

Mayor and Council Communication

DATE: 10/29/19

M&C FILE NUMBER: M&C 19-0273

LOG NAME: 17UNTHSC-BAC FY20

SUBJECT

Authorize Execution of Agreement with the University of North Texas Health Science Center at Fort Worth to Accept a Grant in the Amount of \$450,000.00 from the State of Texas for Operations of the Fort Worth Business Assistance Center as Well as Renovations and Upkeep of Buildings on the Guinn Elementary School Campus, Authorize Use of Interest in the Amount Up to \$5,000.00 and Adopt Appropriation Ordinance (COUNCIL DISTRICT 8)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of an Agreement with the University of North Texas Health Science Center at Fort Worth to accept and receive grant funds from the State of Texas in the amount of \$450,000.00 (the amount of \$450,000.00 during the State's current Fiscal Year of September 1, 2019 to August 31, 2020) for operation of the Fort Worth Business Assistance Center as well as renovations and upkeep of buildings on the Guinn Elementary School Campus;
 2. Authorize the use of interest earnings in an amount up to \$5,000.00 for the purpose of the award; and
 3. Adopt attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating State Fund for a total amount of \$455,000.00.
-

DISCUSSION:

Beginning with the 79th Legislature of the State of Texas (2005), the State's Biennial General Appropriations Act has appropriated the amount of \$3.1 million to the University of North Texas Health Science Center (UNTHSC) for joint economic development and technology commercialization activities of UNTHSC, TECH Fort Worth and the City of Fort Worth for renovations at the Guinn School Campus and Business Assistance Center operations.

In the 86th Legislature of the State of Texas during its Regular Session as part of S.B. 1 (General Appropriations Act for the 2020-2021 Biennium), the State approved grant funding in the amount of \$3,069,000.00 for the partnership between the City and UNTHSC for the two years beginning September 1, 2019. Of this grant, the amount of \$2,619,000.00 has been appropriated to UNTHSC and TECH Fort Worth and the remaining amount of \$900,000.00 is allocated to the City during this biennium to be received in two installments. During the biennium the City will receive \$450,000.00 during Fiscal Year 2020 and \$450,000.00 in Fiscal Year 2021. While indirect costs were not addressed at the time the grant application was submitted, the Department is reviewing regulations and will comply with City policy on indirect costs to the extent allowed by the program guidelines.

These funds will be used to administer the Fort Worth Business Assistance Center (BAC) Program, and fund the Fiscal Year 2019-2020 contract with the BAC Education Foundation for the Idea Works Business Incubator housed in the elementary building at the historic James E. Guinn Campus.

The Guinn School property is located in COUNCIL DISTRICT 8.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: University of North Texas Health Science Center

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Grants Operating State Fund as appropriated. This is an advance grant.

Submitted for City Manager's Office by: Jay Chapa 5804

Originating Business Unit Head: Robert Sturns 2663

Additional Information Contact:

Robert Sturns 2663