



## MEMORANDUM

**TO:** Mayor and City Council

**FROM:** Sylnovia Holt-Rabb, Interim Director *SHR*  
Economic Development Department

**DATE:** June 8, 2020

**SUBJECT:** Economic Development Department Recovery Funding Update

This memorandum provides a summary of the progress the Economic Development Department (EDD) has made in addressing the directives of [Resolution No: 20200507-023](#). This resolution directs the City Manager to develop an initial program towards sustaining small and local non-profit organizations and businesses using a portion of federal dollars designated for pandemic-related relief, and partner in the creation of a regional Economic Response Dashboard.

[Resolution No: 20200507-023](#) establishes four funds:

1. Commercial Loans for Economic Assistance & Recovery (CLEAR) Fund (\$10 Million);
2. Grant funds for businesses to cover expenses related to safe compliance with reopening orders (\$1 Million);
3. Childcare Support Fund (\$1 Million); and
4. Austin Nonprofit & Civic Health Organizations Relief (ANCHOR) Fund (\$6 Million).

### **Funding Deployment Approach**

EDD is prioritizing the rapid deployment of programming and funding. EDD staff created a five-phase approach to ensure each fund complies with the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding requirements. The five-phase approach also ensures reporting, transparency, and overall success can be achieved. Below are descriptions and milestones for each phase. The structure of [the Austin Economic Injury Bridge Loan Program](#) and [the Austin Music Disaster Relief Fund](#) informed EDD's five-phase approach. Exhibit A provides progress updates and details on the four funds established by [Resolution No: 20200507-023](#). This matrix will include additional updates as other funding and programming allocations are approved.

### **Phase One (8 to 10 days)**

Phase One includes achieving core program development milestones. Tasks include drafting program guidelines and applications, drafting scopes of work, drafting contracts, analyzing support and wrap around services both internal to the City of Austin and external that are critical to program delivery, engaging other City departments as applicable, conducting sector research and data analysis, and developing a team to manage the program. Additional program-specific tasks may be required.

### **Phase Two (5-10 days)**

Phase Two includes obtaining core program administrative capacity and finalizing program development milestones. Tasks include finalizing Phase One program documents, conducting legal review of program materials, conducting Equity Office review of program materials, and identifying and interviewing capable third-party entities to administer programs and funding. This phase includes the selection of contract administrator and contract negotiation as applicable. Additional tasks per program may be required.

### **Phase Three (Target for June 11 Austin City Council meeting)**

Phase Three includes achieving core program contract approvals and execution milestones. Tasks include receiving City Council approval and ratification of contracts, completing internal briefings as applicable, finalizing and executing contracts, and hosting kick-off meeting(s) with the contracted administrator. Additional tasks per program may be required.

### **Phase Four (Up to Six Months or December 30, 2020)**

Phase Four includes achieving overall program management, compliance, and funding and service disbursements in compliance with the CARES Act. Tasks include completing regular reporting, conducting stakeholder engagement and outreach, managing program operations, collecting data, reviewing applications, disbursing funds, managing public relations, conducting program analysis, and completing compliance activities. Additional tasks per program may be required.

### **Phase Five (30 days)**

Phase Five includes achieving overall program completion and close out. Tasks include finalizing reporting, completing compliance reviews, analyzing data, and completing contract-specific deliverables at close out. Additional tasks per program may be required.

### **Progress to Date**

Staff implementation efforts continue with the achievement of several significant milestones outlined below and in Matrix A.

- Completed best practice review and peer city engagement, leveraging lessons learned from similar programs to facilitate successful fund deployment.
- Reviewed data from third party surveys of businesses, individuals, and nonprofits regarding COVID-19 and overall needs.
- **Childcare Support Fund** is closing out Phase Two and will enter Phase Three effective June 8, 2020. EDD identified a third party entity to administer the fund, and the third party entity is reviewing the draft scope and contract. The City of Austin Equity Office reviewed draft program guidelines and criteria.
- **ANCHOR Fund** is closing out Phase Two and will enter Phase Three effective June 8, 2020. EDD identified a third party entity to administer the fund, and the third party entity is reviewing the draft scope and contract. The City of Austin Equity Office reviewed draft program guidelines and criteria.
- **CLEAR Fund** is closing out Phase Two and will enter into Phase Three effective June 8, 2020. EDD identified a third party entity to administer the fund, and the third party entity is reviewing the draft scope and contract. The City of Austin Equity Office reviewed draft program guidelines and criteria.
- EDD has identified Community Champions to assist with program education, outreach and technical assistance to vulnerable populations. Scopes of work for this technical assistance are in draft form.

EDD will include updates on new funding allocated and approved by City Council on June 4, 2020 in the next update memo. Staff will provide a progress update to City Council every 14 days. For more information please contact David Colligan, EDD Acting Assistant Director, at [David.Colligan@austintexas.gov](mailto:David.Colligan@austintexas.gov).

xc: Spencer Cronk, City Manager  
Nuria Rivera-Vandermyde, Deputy City Manager  
J. Rodney Gonzales, Assistant City Manager

**Exhibit A. Program Development Matrix**

Fund	Funding Allocation	Program Overview	Current Phase	Actions to Date	Actions Next 14 days
<p><b>Childcare Support Fund</b></p>	<p>\$2 Million</p>	<p>Grants for childcare centers in Austin.</p>	<p>Phase 2</p> <p>Enter Phase 3 by week of June 8, 2020</p>	<ul style="list-style-type: none"> <li>• Draft program guidelines, criteria and application</li> <li>• Draft scope of work</li> <li>• Draft contract</li> <li>• APH representative partnership</li> <li>• Data analysis on childcare centers</li> <li>• Team development</li> <li>• Legal review</li> <li>• Interviews with management entities</li> <li>• Identification of administrative entity</li> <li>• Program review by equity office</li> <li>• Communications planning</li> <li>• Identified outreach and technical assistance partners to assist with targeted population notification of Program offerings</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance review</li> <li>• Final review by 3<sup>rd</sup> party management entity</li> <li>• Contract signatures</li> <li>• City Council contract ratification – June 11</li> <li>• Enter into Phase 3 by executing the program administrator contract</li> </ul> <p><b>Target City Council Date to ratify contract: June 11</b></p>
<p><b>CLEAR Fund + Safe Opening Compliance</b></p>	<p>\$10 Million</p> <p>\$1 Million (PPE)</p>	<p>Economic injury grants, forgivable loans, and technical assistance for local and small businesses within the City of Austin that have been impacted by the COVID-19 Disaster.</p> <p>Grants for safe compliance for reopening.</p>	<p>Phase 2</p> <p>Enter Phase 3 by week of June 8, 2020</p>	<ul style="list-style-type: none"> <li>• Draft program guidelines, criteria and application</li> <li>• Draft scope of work</li> <li>• Draft contract</li> <li>• APH representative partnership</li> <li>• Data analysis on childcare centers</li> <li>• Team development</li> <li>• Legal review</li> <li>• Interviews with management entities</li> <li>• Identification of administrative entity</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance review</li> <li>• Final review by 3<sup>rd</sup> party management entity</li> <li>• Contract signatures</li> <li>• City Council contract ratification – June 11</li> <li>• Enter into Phase 3 by executing the program administrator contract</li> </ul> <p><b>Target City Council Date to ratify contract: June 11</b></p>

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<b>ANCHOR Fund</b>	\$6.35 Million	Sustainability, operational, technical, or crisis support for non-profit organizations impacted by COVID-19.	Phase 2  Enter Phase 3 by week of June 8, 2020	<ul style="list-style-type: none"> <li>• Draft program guidelines, criteria and application</li> <li>• Draft scope of work</li> <li>• Draft contract</li> <li>• APH representative partnership</li> <li>• Data analysis on childcare centers</li> <li>• Team development</li> <li>• Legal review</li> <li>• Interviews with management entities</li> <li>• Identification of administrative entity</li> <li>• Program review by equity office</li> <li>• Communications planning</li> <li>• Identified outreach and technical assistance partners to assist with targeted population notification of Program offerings</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance review</li> <li>• Final review by 3<sup>rd</sup> party management entity</li> <li>• Contract signatures</li> <li>• City Council contract ratification – June 11</li> <li>• Enter into Phase 3 by executing the program administrator contract</li> </ul> <p><b>Target City Council Date to ratify contract: June 11</b></p>