Recommendation for Action

File #: 22-1509, **Agenda Item #:** 11. 3/24/2022

Posting Language

Authorize negotiation and execution of an agreement with the Greater Austin Black Chamber of Commerce to market Austin, attract businesses and provide workforce development services for a three year term for a total amount not to exceed $692,391.

Lead Department

Economic Development.

Fiscal Note

Funding in the amount of $230,797 is available in the Fiscal Year 2021-2022 Operating Budget of the Economic Development Department.

Prior Council Action:

On December 10, 2020, City Council approved staff recommendation to do the following: - In accordance with the equitable funding model report, increase the Greater Austin Hispanic Chamber of Commerce annual contract to $252,882 (previously $212,500) and increase the Greater Austin Black Chamber of Commerce annual contract to $230,797 (previously $171,000), but to deviate from the equitable model to provide a one-year transition, keep (for one year) the Greater Austin Asian Chamber of Commerce annual contract at $202,500 (model calls for a decrease to $155,440) and keep the Austin LGBT Chamber of Commerce annual contract at $153,750 (model calls for a decrease to $100,631).

On March 25, 2021, City Council indefinitely postponed a staff recommended resolution to adopt the Equitable Chamber Funding Report. Rather, City Council approved the following direction to staff: “Invite the [Multi-Ethnic Chambers Alliance] to engage in a process over the coming months to envision a path forward for how we fund, and what we expect from, chambers in advancing economic opportunity in Austin. The City Manager is directed to plug into the process where appropriate and absent meaningful progress, bring forward the base funding model to council for approval in November 2021.”

For More Information:

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Additional Backup Information:

In accordance with the Council direction, the Multi-Ethnic Chambers Alliance (MECA) convened in order to propose a path forward. On July 16, 2021, MECA proposed to City staff the formation of a single entity, the Diversity and Ethnic Chamber Alliance (DECA), to contract with the City. The new DECA entity was to be comprised of the Austin LGBT Chamber, Greater Austin Asian Chamber, Greater Austin Black Chamber, and Greater Austin Hispanic Chamber.

MECA proposed contracting with the City under one contract with the DECA that focuses on (1) marketing Austin as a place to operate a business with a diverse workforce and create jobs for minority communities; (2) requiring DECA to develop and implement a Regional Economic Equity Development (REED) Plan; and (3)

attracting, retaining, and expanding minority businesses in Austin.

However, the City's requirements were not met to proceed with a single contract with the proposed DECA. Therefore, MECA provided staff with a new proposal that calls for four separate contracts with each member of MECA. Under the new proposal, the Austin LGBT Chamber, the Greater Austin Asian Chamber, the Greater Austin Black Chamber, and the Greater Austin Hispanic Chamber have agreed to work together under the DECA framework to develop the REED Plan and other deliverables as outlined in the proposed City of Austin contract."

Multi-Ethnic Chamber Alliance Proposed Funding Table

ALGBTCC	GAACC	GABCC	GAHCC	Total
$153,750.00	$202,500.00	$230,797.00	$252,882.00	$839,929.00

The three-year service agreement with the Greater Austin Black Chamber of Commerce shall not to exceed $230,797 annually or $ 692,391 over the contract period.

See attached January 27, 2022: Equitable Chamber Funding Model Report Update and Revised Recommendation memorandum to Mayor and Council for additional back-up information.

Strategic Outcome(s):

Economic Opportunity and Affordability, Culture and Lifelong Learning.

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