

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF AUSTIN AND
THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY
FOR COOPERATIVELY OWNED BUSINESS TRAINING AND COACHING**

This Interlocal Agreement ("Agreement"), authorized and governed by Chapter 791 of the Texas Government Code, is entered into by and between the City of Austin ("City"), a Texas home-rule municipal corporation and political subdivision of the State of Texas, and the University of Texas Rio Grande Valley ("UTRGV"), a State of Texas institution of higher education.

RECITALS

Whereas, on December 3, 2020, the Austin City Council authorized negotiation and execution of a one-year contract with UTRGV for a pilot program to provide training and coaching specific to the needs of cooperative businesses, to develop cooperative-specific informational guides, and to assist the Economic Development Department (EDD) with outreach and marketing to cooperatives (Resolution 201203-037): and

Whereas, on September 2, 2021, the Austin City Council approved a two-year interlocal agreement between the City and UTRGV to continue the program (Resolution No. 20210902-009): and

Whereas, cooperative businesses support City of Austin economic goals by:

1. Creating small businesses that pay higher wages, build workers' skills, and provide workers the opportunity to build wealth; and,
2. Growing affordable housing opportunities for Austinites at different income levels; and

Whereas, the program has generated positive results by fostering the startup of two new worker-owned co-ops and two new housing co-ops, with five more worker-owned co-ops and one more housing co-op expected to start by the end of 2023. The program has also significantly assisted eleven existing co-ops in strengthening their financial management and operations. For a full description of the benefits of cooperatives and the program's achievements to date, see Appendix B of this agreement; and

Whereas, the interlocal agreement expires in September 2023, therefore, the City and UTRGV desire to enter into this Agreement to continue providing training, coaching, and other services specific to the needs of cooperatively owned businesses; and

Whereas, UTRGV will continue to partner with two local non-profit organizations, the Austin Cooperative Business Association and Community Housing Expansion of Austin, to deliver services under the agreement, Now Therefore,

For and in consideration of the mutual promises and Agreements contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and UTRGV agree as follows:

I. Purpose

The purpose of this Agreement is to continue providing business training and coaching specific to the needs of cooperative businesses; to provide resource guides for cooperative businesses; and to provide outreach and marketing to inform cooperative businesses and individuals interested in starting a cooperative about the program.

II. Obligations of UTRGV

- A. UTRGV shall deliver all services detailed in Appendix A of this Agreement, Sections 1 through 4.
- B. UTRGV shall provide the City with a monthly performance report and a monthly invoice for services delivered, as detailed in Appendix A, Section 5.

III. Obligations of the City

- A. The City shall pay UTRGV for services delivered in an amount not to exceed \$225,000.00 as follows:

3-Year Total Project Budget			
Deliverables	Units	Per Unit	Total
Marketing	1	\$11,310.00	\$11,310.00
Outreach	303	\$110.00	\$33,330.00
Coaching	800	\$110.00	\$88,000.00
Workshops	30	\$2,500.00	\$75,000.00
Research Deliverables	2	\$8,680.00	\$17,360.00
TOTAL			\$225,000.00

Note: The Parties may amend Unit targets and reallocate funding between Deliverables, without amendment to this Agreement.

- B. The City designates its Economic Development Department as the department responsible for the City's administration of this Agreement.

IV. Term and Termination

- A. This Agreement will be effective from and after the date of execution by all parties for three (3) years, unless terminated earlier by either Party.
- B. This Agreement may be terminated without cause by either party upon 30 days' written notice to the other Party, to be effective at the end of the 30 days.

V. General Provisions

- A. **Modification.** Except as authorized in Article III, above, this Agreement may not be altered, amended, or modified except in writing executed by duly authorized representatives of each Party.
- B. **Law and Venue.** This Agreement will be governed by the laws of the State of Texas. The obligations under this Agreement are performed in Travis County, Texas. It is expressly understood that any lawsuit or litigation arising out of or relating to this Agreement will take place in a court of appropriate jurisdiction in Travis County, Texas.
- C. **Entire Agreement.** This Agreement contains the entire Agreement of the parties with respect to the matters covered by this Agreement, and no other Agreement, statement, or promise made by any party or to any employee, officer, or agent of any party, which is not contained in this Agreement shall be binding or valid.

D. Notices. Notices under this Agreement shall be in writing, and may be given by hand delivery, U.S. mail, or telecopy (facsimile). If sent to the parties at the contact information addresses designated herein, notice shall be deemed effective upon receipt in the case of hand delivery or telecopy and three days after deposit in the U.S. mail in case of mailing. The address of the parties for all purposes shall be:

City of Austin:

Jesus Garza
City Manager (or successor), City of Austin
P.O. Box 1088
Austin, Texas 78767

And

Sylvonia Holt-Rabb
Director of Economic Development (or successor), City of Austin
P.O. Box 1088
Austin, Texas 78767

With copy to:

Anne Morgan
City Attorney (or successor), City of Austin
P.O. Box 1088
Austin, Texas 78767

University of Texas Rio Grande Valley:

Thomas Spencer, Ph.D.
Associate Vice President for Research Operations, University of Texas Rio Grande Valley
1201 W. University Dr.
Edinburg, Texas 78539

E. Incorporation of Recitals. The recitals that appear at the beginning of the Agreement are incorporated into this Agreement by reference.

F. Assignment. Any assignment of this Agreement by a party requires the prior written consent of the other party.

G. Severability. If any provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable for whatever reason, the remaining provisions not so declared shall, nevertheless, continue in full force and effect, without being impaired in any manner whatsoever.

H. Authorization. By signing below, each party's representative warrants that he is duly authorized to enter into this Agreement on behalf of his entity, and that each Party to this Agreement is authorized by Texas law to accept the terms, conditions, and obligations set forth herein.

CITY OF AUSTIN:

UNIVERSITY OF TEXAS RIO GRANDE VALLEY:



Veronica Briseño
Assistant City Manager

Date

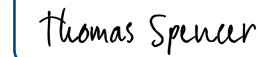
APPROVED AS TO FORM:

Assistant City Attorney
City of Austin Law Department

Print attorney name: Ron Pigott

Date

DocuSigned by:


Thomas Spencer

Thomas Spencer, Ph.D.
Associate Vice President for Research
Operations

6/26/2023

Date

**Interlocal Agreement
Between the City of Austin and the University of Texas Rio Grande Valley
For Cooperatively Owned Business Training and Coaching
Appendix A**

1. The University of Texas Rio Grande Valley (UTRGV) and the City (the Parties) shall jointly conduct an effective outreach and marketing campaign to recruit existing cooperative businesses and persons interested in establishing a cooperative business (co-op) to the program.
 - 1.1. UTRGV shall conduct up to three hundred and three (303) hours of in-person outreach over the three-year Agreement term to groups of individuals or business and community organizations to raise awareness of co-ops and inform them about the program.
 - 1.2. The Parties shall continue using relevant marketing materials created under the previous Agreement. In addition, UTRGV shall submit the following marketing deliverables to the City's Contract Manager:
 - 1.2.1. Draft content for social media posts about any new class topics added under Section 2 of this Agreement, to be posted by the Parties on their regularly scheduled social media.
 - 1.2.2. Three (3) draft articles on the program (3 to 4 paragraphs, each) for inclusion in the Economic Development Department's newsletter. Draft articles should be submitted in December 2023, December 2024, and December 2025 for inclusion in the January 2024, January 2025, and January 2026 newsletters.
 - 1.2.3. The City's Contract Manager will review the items submitted under this Section and may request changes as necessary prior to approval.
 - 1.3. To supplement the City's efforts, UTRGV shall also include approved social media posts, and newsletter articles in its regular marketing/communication activities.
2. UTRGV shall provide up to thirty (30) training classes during the three-year Agreement term on topics that best address the unique business needs of cooperatively owned businesses.
 - 2.1. Based on their knowledge and experience in working with cooperatives, UTRGV shall recommend the specific topics to be delivered in each class.
 - 2.2. The Parties shall mutually agree on the method of delivering classes (in-person at a venue vs. online webinar) based on pandemic-related restrictions or other force majeure factors.
 - 2.3. UTRGV shall be responsible for vetting and hiring instructors for the classes. Classes shall be taught by an instructor with knowledge of topics specific to the needs of cooperative businesses and have experience in conducting training classes.

- 2.4. UTRGV shall be responsible for coordination and payment of all class logistics, such as the venue, class materials, refreshments, etc.
- 2.5. UTRGV shall be responsible for scheduling, locating, and paying for a venue for hosting each in-person classes, or providing an appropriate space and technology for instructors delivering webinar classes.
- 2.6. The Parties shall jointly market the classes in their marketing and outreach efforts.
- 2.7. The City shall set up the registration for each class on the designated registration website (currently Eventbrite). UTRGV shall assist customers with registration and answer customer questions about the classes.
- 2.8. UTRGV shall capture class participants' satisfaction with the class using an evaluation form. The City shall provide a template to be used as a model.
- 2.9. UTRGV shall meet the following performance requirements for classes delivered under this Agreement:
 - 2.9.1. The participation target shall be a minimum of twenty (20) attendees per class. The City shall not withhold payment if the target is not met and UTRGV is not at fault.
 - 2.9.2. Class instructors shall achieve a minimum 70% approval rating from class participants submitting evaluations for each individual class.
 - 2.9.3. UTRGV shall collect evaluation forms from a minimum of 75% of the participants of each class (e.g. If a class has twenty participants, at least fifteen evaluations must be collected and submitted to the City).
 - 2.9.4. The City will retain the option, at its sole discretion, to refuse payment for any class in which the conditions set in Sections 2.9.2 and 2.9.3 are not met.
 - 2.9.5. The City shall consider extenuating circumstances before refusing payment.
3. UTRGV shall provide individual coaching to existing co-ops and persons interested in starting a co-op.
 - 3.1. Coaching topics shall include, but are not limited to:
 - 3.1.1. The steps required to form a co-op, including information on the different types of co-ops and selection of the appropriate legal structure.
 - 3.1.2. Democratic governance and management.

- 3.1.3. Operations from a co-op perspective.
 - 3.1.4. Co-op financial management.
 - 3.1.5. Financing options available to co-ops, which may include assistance with loan or grant applications.
 - 3.1.6. Providing lists of lawyers, accountants, other professional advisors, and financial institutions who work with co-ops. NOTE: Clients shall not be referred to an individual for-profit professional or financial institution unless there is only one in the local area that works with co-ops.
- 3.2. Documented services delivered through any of the following methods qualify as billable coaching hours:
- 3.2.1. Direct meetings with the client, either in-person or via video conference.
 - 3.2.2. Telephone conversations with the client.
 - 3.2.3. Staff time spent researching or working on the client's behalf.
 - 3.2.4. Emails and written correspondence with the client or on the client's behalf.
 - 3.2.5. Note: Coaching may be delivered to more than one client in a session, but that session may only be billed based on the number of hours UTRGV or subcontractor staff was engaged. (Example: Coach met with clients A, B, and C for 2 hours to discuss starting a cooperative. The session can only be billed as 2 hours of service.)
- 3.3. UTRGV shall meet the following performance requirements for coaching delivered under this Agreement:
- 3.3.1. UTRGV shall deliver up to eight hundred (800) hours of co-op specific business coaching over the three-year term of this Agreement.
 - 3.3.2. Ninety percent (90%) of UTRGV coaching clients surveyed by the City shall report that they were satisfied or very satisfied with the level of coaching service they received.
 - 3.3.3. UTRGV shall report any of the following achievements by coaching clients (no targets assigned):
 - 3.3.3.1. Formation of a new cooperatively owned business.
 - 3.3.3.2. Conversion of an existing business to cooperative ownership.
 - 3.3.3.3. Any significant growth/improvement in management, operations, sales,

profits, or other achievements.

3.3.3.4. New jobs created.

3.3.3.5. Details on any new or expanded housing-related cooperatives (i.e. number, size, and pricing of units added).

3.4. UTRGV and any additional organizations partnering with UTRGV to provide services under this Agreement may provide the coaching services in-person at an office location or via videoconferencing, based on pandemic-related restrictions or other force majeure factors. Any location used to provide in-person coaching must meet the following criteria.

3.4.1. The location must be in Austin.

3.4.2. The location must be accessible to clients with mobility and visual impairments.

3.4.3. The location should be near public transportation.

3.4.4. Services shall be provided in a space that provides appropriate levels of privacy; residential offices are prohibited.

3.4.5. UTRGV may propose an alternate location for the City's approval if its location does not meet these requirements.

3.5. UTRGV and any additional organizations partnering with UTRGV to provide services under this Agreement shall not:

3.5.1. Provide specific legal or tax advice to clients.

3.5.2. Charge clients for any services rendered under this contract.

3.5.3. Engage in any business activities with City of Austin clients or on behalf of City of Austin clients outside of the contract.

3.5.4. Own or obtain an ownership interest in clients' businesses.

3.5.5. Accept finder's fees or any other compensation from lenders or professional service providers (i.e. lawyers, CPAs) for referral of clients.

4. UTRGV shall conduct two research studies during the agreement term on cooperative business-related topics.

4.1. The topics and schedules shall be mutually agreed to by the Parties before work begins on each study.

4.2. UTRGV shall provide a written report for each study. The required content for each

report shall be mutually agreed by both Parties before work begins on each study.

5. Invoicing, Reporting and Recordkeeping

5.1. UTRGV shall submit a monthly invoice and report.

- 5.1.1. The invoice and report for a given month are due by the 5th working day of the following month (e.g. the invoice for January is due by the 5th working day of February).
- 5.1.2. The invoice and report must be received, reviewed, and approved by the City Contract Manager before UTRGV receives payment.
- 5.1.3. The City Contract Manager shall review the monthly invoice and report and request additional information as needed.

5.2. The invoice must meet City requirements:

- 5.2.1. The Vendor's name, which must exactly match the name on the City vendor system.
- 5.2.2. The Vendor's remittance address, which must exactly match the remittance address on the City vendor system.
- 5.2.3. The invoice must have a unique invoice number.
- 5.2.4. The invoice must show the total amount due.
- 5.2.5. The invoice must include a brief description of the items/services being billed.

5.3. The monthly report shall include the following:

- 5.3.1. Support for outreach and marketing billed.
- 5.3.2. Monthly coaching performance information entered into the City's web-based reporting database. The City Contract Manager shall provide training on using the web-based reporting database, and the City's expectations for data entry.
- 5.3.3. Support for classes billed:
 - 5.3.3.1. An Excel spreadsheet downloaded from Eventbrite that indicates which registrants checked-in as attending the class.
 - 5.3.3.2. Class evaluations forms collected from a minimum of 75% of the participants and achieving a minimum 90% approval rating from participants submitting evaluations.

5.3.3.3. As explained in Section 3, the City retains the option, at its sole discretion, to refuse payment for any class that does not meet one or both conditions stated in Section 5.3.3.2 but shall consider extenuating circumstances before refusing payment.

5.4. Contractor shall keep individual files for each client provided coaching services under the contract:

5.4.1. Files shall be kept physically separated from Contractor's other client files.

5.4.2. Files may be kept in electronic form if Contractor can demonstrate that controls are in place to protect records from unauthorized access and loss, and records are regularly backed-up for retrieval in case of loss.

5.4.3. The City reserves the right to inspect UTRGV's files related to this Agreement.