



item #25

**Purchasing Office
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 4/6/2006
ITEM NO:**

Subject: Authorize negotiation and execution of a 17-month service agreement with CEN-TEX CERTIFIED DEVELOPMENT CORPORATION OF TEXAS, dba BUSINESS COMMUNITY LENDERS OF TEXAS, Austin, TX, to deliver technical assistance on general business topics to small business owners in an amount not to exceed \$164,000.

Amount and Source of Funding: Funding in the amount of \$64,000 is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Economic Growth and Redevelopment Services Office. Funding for the remaining 12 months of the original agreement period is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

Requesting Department:

For More Information: Vikie DeLuyck, MSW, Senior Buyer/974-2003; Rosalinda Jalifi, Small Business Administrator/974-7739

Prior Council Action:

Boards and Commission Action:

Purchasing Language: Best proposal of three proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This service agreement will provide direct, one-to-one business technical assistance to the general population of small business owners in the Austin area. Cen-Tex Certified Development Corporation (CDC) dba Business and Community Lenders (BCL) of Texas will provide the following types of services.

1. Direct technical assistance in obtaining and completing appropriate forms to facilitate establishing the business.
2. Provide coaching, consulting and guidance to assist entrepreneurs and small business owners through the process of developing a new business plan.
3. Review clients' Business Plans to ensure that the document meets expected professional standards.
4. Provide direct technical assistance in developing a marketing plan for a business or service or product through structured coaching sessions.
5. Develop and deliver a weekly business start-up orientation session. The session will inform interested entrepreneurs regarding the basic steps to starting a business, and to disseminate information about available resources. Business start-up orientation sessions will be delivered in

Spanish as requested.

6. Collaborate with the Small Business Development Program (SBDP) staff to develop a Marketing Strategy with SBDP's approval for the services to be delivered under the agreement. The goal will be to attract the diverse aspects of the community and a variety of business types to the program.

BCL of Texas will deliver a minimum of 160 hours of business startup technical assistance to 100 unduplicated clients, and a minimum of 1,300 hours of business development technical assistance to 160 unduplicated clients. The business startup technical assistance will include assistance with establishing an appropriate business structure, and identifying and completing the appropriate forms, licenses, or permits required to establish the business. The business development technical assistance will include assistance on writing a new business plan, review and revision of an existing business plan, and assistance with developing a marketing strategy.

At least 65% of clients surveyed must report that they are satisfied with the services they received, and at least 85% of the clients attending an orientation session must report that they learned something that will help them start a business. Furthermore, these services must contribute to the creation of at least 11 jobs, and the expansion or productive growth of at least 5 businesses.

An RFP was issued on December 5, 2005, for an experienced business to provide technical assistance for the SBDP. Three proposals were received. An evaluation team consisting of four professional and managerial staff from the Financial and Administrative Services Department, Austin Water Utility, Economic Growth and Redevelopment Services Office, and Health and Human Services Department reviewed and scored the proposals. The panel members recommended BCL of Texas as the best proposer based upon the categories of 1) The Strength of the Proposal, 2) Experience, 3) Administrative Capability of the Organization and 4) Total Evaluated Cost. See attached matrix. A full copy of the evaluation matrix is available in the Purchasing Office.

MBE/WBE solicited: 42/12 MBE/WBE bid: 0/0

PROPOSAL ANALYSIS

- a. Adequate competition.
- b. Six-hundred and eighty-nine notices were sent with forty-two MBEs and twelve WBEs. Twenty-eight solicitations were issued with two MBEs and no WBEs. Three proposals were received with no responses from the MBEs/WBEs.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with the Small Business Development Program and ERGSO's recommended award.
- c. Advertised in the Austin-American Statesman and on the Internet.