



## Recommendation for Action

**File #:** 20-3732, **Agenda Item #:** 25.

12/10/2020

### Posting Language

Ratify a contract amendment with United Way for Greater Austin to administer an additional \$5,000,000 in emergency Austin Childcare Provider Relief Grant funds for a total contract amount not to exceed \$6,148,000.

### Lead Department

Economic Development.

### Fiscal Note

Funding in the amount of \$5,000,000 is available in the Fiscal Year 2020-2021 General Fund Emergency Reserve Fund.

### Prior Council Action:

May 7, 2020 - City Council adopted Resolution No. 20200507-023, directing an initial program that sustained small and local non-profit organizations and businesses using a portion of federal dollars designated for pandemic-related relief. The resolution included establishing a \$1,000,000 Childcare Support Fund.

June 4, 2020 - City Council adopted Resolution No. 20200604-040, adopting the COVID-19 Spending Framework for the use of all available federal and local funding that leverages and maximizes the benefit of federal COVID-19 relief funding and local funding.

June 11, 2020 - City Council adopted Resolution No. 20200611-102, ratifying a contract with United Way for Greater Austin to administer the Childcare Fund grant program to disburse emergency funds to childcare facilities in need of relief as a result of COVID-19 pandemic in an amount not to exceed \$120,000 with an option to amend and extend the term and administrative fee should additional grant funds become available.

September 17, 2020 - City Council adopted Resolution No. 20200917-062, directing the City Manager to explore and identify ways to support and to increase the survivability of those most vulnerable in Austin's hardest hit sectors: childcare, music and arts venues, restaurants and bars.

October 1, 2020 - City Council adopted Resolution No. 20201001-013, ratifying a contract amendment with United Way for Greater Austin to disburse a total of \$1,048,000 in emergency funds to childcare providers in need of relief as a result of the COVID-19 pandemic. The additional funding of \$148,000 came from the Mayor and Council Fiscal Year 2019-2020 Operating Budget, from Mayor Pro Tem Delia Garza's Office budget. United Way for Greater Austin's fee for administration of these funds is an amount not to exceed \$100,000 with an option to amend and extend the term and administrative fee should additional grant funds become available.

October 1, 2020 - City Council adopted Ordinance No. 20201001-052, amending certain Fiscal Year 2020-2021 department budgets to fund the Save Austin's Vital Economic Sectors (SAVES) Fund to support COVID-19 emergency relief. The ordinance included establishing a \$5,000,000 Austin Childcare Provider Relief Grant.

October 15, 2020 - City Council adopted Resolution No. 20201015-073, establishing program guidelines for the Austin Childcare Provider Relief Grant, a \$5,000,000 program to help support vulnerable Austin-based

childcare providers impacted by the COVID-19 pandemic.

**For More Information:**

Sylvia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131.

**Additional Backup Information:**

In response to financial hardships caused by the COVID-19 pandemic, the City Council adopted program guidelines for the Austin Childcare Provider Relief Grant on October 15, 2020. This program is funded using \$5,000,000 from the City's General Fund Emergency Reserve Fund.

Following the City Council's direction, Economic Development Department (EDD) staff sought a third-party non-profit to administer this relief program. EDD staff evaluated third parties based on their experience providing direct program delivery and administration assistance, including managing local, state, federal or private funding to assist in grant administration.

EDD staff selected the United Way for Greater Austin to administer this program. United Way for Greater Austin staff will meet with EDD staff regularly and provide administrative oversight, facilitation, and holistic program delivery in issuing grants to eligible applicants for this program.

This amendment to the contract extends the original contract term and the total funding to be administered by the United Way for Greater Austin. The administrative fee will not exceed \$250,000 for this round of grant funds, for a total not to exceed \$350,000 for the contract.

**Strategic Outcome(s):**

Economic Opportunity and Affordability.