

**INTERLOCAL AGREEMENT  
BETWEEN CITY OF AUSTIN AND AUSTIN COMMUNITY COLLEGE  
FOR A FASHION INCUBATOR PROGRAM**

This Interlocal Agreement (“Agreement”), authorized and governed by Chapter 791 of the Texas Government Code, is entered into by and between Austin Community College District (“ACC”), a Texas community college organized and operating pursuant to Chapter 130 of the Texas Education Code, and the City of Austin (“City”), a Texas home-rule municipal corporation and political subdivision of the State of Texas.

**RECITALS**

On September 29, 2016, the City and ACC entered into a three-year interlocal agreement to establish a fashion incubator at ACC’s Highland Mall Campus, 6101 Highland Campus Drive, Austin, Travis County, Texas (Austin City Council Resolution 20160922-031);

On June 20, 2019, the City and ACC entered into a second three-year interlocal agreement to continue City support of the fashion incubator (Austin City Council Resolution 20190620-030);

The City and ACC established and maintain the fashion incubator to train future fashion industry workers and work with local fashion companies and manufacturers;

ACC offers fashion design and production programs to students enrolled at ACC, providing students with the skills necessary to work in the fashion industry in Austin;

As of April 2022, the Fashion Incubator supports 21 fashion brands, with more brands pending enrollment;

Additionally, the Fashion Incubator is available to private companies that require certain specialized equipment to produce product runs of their designs;

ACC leases leading-edge art technology equipment (“Equipment”) from Gerber Technology that is beneficial for workforce training and limited production runs for local fashion designers and small manufacturers, and incorporates training and operation of the Equipment as part of its curriculum within the Fashion Incubator;

The City and ACC have determined that the Fashion Incubator provides important economic development opportunities to ACC students and the economy of the City; and

The City and ACC desire to enter into this Agreement to continue operating the Fashion Incubator, including the lease and operation of the Equipment.

For and in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and ACC agree as follows:

## **I. Purpose**

The purpose of this Agreement is to continue operation of the Fashion Incubator in order to train students on the operation of the Equipment and expand employment and economic opportunities in the fashion industry in Austin. The Fashion Incubator shall be open to ACC students, as well as students enrolled at such institutions as the University of Texas at Austin, Texas State University, and the Fashion Design and Interior Design Career Path at Austin Independent School District. The Equipment in the Fashion Incubator may also be made available to local fashion designers to produce their designs and get them to market, thereby promoting the City's public purpose of helping smaller startup companies in the City; provided that such designers have successfully completed training on properly operating the Equipment in accordance with ACC's rules and regulations.

## **II. Obligations of ACC**

A. ACC shall continue to provide 7,500 square feet of space for the Fashion Incubator (the "Space"). The Space shall be located 6101 Highland Campus Drive, Austin, Travis County, Texas, in ACC's Highland Campus.

B. ACC shall continue to lease the Equipment from Gerber Technology for at least (1) year with renewal options to extend the term up to three (3) years, pursuant to an equipment lease (the "Equipment Lease"), containing terms and conditions acceptable to ACC. For so long as this Agreement is in effect, ACC shall only use the Equipment as part of the Fashion Incubator. ACC shall maintain the Equipment throughout the term of this Agreement in accordance with the manufacturer's requirements.

C. ACC shall provide the curriculum, instructors and staff to provide classes and operate the Fashion Incubator, which shall include training on properly operating the Equipment. ACC shall follow established program guidelines, rules and regulations for enrollment and the evaluation of student performance related to the Fashion Incubator, and for appropriate use of the Equipment. The curriculum shall include requirements for successfully completing training on the proper operation and use of the Equipment, and include the award of a certificate to successful participants upon completion of the training.

D. At the end of each program year, ACC will provide to the City a post-program report that includes the following:

1. Information reflecting student success as a result of enrollment in the Fashion Incubator; and
2. Recommended changes for the Fashion Incubator.

E. ACC designates its Continuing Education Program as the department responsible for ACC's administration of this Agreement

### **III. Obligations of the City**

A. The City shall reimburse ACC for the cost of leasing the Equipment (the "Equipment Lease") pursuant to the Equipment Lease in an amount not to exceed \$55,000 per year, for a total agreement amount not to exceed \$165,000 over three years. The City agrees to reimburse ACC on an annual basis for the term of this Agreement (as provided below) within thirty (30) days after ACC provides the City with receipt of payment for the Equipment Lease. The City represents that the cost of the Equipment Lease for the three (3) year term under the Lease has or will be approved by the City Council but is subject to annual appropriation by the City Council.

B. The City shall provide a qualified City employee or contractor to offer small business counseling services to participants in the Fashion Incubator in order to foster employment and economic development opportunities in the fashion industry in Austin. The City shall also refer any clients of its small business services that can benefit from using the Equipment to the Fashion Incubator for assistance.

C. The City designates the Economic Development Department as the department responsible for the City's administration of this Agreement.

### **IV. Term, Termination**

A. This Agreement will be effective after the date of execution by all parties.

B. This Agreement will be effective from and after the date of execution by all parties for three (3) years, unless terminated earlier by either Party.

C. This Agreement may be terminated without cause by either party upon thirty (30) days' written notice to the other Party, to be effective:

1. at the end of the thirty (30) days; or
2. at the end of the semester following the thirty (30) days' notice, whichever is later.

D. Notwithstanding Section IV(C), the City acknowledges and agrees that if the City terminates this Agreement prior to the expiration of the three (3) year period, the City shall be required to pay ACC any amounts due under this Agreement for the Equipment Lease.

E. ACC acknowledges and agrees that if ACC terminates this agreement prior to the expiration of the three (3) year period, ACC will refund to the City a prorated portion of the Allowance that has been paid for the remaining time of the three (3) year term.

### **V. General Provisions**

A. Modification. This agreement may not be altered, amended or modified except in writing executed by duly authorized representatives of each Party.

B. Law and Venue. This Agreement will be governed by the laws of the State of Texas. The obligations under this Agreement are performed in Travis County, Texas. It is expressly understood that any lawsuit or litigation arising out of or relating to this Agreement will take place in a court of appropriate jurisdiction in Travis County, Texas.

C. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters covered by this Agreement, and no other agreement, statement, or promise made by any party or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

D. Notices. Notices under this Agreement shall be in writing, and may be given by hand delivery, U.S. mail, or telecopy (facsimile). If sent to the parties at the contact information addresses designated herein, notice shall be deemed effective upon receipt in the case of hand delivery or telecopy and three (3) days after deposit in the U.S. mail in case of mailing. The address of the parties for all purposes shall be:

*City of Austin:*

Spencer Cronk, City Manager (or successor)  
City of Austin  
P. O. Box 1088  
Austin, Texas 78767

And

Sylvonia Holt-Rabb, Director of Economic Development (or successor)  
City of Austin  
P. O. Box 1088  
Austin, Texas 78767

*With copy to:*

Anne Morgan, City Attorney (or successor)  
P. O. Box 1088  
Austin, Texas 78767

*Austin Community College:*

Molly Beth Malcolm, Executive Vice President,  
Campus Operations and Public Affairs (or successor)  
Austin Community College  
5930 Middle Fiskville Road,  
Austin, TX 78752-4341

And

Mike Midgley  
Vice President of Instruction (or successor)  
Austin Community College  
5930 Middle Fiskville Road,  
Austin, TX 78752-4341

And

Nina Means, Director  
Fashion Incubator (or successor)  
Austin Community College  
6101 Highland Campus Drive  
Austin, Texas 78752

E. Incorporation of Recitals. The recitals that appear at the beginning of the Agreement are incorporated into this Agreement by reference.

F. Assignment. Any assignment of this Agreement by a Party requires the prior written consent of the other Party.

G. Severability. If any provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable for whatever reason, the remaining provisions not so declared shall, nevertheless, continue in full force and effect, without being impaired in any manner whatsoever.

H. Effective Date. This Agreement is effective on the last day signed below.

I. Authorization. By signing below, each Party's representative warrants that he is duly authorized to enter into this Agreement on behalf of his entity, and that each Party to this Agreement is authorized by Texas law to accept the terms, conditions, and obligations set forth herein.

**CITY OF AUSTIN:**

**AUSTIN COMMUNITY COLLEGE:**

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Spencer Cronk  
City Manager

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Dr. Richard Rhodes  
President/CEO

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Date

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Date

**APPROVED AS TO FORM:**

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Assistant City Attorney  
City of Austin  
Law Department

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Attorney for  
Austin Community College

Print attorney name:

Print attorney name: