

A G E N D A



Recommendation for Council Action

Austin City Council Addendum	Item ID	7564	Agenda Number	2.
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Meeting Date:	6/23/2011	Department:	Management Services
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Subject

Approve a resolution authorizing the City Manager to apply for grant funding up to \$2,200,000 from the Economic Development Administration, Jobs and Innovation Accelerator Challenge Program to assist in the development of 208 acres of City-owned land in Colony Park.

Amount and Source of Funding

Funding is available from the Economic Development Administration (EDA), Jobs and Innovation Accelerator Challenge Program. Matching funds are required on a portion of the award amount, which can be met using in-kind contributions.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Elizabeth A. Spencer, Director, 974-3182.
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

Approval of this action will authorize the Neighborhood Housing and Community Development (NHCD) Office to submit a Grant Application to the Economic Development Administration (EDA), Jobs and Innovation Accelerator Challenge Program (Job Accelerator). The Jobs Accelerator is designed to encourage the development of high potential industry clusters. Clusters are geographic concentrations of firms and industries that do business with each other and have common needs for talent, technology, and infrastructure.

The Colony Park neighborhood is located in northeast Austin near the intersection of Loyola Lane and Decker Lane. The Austin Housing Finance Corporation (AHFC) Board authorized the purchase of 208 acres in the Colony Park neighborhood for the purpose of coordinating the development of low and moderate income housing. The vision for the Colony Park development is a sustainable, mixed-use development that will support small businesses and provide amenities to the neighborhood and region at large. Following the purchase, the AHFC Board also approved planning and engineering of affordable units in this future growth corridor near a proposed rail stop.

To further the development efforts in the area, a Letter of Intent was submitted to the EDA by the June 10, 2011 deadline. The grant application deadline is July 7, 2011. Funds awarded to the winning applicants can be used to achieve measurable outcomes such as commercialization, business formation, expansion of existing businesses, and job creation. Total proposed funding for the Jobs Accelerator is approximately \$33 million in direct Federal support from funding agencies, subject to the availability of appropriations. Funding is available from collaborations from three federal entities: the Economic Development Administration (EDA); the Employment Training Administration (ETA); and the Small Business Administration (SBA). The combined grant total from the three funding agencies is expected to range from approximately \$1.5 million to \$2.2 million per cluster.

The EDA is making approximately \$10 million available to advance high potential industry cluster developments leading to job creation, expanded markets, economic growth, and global competitiveness. Individual grant awards range from \$250,000 to \$1 million per cluster. The project period for economic development assistance is expected to last 24 months. A match is required where EDA assistance will not exceed fifty percent of the total cost of the project. Matching Share requirements may be met through in-kind contributions, including contributions of space, equipment, services or assumptions of debt.

The ETA is making approximately \$20 million available for training and related employment activities to develop a skilled workforce cluster. Individual grant awards are up to \$1,000,000. The project period for the Technical Skills Training Grant funds will be up to 48 months. Matching funds are not required.

The SBA is making approximately \$3 million available for technical assistance support for eligible small business. Individual grant awards are up to \$150,000. The project period for the Technical Assistance Program Grant funds will be up to 24 months. Matching funds are not required.

Authorization to apply for the Job Accelerator award will benefit the area of Colony Park. Through the coordination of federal resources, the Jobs Accelerator supports the development of self-identified clusters that demonstrate high-growth potential.