



Legislation Text

File #: 05710, **Version:** 1

Fiscal Note

Funding of \$15,000 is included in the CDBG 2007 adopted operating budget, program #17, "African American Black Business Association."

Title

Authorizing the designation of Nehemiah Community Development Corporation to a 2007 CDBG Office operating budget African-American Black Business Association-sponsored project as the contracting agent to help promote the growth of small businesses, and authorizing the Mayor and the City Clerk to enter into a three-way agreement to implement the project.

Body

BACKGROUND:

The Common Council adopted a 2007 operating budget that provided \$15,000 to AABBA (African-American Black Business Association) to administer a pilot business development program to survey black-owned businesses, and provide technical assistance and referrals to financing sources. The intent of the program is to help small African-American owned existing businesses to stabilize, to obtain technical assistance, and to grow their businesses in a way that will eventually lead to business success and job creation.

Under standard practices, the City through the CDBG Office would contract with AABBA to implement the project. However, AABBA has not yet obtained non-profit status and has worked through an arrangement with Nehemiah Community Development Corporation to serve as the fiscal agent or lead contract agent for the project, and agreed to the development of a three-party contract detailing the various components and responsibilities for the program.

ACTIONS:

Whereas, the Madison CDBG Office has sometimes entered into three-party agreements involving a fiscal agent in order to initiate a pilot program, and that experience has been beneficial in effectively improving the changes of administrative success for those programs;

Whereas, the City of Madison CDBG staff have reviewed the proposal for a fiscal agent and three-party agreement, and conclude that it would be in the City's best interest to enter into such a three-way agreement in order to initiate the program on a timely basis;

Now, therefore, be it resolved that the Common Council authorize the addition of Nehemiah Community Development Corporation to the AABBA project as a fiscal agent, and authorize the Mayor and City Clerk to enter into an agreement that would implement the project.