



Board Report

File #: 2021-0095, **File Type:** Contract

Agenda Number: 32.

**CONSTRUCTION COMMITTEE
APRIL 15, 2021**

**SUBJECT: FUND ADMINISTRATOR FOR METRO PILOT BUSINESS INTERRUPTION FUND
(BIF)**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to execute Modification No. 3 to the Business Interruption Fund (BIF) Administration Services Contract No. PS56079000 with Pacific Coast Regional Small Business Development Corporation (PCR) to exercise the first one-year option in the amount of \$720,882, increasing the total contract value from \$1,685,246 to \$2,406,128, to continue to serve as the fund administrator for Metro's Pilot BIF and extending the period of performance from May 1, 2021 to April 30, 2022.

- B. INCREASING Contract Modification Authority (CMA) specific to Contract No. PS56079000 in the amount of \$120,000 increasing the total CMA amount from \$158,524 to \$278,524 to support additional services related to BIF fund administration inclusive of the expansion of the BIF to directly impacted and qualifying "mom and pop" businesses.

ISSUE

On February 28, 2019, Metro Board of Directors approved the award of Metro's BIF Administration Services Contract program in the amount of \$3,348,010, inclusive of a two-year base term, plus two (2), one-year options. The existing two-year base contract period is due to expire April 30, 2021.

Board authorization is requested to exercise the first one-year option to continue support of the ongoing implementation of the BIF as approved by Metro's Board of Directors.

DISCUSSION

Metro has continued to provide financial assistance to directly impacted eligible businesses through the contracted professional services of PCR, a Community Development Financial Institution (CDFI) and Small Business Development Center (SBDC) serving as the BIF fund administrator.

Staff, along with PCR, continues to implement various outreach activities and methods to inform and educate small businesses about the BIF, provide direct support throughout the application process and link businesses to other small business support services such as Metro's Crenshaw/LAX Transit Business Solution Center (BSC), Metro's Little Tokyo Community Relation Office and/or the Little Tokyo Small Business Solution Center co-located at Metro's Community Relations office including PCR's Small Business Development Corporation; and Metro's Eat-Shop-Play program.

DETERMINATION OF SAFETY IMPACT

The approval of the recommendation above will have no negative impact on the safety of Metro employees or passengers.

FINANCIAL IMPACT

The administrative cost for the implementation of the program is allocated from Measure R Administration funds. Funds for FY21 are currently budgeted in Cost Center 0691 Non-Departmental Procurement Project Number 100055, Project Name - Admin-Measure R Task 06.02. Furthermore, Vendor/Contract Management has requested the necessary funds in the submitted FY22 budget request, which is currently under review, in support of program activities within the aforementioned cost center, project and task.

Impact to Budget

Measure R Administration funds were previously identified as eligible for this expense through prior Board of Directors authorization and approval. The annual appropriation of the funding source does not impact transit operations and/or capital projects/programs.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this item aligns to Metro strategic goal 3 - enhance communities and lives through mobility and access to opportunity, and goal 5 - provide responsive, accountable, and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

Staff considered utilizing Metro staff to perform the fund administration services for BIF. This alternative is not recommended, because Metro does not have the required staffing availability, dedicated resources or expertise to serve as a financial administrator such as those possessed by a community development financial institution.

NEXT STEPS

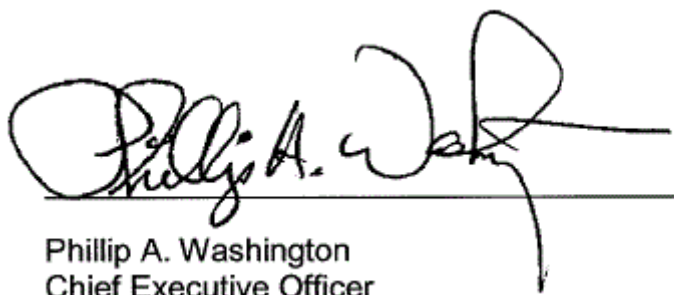
Upon Board approval, staff will execute Modification No. 3 to exercise the first option of the BIF Administration Services Contract No. PS56079000 with PCR.

ATTACHMENT

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

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