



## Recommendation for Action

**File #:** 21-1016, **Agenda Item #:** 16.

1/27/2021

### **Posting Language**

Ratify a contract amendment with United Way for Greater Austin to administer emergency Childcare Provider Relief Grant funds in the amount of \$5,250,000, for a total contract amount not to exceed \$6,398,000.

### **Lead Department**

Economic Development.

### **Fiscal Note**

Funding in the amount of \$5,250,000 is available in the FY 2020-2021 General Fund Emergency Reserve Fund's Operating Budget.

### **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 proposed 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 of Greater Austin to administer the Childcare Fund grant program to disburse emergency funds to childcare facilitates in need of relief as a result of the 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 to administer.

September 17, 2020 - City Council adopted Resolution No. 20200917-062, directing the City Manager to explore and identify ways to support and 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, with an option to amend and extend the term and administrative fee should additional grant funds become available to administer.

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 and creating the Austin Childcare Provider Relief Grant program with a one-time allocation of \$5,000,000.

### **For More Information:**

Sylvia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131, or Joy Miller, 512-

974-7781.

**Additional Backup Information:**

On October 15, 2020, in response to financial hardships caused by the COVID-19 pandemic, City Council approved creation of the Childcare Provider Relief Grant program utilizing General Funds.

Following the City Council's direction, the Economic Development Department (EDD) sought a third-party non-profit to administer this relief program. EDD 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 selected the United Way for Greater Austin ("the Contractor") to administer this program. The Contractor meets with EDD project management representatives regularly, as identified in the scope of work and deliverables. The Contractor provides administrative oversight, facilitation, and holistic program delivery in issuing recovery grants to eligible grant applicants of Council-authorized programs.

This Amendment to the contract extends the original contract term and the total funding available to be administered by the Contractor, as well as the total administrative fee for the Contractor's services. The Contractor's fee for administration of SAVES funds is an amount not to exceed \$250,000 and will come from the Mayor's Business Preservation Fund, leaving the full \$5,000,000 for grant funding.

Prior to this action the contract disbursed a total of \$1,148,000 in emergency funds to childcare providers in need of relief as a result of the COVID-19 pandemic, including \$100,000 for an administrative fee. This action brings the contract total to \$6,398,000.

**Strategic Outcome(s):**

Economic Opportunity and Affordability.