



Recommendation for Action

File #: 21-2391, **Agenda Item #:** 36.

7/29/2021

Posting Language

Ratify a contract amendment with the Better Business Bureau to provide additional grants to Arts & Culture Non-Profit organizations in the amount of \$2,090,000, for a total contract amount not to exceed \$32,098,025.

Lead Department

Economic Development.

Fiscal Note

A fiscal note is not required.

Prior Council Action:

May 7, 2020 - Council approved Resolution No. 20200507-023 directing the City Manager to develop an initial program to help sustain 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 - Council approved Resolution No. 20200604-040 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. Council also approved 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 - Council approved Resolution No. 20200611-103 ratifying a contract with the Better Business Bureau (BBB) to administer the Commercial Loans for Economic Assistance and Recovery (CLEAR) and Austin Nonprofit and Civic Health Organization Relief (ANCHOR) Fund grant programs to disburse emergency funds to small businesses and non-profits in need of relief as a result of the COVID-19 pandemic in an 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.

October 1, 2020 - Council approved Resolution No. 20201001-012 ratifying a contract amendment with the BBB 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, with an option to amend and extend the term and administrative fee should additional grant funds become available to administer.

January 27, 2021 - Council approved Resolution No. 20210127-014 ratifying a contract amendment with the BBB to provide additional grants to small businesses that had previously applied to the Austin Small Business Relief Grant program, in the amount of \$4,803,025, for a total contract amount not to exceed \$32,008,025.00.

June 10, 2021 - Council approved Resolution No. 20210610-077 adopting the American Rescue Plan Act Spending Framework and authorizing the City Manager to make the necessary allocations. Council also

approved Resolution No. 20210610-078 amending the Fiscal Year 2020-2021 Financial Services Department Operating Budget Special Revenue Fund (Ordinance No. 20200812-001) to appropriate an amount not to exceed \$49,400,000 from the U.S. Department of Treasury, available through the American Rescue Plan Act, for municipal purposes related to the COVID-19 outbreak and recovery efforts. Lastly, Council approved Resolution No. 20210610-092 directing the City Manager to allocate \$2 million in American Rescue Plan Act funding to the Nonprofit Relief Grant Program for the purpose of supporting Austin's nonprofit organizations engaged in arts and culture.

For More Information:

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Additional Backup Information:

In response to the ongoing financial hardships caused by the COVID-19 pandemic, Council approved creation of the Austin Art and Culture Non-profit Relief Grant. Following the Council's direction, the Economic Development Department (EDD) sought a third-party non-profit to administer these relief programs.

EDD selected the BBB to administer this program. The BBB meets with EDD project management representatives regularly, as identified in the scope of work and deliverables. The BBB provides administrative oversight, facilitation, and holistic program delivery in issuing recovery grants to eligible grant applicants of Council-authorized programs.

The contract amendment with BBB adds \$2,090,000 to the existing contract for the purpose of making additional grant awards to art and cultural non-profit organizations. The sources of these additional funds include the American Rescue Plan Act funding (\$2,000,000) and the Business Preservation Fund (\$90,000). The allocation from the Business Preservation Fund will pay for BBB's administration fee of 4.5%.

This amendment brings the total value of BBB's contract to \$32,098,025, of which \$30,501,275 will have been disbursed in grants and \$1,596,750 will have been paid in administration costs.

Strategic Outcome(s):

Economic Opportunity and Affordability; Culture and Lifelong Learning.