, 2020 - Approved Resolution No. 20200604-40 adopting the COVID-19 proposed spending framework for the use of all available federal and local funding that leverages and maximizes the benefit of federal COVID-19 relief funding and local funding.

June 4, 2020 - Approved a Resolution No. 20200604-049 authorizing the City Manager to review the process for providing direct financial relief to underserved communities based on the RISE Fund framework and to adjust that process to streamline the intake and management of the funding for the benefit of the individuals being served; and directing the City Manager to return with a budget amendment if necessary to add funding to the RISE Fund.

June 11, 2020 -Resolution No. 20200611-103 ratified the contract with the Better Business Bureau to administer the Commercial Loans for Economic Assistance and Recovery (CLEAR) and Austin Nonprofit and Civic Health Organization Relief (ANCHOR) Fund grant program to disburse emergency funds to small businesses and non-profits in need of relief as a result of COVID-19 pandemic in amount not to exceed \$1,144,000 with an option to amend and extend the term and administrative fee should additional grant funds become available to administer.

For More Information:

Sylvia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131.

Additional Backup Information:

In response to financial hardships caused by the COVID-19 pandemic, Austin City Council approved creation of the Austin Small Business Relief Grant, the Austin Non-Profit Relief Grant, and the Austin Creative Worker

Relief Grant programs. Following the City Council's direction, the City of Austin Economic Development Department (EDD) sought a third-party non-profit to administer these relief programs. EDD evaluated third parties based on their experience providing direct program delivery and administration assistance, including managing local, state, federal or private funding to assist in grant administration.

EDD selected the Better Business Bureau ("the Contractor") to administer these programs. The Contractor meets with EDD project management representatives regularly, as identified in the scope of work and deliverables. The Contractor provides administrative oversight, facilitation, and holistic program delivery in issuing recovery grants to eligible grant applicants of Council-authorized programs.

This amendment to the contract with the Better Business Bureau clarifies the total amount of relief funds to be administered by the Contractor, as well as the total administrative fee for the Contractor's services. The Better Business Bureau's fee for administration of these funds is an amount not to exceed \$1,344,250.

Strategic Outcome(s):

Economic Opportunity and Affordability.