



Recommendation for Action

File #: 21-2764, **Agenda Item #:** 9.

9/2/2021

Posting Language

Authorize negotiation and execution of an interlocal agreement with the University of Texas Rio Grande Valley to provide training and coaching for cooperatively-owned businesses, for a two-year agreement in an amount not to exceed \$150,000.

Lead Department

Economic Development.

Fiscal Note

Funding in the amount of \$150,000 is available in the Fiscal Year 2020-2021 Operating Budget of the Economic Development Department.

Prior Council Action:

December 3, 2020 - Council approved a one-year contract with University of Texas Rio Grande Valley in an amount not to exceed \$75,000 to provide coaching and training for cooperatively-owned businesses.

For More Information:

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Additional Backup Information:

On December 3, 2020, Council approved a contract with the University of Texas Rio Grande Valley (UTRGV) for a pilot program providing training classes and coaching specific to the needs of cooperatively-owned businesses. The contract includes development of cooperative-specific informational guides, and assistance with outreach and marketing to cooperatives. UTRGV partnered with two local non-profit organizations, the Austin Cooperative Business Association and Community Housing Expansion of Austin, to deliver services under the contract.

To date the pilot program has demonstrated its potential by providing training and coaching to individuals who are making significant progress toward starting a cooperative business in housing, food, and other industries. However, formation and development of a cooperative business is a lengthy process involving complex issues not encountered by businesses with more traditional ownership structures. The clients assisted to date will need many additional hours of coaching and training beyond the term of the current contract to successfully launch their cooperative businesses.

This proposed interlocal agreement will continue cooperative-specific business coaching and training for two additional years through fiscal year 2022-23. The agreement includes eighteen additional classes on cooperative-specific topics, up to 650 hours of coaching, and 200 hours of outreach plus marketing services to create awareness of the program in Austin's diverse communities. UTRGV will also conduct a census of Austin-area cooperatives to explore, measure, and document the current economic and social impacts of the cooperative sector and well as its potential for growth.

Strategic Outcome(s):

Economic Opportunity and Affordability, Government that Works for All.