



20-0538

TITLE: Consider/Discuss/Act on a Resolution Authorizing the Creation of a Tri-City Collin County Small Business Grant Program and Authorizing the City Manager to Create an Execute a Contract with National Council for Community Development, Inc. (NCCD) to Serve as the Third-Party Administrator for the Program; and Providing for an Effective Date

COUNCIL GOAL: Direction for Strategic & Economic Growth

MEETING DATE: June 23, 2020

DEPARTMENTS: City Manager's Office
McKinney Economic Development Corporation (MEDC)

CONTACT: Kim Flom, Assistant City Manager
Peter Tokar, MEDC Executive Director

REQUESTED ACTION: Resolution approval.

PROPOSED MOTION

"I move to approve the Resolution Authorizing the creation of a Tri-City Collin County Small Business Grant program and authorizing the City Manager to create a execute a contract with National Council for Community Development Council, Inc. (NCCDC) to serve as the third-party administrator for the program; and providing for an effective date."

ITEM SUMMARY:

- Consider a resolution authorizing the creation of the 'Allen, Frisco, McKinney/Tri-City Collin County Small Business Grant Program' and utilizing National Council for Community Development, Inc. (NCCD) as the third-party administrator to administer the program.
- Program proposed to utilize \$5,000,000 of the \$10,098,347.55 Collin County CARES Act Direct Allocation funds (50%).

BACKGROUND INFORMATION:

- Collin County received \$171.4M in CARES Act Funding from the Department of the Treasury to provide ready funding to address unforeseen financial needs and

risks created by the COVID-19 public health emergency.

- \$50M Direct Cost Program allocated to cities based on Census population from COVID related costs (\$10,098,347.55 allocated to McKinney).
 - \$45M - Emergency Housing and Living Program for the entire County, distributed through the cities of McKinney, Plano, Frisco and Allen (\$30M initial funding with \$15M in reserve)
 - \$5M for COVID 19 testing for uninsured residents of the County
 - \$71.4M Unallocated by the County
- On May 19, the Council approved an Interlocal Agreement with Collin County to provide the framework for the distribution of CARES Act Funding, from the Department of the Treasury, through Collin County, to the City of McKinney for eligible COVID 19, post March 1, 2020 expenses, including preparation for the future re-emergence of COVID 19.
- CARES Act Direct Allocation funds can be used for economic support to those suffering from business interruption due to COVID-19 related business closures.
- The City and MEDC have been working with Frisco and Allen in order to collaborate on a shared initiative titled 'Allen, Frisco, McKinney/Tri-City Collin Count Small Business Grant Program (Tri-City SBGP).
- At work session on June 16, 2020, the Council directed staff to formalize the details of the program with the tri-city team and formalize a contract with a third-party administrator.
- Tri-City Small Business Grant Program parameters are provided in detail on the attached document.
- Administration: The City, along with Allen and Frisco, plan to utilize the services of the National Council for Community Development, Inc. (NCCD) to create the application, conduct reviews and issue payment. Administrative fees are set by contract at 7% of grant funds awarded plus a one-time fixed fee of \$26,000. Administrative fees will be paid out of the \$5,000,000 allocated for the program.
- In an emergency state, the City is allowed to expedite procurement protocols. Despite that, a team made up of EDC representatives from Allen, Frisco and McKinney solicited five Requests for Qualifications (RFQ) and received three responsive proposals back. Each firm was interviewed and scored. NCCD received the highest score.

FINANCIAL SUMMARY:

- As proposed, this program would utilize \$5,000,000 (50%) of the Direct Cost Program allocation of CARES Act funding from Collin County. The \$5,000,000 will fund awarded business grants and associated administrative fees per the

TPA contract.

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[Resolution](#)

[TriCity SBGP McKinney Program Guidelines](#)

[TPA Agreement with NCCD](#)

[Exhibit A - TPA Solicitation RFQ Letter](#)

[Exhibit B - NCCD RFQ Response](#)