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July 19, 2016

Ray Baray  
Chief of Staff  
City of Austin  
301 W. 2<sup>nd</sup> Street  
Austin, TX 78701

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Re: Grant No. 16-6500-676

Dear Ray:

I am pleased to inform you that Living Cities has awarded the City of Austin a grant of seventy five thousand dollars (\$75,000) to support the city's work with **Racial Equity Here**. As a member of Racial Equity Here, you will be a part of a national cohort of cities working to embed a racial equity lens within government operations. The Government Alliance on Race and Equity (GARE) is our partner for implementation of this project, and it is with GARE that you will work most closely. It is our hope and expectation that the funds will be used to support the development and implementation of your city's Racial Equity Action Plan.

The terms of this grant agreement are outlined below. Your signature at the end of this agreement indicates that you, as an authorized agent of your organization, have read, understood and agreed to these terms.

**Grant Agreement**

- 1. Use of Grant.** The grant is to be used only for the purposes outlined in the application you submitted to Living Cities for Racial Equity Here due March 7, 2016, and in accordance with the specific goals and objectives in the project plan to advance racial equity within city government and to improve outcomes for youth and adults of color aged 16-24, who are disproportionately out of school or work.
- 2. Grant Period.** The grant term will begin on May 1, 2016 and end on April 30, 2018. Any funds not used by the end of the grant period toward the purposes of this grant will be returned to Living Cities within 45 days after the end of the grant period.
- 3. Payment of Grant.** The grant will be paid out in two installments. Living Cities' ability to pay out this grant is dependent on the timely receipt of grant funding from institutional grantors. In the event that Living Cities has not

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Ben Hecht

received sufficient or timely funding from these grantors, Living Cities may elect to postpone, reduce or eliminate this award prior to disbursement.

4. **Conditions to Disbursement(s) of Grant.** The grant will be disbursed to the grantee, upon the fulfillment of the following conditions:
  - a. The first installment of twenty five thousand dollars (\$25,000) will be paid upon receipt of a countersigned copy of this agreement.
  - b. The second installment of fifty thousand dollars (\$50,000) will be paid upon completion of your city's Racial Equity Action Plan, as approved by the Government Alliance on Race Equity (GARE).
5. **Tax-Exempt Status.** By countersigning this agreement, the grantee represents and warrants that it has been determined by the Internal Revenue Service to be an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and has classified the grantee as other than a private foundation pursuant to Code Section 509(a). The grantee has provided Living Cities with a copy of its final determination letter from the Internal Revenue Service or if the grantee is currently operating under an advance ruling letter, a copy of that letter has been provided to Living Cities.
6. **Covenants.** During the term of this grant, the grantee is expected to adhere to the conditions below and to account for the adherence of any sub-grantees under this agreement. Failure to adhere to these conditions will constitute an act of default and result in the return of part or all of the grant funds to Living Cities. In such a case, Living Cities will determine in its sole and absolute discretion the percentage of the grant to be returned. Cessation or reclamation of grant funding by Living Cities may also result in your organization's elimination from consideration for investment from Living Cities in any other form.
7. **Cooperate in the Monitoring and Evaluation of Work.** Given Living Cities' learning goals, Living Cities expects its grantees, along with their sub-grantees, to cooperate in timely and accurate reporting of program process, outputs, and outcomes. Participating in the evaluation may include: participant evaluation, surveys, interviews and other research as needed.

Living Cities and its institutional grantors reserve the right to use and publish any information furnished by the grantee or its sub-grantees, provided that Living Cities give appropriate credit to you as the provider of this information.

Living Cities expects to use the following means to track outcomes:

- a. **Site visits:** Site visits will be conducted during the course of the grant period to assist with implementation. Living Cities and GARE will use these site visits to facilitate the education and cross-fertilization of ideas across its own partners and member organizations.
- b. **End-of-grant-period report:** This report must be submitted to Living Cities and GARE no more than 30 days after the end of the grant period. It will include: (1) a narrative account of what was accomplished by the expenditure of funds, including progress made toward achieving the goals of the grant; and (2) a financial accounting, which includes a statement by the responsible financial officer of the grantee certifying the accuracy of the report. Guidelines for the end-of-period report will be sent to the grantee within 90 days of the start of the grant term.

We encourage our grantees to use any site visits to their full advantage, leveraging our involvement and engagement for such purposes as convening key stakeholders and enhancing fundraising efforts. In this spirit, we remain open to creative and broader uses of these mechanisms.

Living Cities reserves the right to audit grantee's financial and other records to ensure the proper utilization of its grant funds. During and at least three years following the end of the grant term, the grantee will be expected to maintain records showing, separately from other accounts kept in its books and records, the receipt and expenditure of Living Cities grant funds.

8. **Adhere to Prohibitions on the Use of Grant.** Under no circumstances may the grantee or any other organization receiving Living Cities' grant funds use these funds directly or indirectly for the following purposes or activities:
  - a. Make a grant to any individual for travel, study or other similar purpose, as described in Section 4945(d)(3) of the Code;
  - b. Promote or engage in violence, terrorism, bigotry, or the destruction of any state, nor will it make sub-grants to any entity that engages in these activities;
  - c. Influence the outcome of any specific public election, participate in or intervene in, including by the publisher or distribution of any statements, any political campaign on behalf of or in opposition to any candidate for public office;
  - d. Influence legislation, including by the publishing or distribution of any statements, or any campaign in support of or opposition to pending legislation; and
  - e. Any other purposes outside your proposal without express written permission from Living Cities.

- 9. Represent Faithfully and Coordinate with Living Cities in Reports and Communications.** Living Cities hopes and anticipates that the grantee will leverage recognition by Living Cities in your communications and public relations. In doing so, Living Cities expects the grantee to represent Living Cities fairly and faithfully in all reports, press releases, speeches and other media. All materials describing the grantee's efforts, particularly those that mention Living Cities, should be sent to Living Cities prior to publication. Whenever possible, major communications plans should be coordinated with Living Cities in advance. Copies of any reports, evaluations or other communications supported by Living Cities' grant funds should be sent prior to publication to the Ray Baray, [Ray.Baray@austintexas.gov](mailto:Ray.Baray@austintexas.gov).

Conversely, receipt of this grant provides Living Cities license to disseminate any products, outcomes, or other information related to the grantee's efforts in any media of its choosing. Whenever feasible, Living Cities will share these materials with the grantee prior to publication. The grantee and its sub-grantees will be expected to cooperate in any public education or outreach effort undertaken in connection with this grant, which may include efforts to attract additional resources to the grantee or others doing similar work.

- 10. No Right of Assignment or Delegation.** The grantee may not assign or otherwise transfer its rights, or delegate any of its obligations, under this agreement.
- 11. Compliance with Anti-Discrimination Rules.** In its use of grant funds provided by Living Cities, and in the course of all development, marketing and operation activities, the grantee shall fully comply with all applicable federal, state, local (and any other governmental), anti-discrimination laws, executive orders, rules and regulations.
- 12. Governing Law.** This grant agreement is governed by, and will be construed in accordance with, the laws of the State of New York.
- 13. Amendment of Term of Grant.** Living Cities shall consider but is not obligated to agree to requests by the grantee to make modifications to the terms of the grant. Amendments to the grant shall be made only after (i) Living Cities' Director of Finance and Administration has received a written request from the grantee stating the nature of the amendment requested, and (ii) an authorized officer of Living Cities has executed a written agreement describing the terms of the amendment.
- 14. Countersignature Required.** If this agreement correctly sets forth your organization's understanding of the terms and conditions of the grant, please

counter-sign and date both copies in the space provided below. Please return one copy of the signed agreement to:

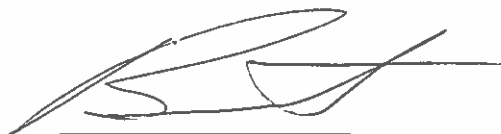
Matt Smith  
Director of Finance and Administration  
Living Cities  
1040 Avenue of the Americas, Floor 17  
New York, NY 10018

If a signed grant agreement is not received within 45 days from the date of this letter, this grant is subject to cancellation by Living Cities.

The program contact for this grant is Steven Bosacker, Director of Public Sector Innovation, and can be reached with questions at [sbosacker@livingcities.org](mailto:sbosacker@livingcities.org). Communications regarding current administration arrangements for this grant should be made with Matt Smith, Director of Finance and Administration, at [msmith@livingcities.org](mailto:msmith@livingcities.org) or at 646-442-2211.

Congratulations on receiving this award.

Sincerely,



Bennett L. Hecht  
President and CEO  
Living Cities

7/19/16  
Date

Countersigned

\_\_\_\_\_  
Ray Baray  
Chief of Staff  
City of Austin

\_\_\_\_\_  
Date

**Schedule A: Grantee Questionnaire**

Organization Name: \_\_\_\_\_

Grant Number: \_\_\_\_\_

Program Contact Name: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Fiscal Contact Name: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**Tax-Exempt Classification under the Internal Revenue Service:**

- ☐ Government Unit
- ☐ School or University
  - If checked, submit IRS letter of exemption and classification
- ☐ Other Section 501(c)(3) entity
  - If checked, submit IRS letter of exemption and classification
- ☐ Other Tax-exempt entity
- ☐ Not a tax-exempt entity
  - ☐ Your organization is planning to, but has not applied for tax-exempt status
  - ☐ If your organization has applied for status as a 501(c)(3), please submit a copy of the Form 1023 submitted to IRS.

**Payment Information**

Grantee's Preferred Payment Method: \_\_\_\_ Check or \_\_\_\_ ACH/Electronic Transfer

Payee/Beneficiary: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Attention: \_\_\_\_\_

***If ACH/Electronic Transfer, Receiving Bank Information***

Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_

ABA/Routing Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Additional Instructions: \_\_\_\_\_

Name, Signature, Date and

Title: \_\_\_\_\_

Name Title

Signature Date

## Schedule B: Project Plan

### Racial Equity Here Project Overview

Advancing Racial Equity: turning theory into action

Congratulations again for being selected to participate in the Racial Equity Here Initiative! We introduced important foundational information at the launch in April that will guide your work to advance racial equity and increase opportunity for all over the coming two years. We expect the work will be transformational in nature, and will build our field of practice across the country. The work we are doing to transform government is essential to advancing racial equity and is critical to our success as a nation. We look forward to working with you.

Over the course of two years, you will receive

- Training and support from the Government Alliance on Race and Equity through six convenings (objectives of each convening are on the next page).
- Annual customized site visits that will help your city build infrastructure and skill to advance racial equity, along with team-specific coaching.
- Stipend of \$25,000 to support the work and an additional \$50,000 to implement the Racial Equity Action Plan developed by your city.

As a result of your participation, you will:

- Advance racial equity within your own operations
- Develop a Racial Equity Action Plan, including strategies that advance racial equity for youth of color
- Develop and implement a public process to engage communities in the initiative
- Develop and implement communications strategies, including development of a compelling racial equity narrative that tells the story of why your city is prioritizing racial equity and public commitments from your Mayor and other senior city officials to advance racial equity and outcomes for youth
- Use a Racial Equity Tool in key decisions

Your active participation in the convenings and work between the convenings will be critical to your success. We recognize and understand the complexities and intensity of your jobs. We therefore strongly encourage you to proactively think through how you will be able to engage in Racial Equity Here most meaningfully.

Overall team norms and group expectations are as follows:

- **Participate** – Your participation is critical. Don't miss convenings or team meetings (and if you absolutely have to miss something, take responsibility for reviewing materials and checking with your team). Complete all homework assignments.

- **Support the success of your team** – Share your passion and commitment for advancing racial equity with your colleagues broadly.
- **Mutual sharing** – Learn from others and share with others. Actively share experiences, both good and bad, with the other cities in the cohort, including regular updates and engagement in an online forum.
- **Contribute** – Step forward with hosting sessions, communication strategies, etc.

**Convening Objectives:**

Timeframe	Objectives
<b>Convening 1 May 2016</b>	<b><i>Racial Equity and the Role of Government</i></b> <ul style="list-style-type: none"> <li>• Gain understanding of the role of government in relation to racial equity</li> <li>• Develop a shared racial equity analysis, including definitions of terminology (racial equity / inequity, implicit / explicit bias, individual / institutional / structural racism)</li> <li>• Develop skills at analyzing policies and practices from a racial equity perspective and communicating about race</li> <li>• Begin to strategize with others about how government can advance racial equity</li> <li>• Conduct an organizational racial equity self-assessment.</li> </ul>
<b>Convening 2 August 2016</b>	<b><i>Creating Organizational Change / Filling the tool box</i></b> <ul style="list-style-type: none"> <li>• Increase understanding of organizational change theory (inside / outside organizing and “tipping point”)</li> <li>• Develop strategies and actions to build institutional infrastructure to advance racial equity, including an identified a “racial equity core team” positioned to lead development and implementation of priority actions and strategies to operationalize racial equity, overall and for youth</li> <li>• Develop skills at using a Racial Equity Tool</li> <li>• Begin to develop a jurisdiction-specific action plan, including communications and community engagement</li> </ul>
<b>Convening 3 November 2016</b>  (Racial Equity Here team members are encouraged to stay in	<b><i>Focusing on Results / Developing strategies</i></b> <ul style="list-style-type: none"> <li>• Gain understanding of collective impact, outcome-based accountability structures, and data and measurement, including use of data to drive actions</li> <li>• Develop systems approach for improving racial equity for youth and finalize an engagement plan</li> <li>• Continue to develop an action plan for advancing racial equity with a focus on youth</li> </ul>



Timeframe	Objectives
Atlanta for the Facing Race conference on Nov 11-12)	<i>Team members will attend the keynote speaker sessions at GARE's pre-Facing Race conference on Nov 10<sup>th</sup>, and engage with GARE's national network of local and regional government. Facing Race is the largest multicultural, inter-generational gathering for organizers, educators, creatives and leaders. Facing Race offers unprecedented access to information and resources to racial equity, includes over 50 workshops and access to over 140 presenters.</i>
Convening 4 March 2017	<p><b><i>Creating Transformational Change / Selecting strategies for collective impact</i></b></p> <ul style="list-style-type: none"> <li>• Increase understanding of transactional and transformational change and networked leadership</li> <li>• Develop plan for sustainable partnerships, including with community and with youth</li> <li>• Finalize Racial Equity Action Plan with metrics for tracking implementation</li> </ul>
Convening 5 August 2017	<p><b><i>Creating Long-Term Change / Balancing internal and external efforts</i></b></p> <ul style="list-style-type: none"> <li>• Develop tools to navigate power and politics to advance racial equity, specifically identifying strategies for overcoming barriers</li> <li>• Develop strategies to support community capacity to create change</li> <li>• Launch a communications strategy for engagement of expanded stakeholders</li> <li>• Build sustainable longer-term strategies to advance racial equity with a focus on youth</li> </ul>
Convening 6 March 2018	<p><b><i>Advancing Racial Equity / Leading the nation</i></b></p> <ul style="list-style-type: none"> <li>• Share cross-team assessments of the effectiveness of individual leadership and institutional leadership of each city in advancing racial equity</li> <li>• Share city results, successes and challenges of participation in Racial Equity Here</li> <li>• Strategize about long-term implementation opportunities and challenges</li> </ul>

### **Schedule C: Budget Expectations**

**Grant funds may be used solely for the achievement of the Racial Equity Here goals and objectives.**

**An accounting of the use of grant funds will be submitted to Living Cities as part of the end-of grant-period report (see Section (7b.) of grant agreement).**