



Recommendation for Action

File #: 23-3317, Agenda Item #: 45.

11/30/2023

Posting Language

Authorize negotiation and execution of two contracts for small business coaching with Economic Growth Business Incubator and PeopleFund, each for up to five years, for a total amount not to exceed \$750,000, divided between the contractors.

[Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this solicitation, 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 \$125,000 is available in the Fiscal Year 2023-2024 Operating Budget of the Economic Development Department.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued a Request for Qualifications Statements (RFQS) 5500 SAR4000 for these services. The solicitation was issued on May 30, 2023, and closed on June 20, 2023. Of the nine offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. This information can currently be found at

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=13836.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

The contracts will provide small business coaching services to support the creation and growth of local small businesses in the Austin area by providing 1:1 coaching and resources to the City's business owners and individuals aspiring to become business owners. This service is one that the Economic Development Department's (EDD) Small Business Division has supported since the program's inception in 2000. Small businesses make a vital contribution to the City's communities by creating new jobs, providing needed goods

and services, and increasing the local tax base.

These contracts will replace a contract that expired October 19, 2023. The requested authorization amount for this contract was determined based on analysis of historical spend and using departmental estimates. The recommended contractor, PeopleFund, is the current provider for these services. The other recommended contractor, Economic Growth Business Incubator, currently provides similar services through EDD's Community Navigator Program which supports local businesses, non-profit organizations, and creative professionals impacted by the COVID-19 pandemic.

These contracts provide an important service to Austin's thriving economic community. A delay in approving these contracts could disrupt the coaching services EDD provides local business owners possibly impacting creation of new jobs, provision of needed goods and services, and the local tax base.

An evaluation team with expertise in this area evaluated the offers and scored Economic Growth Business Incubator and PeopleFund as the best to provide these services based on proposers' expertise and approach to business coaching and client assessment, proposers' demonstrated experience delivering one-on-one business coaching, proposers' demonstrated experience managing business coaching programs, proposers' personnel qualifications and management structure, and proposers' demonstrated experience with the process of documenting and reporting performance data.

Contract Details:

Contract Term	Length of Term	Contract Authorization
Initial Term	2 years	\$300,000
Optional Extension 1	1 year	\$150,000
Optional Extension 2	1 year	\$150,000
Optional Extension 3	1 year	\$150,000
Total	5 years	\$750,000

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