



## MEMORANDUM

**TO:** Mayor and City Council

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

**DATE:** June 29, 2020

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

This memorandum provides a summary of the Economic Development Department progress to implement [Resolution No. 20200507-023](#). This resolution directs the City Manager to develop a rapid and equitable program to help sustain small and local non-profit organizations and businesses using a portion of federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) dollars designated for COVID-19 pandemic relief. The resolution also directs the City Manager to partner in the creation of a regional Economic Response Dashboard tracking federal, state, and local government dollars, as well as funds from foundations, non-profits, businesses, and other entities.

Resolution No. 20200507-023 and [Resolution No. 20200604-040](#) authorized the City Manager to use CARES Act and local funds in substantially the categories and allotments reflected below:

1. \$16.5 million for small business assistance<sup>1</sup>
2. \$6.35 million for non-profit assistance
3. \$5 million for creative sector workers<sup>2</sup>
4. \$2 million for childcare service providers
5. \$2 million for workforce development
6. \$1 million for commercial landlords
7. \$1 million for technical assistance
8. \$1.5 million for worker and customer safety

### Funding Deployment Approach

The Economic Development Department's priority is to immediately deploy programs and distribute funds for local and small non-profit organizations and businesses impacted by the COVID-19 pandemic. Economic Development Department staff created a five-phase approach to ensure compliance with CARES Act requirements and to achieve overall success. Staff developed each phase based on lessons learned from administering the Austin Economic Injury Bridge Loan Program and the Austin Music Disaster Relief Fund.

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<sup>1</sup> This is in addition to the nearly \$6 million allocated for the Austin Economic Injury Bridge Loan Program through [Resolution No. 20200326-088](#) and [Ordinance No. 20200326-089](#).

<sup>2</sup> This is in addition to the \$1.5 million allocated for the Austin Music Disaster Relief Fund through [Ordinance No. 20200423-067](#) and the \$1 million allocated for the Austin Creative Space Disaster Relief Program through [Resolution No. 20200423-040](#).

Descriptions and milestones for each phase are outlined on the next page. Additionally, Exhibit A summarizes progress updates and details for each fund identified in [Resolution No. 20200507-023](#) and [Resolution No. 20200604-040](#).

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

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 of Austin departments as necessary, completing sector research and data analysis, and developing project teams. Additional program-specific tasks may be required.

#### **Phase Two (5 to 10 days to complete phase)**

Phase Two includes obtaining core program administrative capacity and finalizing program development milestones. Tasks include completing legal review of program materials, receiving City of Austin Equity Office review, finalizing Phase One program documents, and interviewing third-party entities that could help implement programs and distribute funds. This phase also includes selecting a contract administrator and conducting contract negotiations as applicable. Additional tasks per program may be required.

#### **Phase Three (Targeted City Council meetings, 8 to 10 days to complete phase)**

Phase Three includes achieving core program contract approvals and execution milestones. Tasks include receiving City Council approval to ratify contracts with third-party administrators, completing internal briefings, finalizing and executing contracts, and hosting kick-off meetings with third-party administrators. Additional tasks per program may be required.

#### **Phase Four (Up to six months or December 30, 2020 to complete phase)**

Phase Four includes achieving overall program management, compliance, and funding and service disbursements in compliance with federal, state, and local laws. Tasks include conducting regular reporting, completing stakeholder engagement and outreach, managing sound program operations, reviewing applications, collecting data, distributing funds, analyzing program performance, and completing compliance activities. Additional tasks per program may be required.

#### **Phase Five (30 days to complete phase)**

Phase Five includes achieving overall program completion and close out. Tasks include reporting program metrics, completing compliance reviews, finalizing data analysis, and verifying contract deliverables at closeout. 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.<sup>3</sup>

- **Austin Childcare Center Relief Grant** (formerly the “Childcare Support Fund”) is in Phase Three. Economic Development Department staff established July 7, 2020 as a target date to begin accepting applications. Outstanding tasks include finalizing program guidelines, the grant application, communications tools (including a webinar and training items), and translating

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<sup>3</sup> EDD staff proposed several name changes so the public can more easily understand the intended audience for each fund, as well as whether the funds are a grant or a loan.

program materials.<sup>4</sup> EDD staff will also provide a briefing to the City Manager's Office before the grant program launches.

- **Austin Small Business Relief Grant** (formerly the "Commercial Loans for Economic Assistance and Recovery Fund" or "CLEAR Fund") is in Phase Three. Economic Development Department staff established July 7, 2020 as a target date to begin accepting applications. Outstanding tasks include finalizing program guidelines, the grant application, communications tools (including a webinar and training items), and translating program materials. Additionally, EDD staff are securing community champions to support outreach and assistance to vulnerable populations and those with the greatest need of grant assistance. Additional review by the Equity Office and Law Department will be conducted, and Economic Development Department staff will provide a briefing to the City Manager's Office before the grant program launches.
- **Austin Non-Profit Relief Grant Program** (formerly the "Austin Nonprofit and Civic Health Organizations Relief Fund" or "ANCHOR Fund") is in Phase Three. Economic Development Department staff established July 7, 2020 as a target date to begin accepting applications. Outstanding tasks include finalizing program guidelines, the grant application, communications tools (including a webinar and training items), and translating program materials. Additionally, EDD staff are securing community champions to support outreach and assistance to vulnerable populations and those with the greatest need of grant assistance. Additional review by the Equity Office and Law Department will be conducted, and Economic Development Department staff will provide a briefing to the City Manager's Office before the grant program launches.
- **The Creative Sector Relief Grant, Commercial Landlord Relief Grant, Workforce Development Relief Program, Technical Assistance Program and Worker and Customer Safety Program** are in pre-Phase One or Phase One. Economic Development Department staff have begun reviewing best practice research, surveys, and data, and developing a holistic review of concurrent economic recovery efforts to leverage lessons learned and identify populations served.

Economic Development Department staff will provide the City Council progress updates every 14 days. Please contact David Colligan, EDD Acting Assistant Director at [David.Colligan@austintexas.gov](mailto:David.Colligan@austintexas.gov), if you have questions regarding the contents of this memorandum.

cc: Spencer Cronk, City Manager  
Nuria Rivera-Vandermyde, Deputy City Manager  
J. Rodney Gonzales, Assistant City Manager  
Veronica Briseño, Chief Economic Recovery Officer

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<sup>4</sup> At minimum, Economic Development Department staff will translate program materials for all pandemic-related grants to Spanish. Economic Development Department staff will also collaborate with the Multi-Chamber Ethnic Alliance and the Joint Information System (located at the City's Emergency Operation Center) to explore additional translations, including translations to Vietnamese, Chinese (Simplified), Chinese (Traditional), Korean, Burmese, Urdu, and Arabic.

## Exhibit A. Program Development Matrix

| Fund  | Funding Allocation  | Program Overview  | Current Phase | Actions Completed Since June 5, 2020 Memo  | Tasks for Next 14 days  |
|---|---|---|---------------|--|---|
| <b>Austin Childcare Center Relief Grant</b> (formerly the Childcare Support Fund)     | \$2 million   | The Austin Childcare Center Relief Grant will provide grants up to \$50,000 to eligible childcare centers in Austin.  | Phase 3       | <ul style="list-style-type: none"> <li>On June 11, 2020, the City Council authorized ratification of a contract with United Way of Greater Austin to administer this program.</li> <li>Law Department completed its review of the grant program guidelines, criteria and application.</li> <li>Austin Public Health representative partnership enabling subject matter expertise on day-to-day project management</li> <li>Staff from the Economic Development Department and United Way begin communications planning to ensure equitable access to program materials.</li> <li>Economic Development Department staff solidify application platform, data collection, and timelines.</li> </ul> | <ul style="list-style-type: none"> <li>Final review by Equity Office</li> <li>Brief City Manager's Office</li> <li>Publish grant information, including checklist of required program documentation</li> <li>Finalize program application</li> <li>Prepare webinars and trainings to support applicants</li> <li>Translate program materials</li> <li>Finalize communications plan</li> </ul> <p><b>Target Application Launch: July 7, 2020</b></p> |
| <b>Austin Small Business Relief Grant</b> (formerly the Commercial Loans for Economic | \$16.5 million, including \$1 million for personal protective equipment | The Austin Small Business Relief Grant will provide eligible small businesses with grants up to \$40,000 for expenses incurred as a result of the COVID-19 pandemic and/or for purchase to comply with safety requirements. | Phase 3       | <ul style="list-style-type: none"> <li>On June 11, 2020, the City Council authorized ratification of a contract with the Better Business Bureau to administer this grant program.</li> </ul>   | <ul style="list-style-type: none"> <li>Finalize program guidelines, criteria and application.</li> <li>Final review by Equity Office</li> <li>Brief City Manager's Office</li> <li>Publish grant information, including checklist of required program documentation</li> </ul>  |

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|---|--------------------|---|---------------|--|---|
| Assistance and Recovery Act, or CLEAR Act)  |                    | Technical assistance will be available to applicants.   |               | <ul style="list-style-type: none"> <li>• Law Department completed initial review of the grant program guidelines, criteria and application.</li> <li>• Staff from the Economic Development Department and Better Business Bureau begin communications planning to ensure equitable access to program materials.</li> <li>• Economic Development Department staff solidify application platform, data collection, and timelines.</li> <li>• Economic Development Department staff interview community champions to support this grant program.</li> </ul> | <ul style="list-style-type: none"> <li>• Finalize program application</li> <li>• Prepare webinars and trainings to support applicants</li> <li>• Translate program materials</li> <li>• Finalize communications plan</li> <li>• Finalize partnerships with community champions to support programs.</li> </ul> <p><b>Target Application Launch: July 7, 2020</b></p>  |
| <b>Austin Non - Profit Relief Grant</b><br>(formerly Austin Nonprofit and Civic Health Organizations Relief Fund, or ANCHOR Fund) | \$6.35 million     | The Austin Non-Profit Relief Grant will provide eligible Austin nonprofits with grants up to \$20,000 for expenses incurred as a result of the COVID-19 pandemic. Technical assistance will also be available to nonprofits seeking grants. | Phase 3       | <ul style="list-style-type: none"> <li>• On June 11, 2020, the City Council authorized ratification of a contract with the Better Business Bureau to administer this grant program.</li> <li>• Law Department completed initial review of the grant program guidelines, criteria and application.</li> <li>• Staff from the Economic Development Department and Better Business Bureau begin communications planning to ensure equitable access to program materials.</li> </ul>   | <ul style="list-style-type: none"> <li>• Finalize program guidelines, criteria and application.</li> <li>• Final review by Equity Office</li> <li>• Brief City Manager's Office</li> <li>• Publish grant information, including checklist of required program documentation</li> <li>• Finalize program application</li> <li>• Prepare webinars and trainings to support applicants</li> <li>• Translate program materials</li> <li>• Finalize communications plan</li> </ul> |

| Fund  | Funding Allocation | Program Overview  | Current Phase | Actions Completed Since June 5, 2020 Memo   | Tasks for Next 14 days  |
|---|--------------------|---|---------------|---|---|
|   |                    |   |               | <ul style="list-style-type: none"> <li>Economic Development Department staff solidify application platform, data collection, and timelines.</li> <li>Economic Development Department staff interview community champions to support this grant program.</li> </ul>  | <ul style="list-style-type: none"> <li>Finalize partnerships with community champions to support programs.</li> </ul> <p><b>Target Application Launch: July 7, 2020</b></p> |
| <b>Creative Sector Relief Grant</b>   | \$5 million        | The Creative Sector Relief Grant will provide mini-grants to individual creative-sector workers.  | Phase 1       | <ul style="list-style-type: none"> <li>Best practice review and peer city engagement.</li> <li>Leveraging lessons learned from similar programs to facilitate successful program deployment.</li> <li>Review of available data from third party surveys.</li> </ul> | <ul style="list-style-type: none"> <li>Draft program guidelines</li> <li>Identify administrative options</li> </ul>   |
| <b>Commercial Landlord Relief Grant</b><br>(Long-Term Lease Stability Fund) | \$1 million        | The Commercial Landlord Relief Grant will provide grants to commercial landlords that agree to enter long-term leases with tenants that deliver community benefits. | Phase 1       | <ul style="list-style-type: none"> <li>Best practice review and peer city engagement.</li> <li>Leveraging lessons learned from similar programs to facilitate successful program deployment.</li> </ul>   | <ul style="list-style-type: none"> <li>Draft program guidelines</li> <li>Identify administrative options</li> </ul>   |
| <b>Workforce Development Relief Program</b>                                 | \$2 million        | The Workforce Development Relief Program will focus on training and skills development. This includes the Austin Civilian Conservation Corps.                       | Pre-Phase 1   | <ul style="list-style-type: none"> <li>Reviewing current workforce development contracts and programming.</li> </ul>  | <ul style="list-style-type: none"> <li>Identify needs and direction for workforce development relief</li> </ul>   |
| <b>Worker and Customer Safety Program</b>                                   | \$1.5 million      | Contract with counseling services provider to expand access for   | Pre-Phase 1   | <ul style="list-style-type: none"> <li>Reviewing current applicable contracts and programming.</li> </ul>   | <ul style="list-style-type: none"> <li>Identify direction for worker and customer safety program,</li> </ul>  |

| Fund                                | Funding Allocation | Program Overview   | Current Phase | Actions Completed Since June 5, 2020 Memo  | Tasks for Next 14 days  |
|-------------------------------------|--------------------|--|---------------|--|---|
|                                     |                    | workers dealing with COVID-19 related mental health challenges   |               |  | in collaboration with Austin Public Health  |
| <b>Technical Assistance Program</b> | \$1 million        | The Technical Assistance Program will focus on classes, workshops, and individual coaching for grantees' relevant needs. | Phase 1       | <ul style="list-style-type: none"> <li>Identifying specific technical assistance to support relief programs and vulnerable populations.</li> <li>Identifying community champions.</li> </ul> | <ul style="list-style-type: none"> <li>Draft scopes of work and targeted deliverables to support relief programs and vulnerable populations.</li> <li>Discussions with community partners.</li> </ul> |