

TO: City Council
FROM: Michael Matlock, Community Development Director
DATE: April 16, 2024
SUBJECT: Service Provider Agreement extension with the Thurston EDC for Thurston Strong Phase II

1) Recommended Action:

Approve and authorize the Mayor to sign a Service Provider Agreement extension with Thurston EDC for Thurston Strong Phase II.

2) Background:

At the October 26, 2021 City Council worksession, \$350,000 of federal American Recovery Plan Act (ARPA) funds was allocated to support Thurston Strong Phase II. In the time since, Thurston Strong has deployed approximately \$10 Million in recovery assistance and continues to reinforce sectors most in-need of stabilization funding and technical assistance. City and EDC staff have identified several priority needs in Tumwater reflected in the scope of services, including \$205,000 for childcare operator grants and \$80,000 for startup training scholarships for eligible businesses and entrepreneurs. Overhead for accounting and audit control (\$15,000) is also included in the total amount. Consistent with the original Thurston Strong program, these resources focus on helping entrepreneurs, businesses, and organizations adversely impacted by the pandemic.

It has taken a little longer than originally anticipated to get the next round of childcare operating grants stood up. This makes it necessary to extend to term of the service provider agreement to December 31, 2025 to ensure adequate time to get these needed funds to this important service sector of the economy.

3) Policy Support:

Economic Development Plan Goal #2 – Retain and support existing businesses

Economic Development Plan Goal #8 – Encourage economic development that strengthens the Tumwater community

Strategic Goal and Priorities – Work with partner organizations and jurisdictions to implement our goals to be a more inclusive community

4) Alternatives:

- ☐ Modify the funding amount, vendor or pursue a different course of action.
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5) Fiscal Notes:

ARPA funds are available through 2025.

6) Attachments:

- A. Thurston EDC Service Provider Agreement with Scope of Services.
- B. Thurston EDC Service Provider Agreement Extension.