



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 17
AGENDA DATE: Thu 12/16/2004
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SUBJECT: Approve the negotiation and execution of an agreement with the AUSTIN COMMUNITY DEVELOPMENT CORPORATION in an amount not to exceed \$100,000 to provide financial assistance to small businesses and small commercial development projects that create jobs for low-to-moderate income individuals.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Neighborhood Housing and Community Development Department 30th year Community Development Block Grant (CDBG).

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Neighborhood Housing **DIRECTOR'S**
DEPARTMENT: and Community **AUTHORIZATION:** Paul Hilgers
Development

FOR MORE INFORMATION CONTACT: Paul Hilgers, Director, Neighborhood Housing and Community Development Department

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

The Austin Community Development Corporation (ACDC) is a Multi-Bank Community Development Corporation created primarily for the purpose of providing financial assistance for local small, minority and women-owned businesses which result in job creation and/or retention of jobs for low-to-moderate income persons within the ACDC's targeted areas. The ACDC will comply with federal banking regulatory agencies in providing investment in projects deemed to be of significant benefit to the Austin community.

These funds will assist the ACDC in achieving the following goals as listed in the City of Austin's Fiscal Year 2004-2005 Consolidated Plan: 1) The Community Development Bank Program will create 50 jobs for low-to-moderate income persons. The term of this contract will be twelve months; 2) Approving this contract satisfies the following department goal: "Create and/or preserve 500 jobs by 2009."