



Recommendation for Action

File #: 23-1074, **Agenda Item #:** 14.

2/9/2023

Posting Language

Authorize negotiation and execution of a contract to provide third-party administration services of the City's cultural grants programs with Greater Austin Performing Arts Center Inc., d/b/a The Long Center for the Performing Arts for up to five years, in an aggregate amount including all grants made under these programs not to exceed \$100,000,000 inclusive of the administrative fees for this contract in an amount not to exceed \$4,475,000.

[Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program). For the services required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Economic Development Department.

Fiscal Note

Funding in the amount of \$38,484,332 is available in the Fiscal Year 2022-2023 Revenue Budget of the Economic Development Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The services to be performed under this contract are considered to be Professional Services and are therefore exempt from normal competition requirements in accordance with Texas Procurement Statutes.

For More Information:

Questions regarding the requested contract may be directed to Yolanda Miller at 512-974-2033 or Yolanda.Miller@austintexas.gov <<mailto:Yolanda.Miller@austintexas.gov>>, or Cyrenthia Ellis at 512-974-1709 or Cyrenthia.Ellis@austintexas.gov <<mailto:Cyrenthia.Ellis@austintexas.gov>>.

Additional Backup Information:

The contractor will provide third-party administrator services for the Economic Development Department's (EDD) Hotel Occupancy Tax (HOT)-funded grant programs, including the Live Music Fund Event Program, the Heritage Preservation Grant, and the Elevate Program. EDD staff will establish each program's funding guidelines, eligibility criteria, award amounts, scoring rubric, application questions, etc. The contractor will follow EDD's guidelines to facilitate the application and award process, grant execution and management, and invoicing and payment processes for awardees. The cultural funding grants facilitated by the contractor will be funded through the [Live Music Fund](https://www.austintexas.gov/edims/document.cfm?id=328565) <<https://www.austintexas.gov/edims/document.cfm?id=328565>>, the [Historic Preservation Fund](https://www.austintexas.gov/edims/document.cfm?id=286474) <<https://www.austintexas.gov/edims/document.cfm?id=286474>>, the [Cultural Arts](#)

Fund <<https://www.austintexas.gov/edims/document.cfm?id=78888>>, and other funds. Collectively, cultural funding grants are provided to more than 600 awardees per fiscal year in support of the EDD's strategic goals.

As the services to be performed under the contract are Professional Services and exempt from Texas Procurement Statutes, the recommended contractor was selected after conducting an informal competitive process based on offeror qualifications. Over 20 prospective offerors were contacted to submit their interest in providing these services. Staff reached out to many of these firms to generate interest in the solicitation, in addition to adding more time to respond. After a month of solicitation and contacts, the City received one response. An evaluation team with subject-matter expertise evaluated the response and determined the recommended contractor as qualified to provide the services based on their personnel qualifications and experience, administrative capacity for grant administration and compliance, administrative capacity for financial audits, and experience in similar projects.

Due to the ongoing impacts of the COVID-19 pandemic and EDD staffing changes that have delayed the distribution of cultural funding grants, this new approach is crucial for EDD to successfully launch the annual cultural funding grants promptly and equitably. Also, this approach will allow EDD to focus staff capacity on developing and facilitating professional development, technical assistance, and capacity-building opportunities for creative professionals and organizations. This strategic shift in staff operations will benefit Austin's world-renowned cultural ecosystem by providing creative organizations and professionals with additional relevant and high-quality tools and training to enhance competencies and skills that will make them more effective and sustainable.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 20,000,000
Optional Extension 1	1 yr.	\$ 20,000,000
Optional Extension 2	1 yr.	\$ 20,000,000
Optional Extension 3	1 yr.	\$ 20,000,000
Optional Extension 4	1 yr.	\$ 20,000,000
TOTAL	5 yrs.	\$100,000,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Economic Opportunity and Affordability, Culture and Lifelong Learning.