

**AMENDMENT NO. 1 TO THE OPERATION AGREEMENT
FOR CORONAVIRUS STATE AND LOCAL FISCAL
RECOVERY FUNDS BUSINESS SUPPORT PROGRAMS**

THIS AMENDMENT NO. 1 to the Operation Agreement (“Amendment”) is entered into this 4TH, day of JUNE, 2024, between The City of Oklahoma City (“the City”) and the Alliance for Economic Development of Oklahoma City (“the Alliance”) for operation and program services related to the City’s Coronavirus State and Local Fiscal Recovery Business Support Programs.

WITNESSETH:

WHEREAS, The City of Oklahoma City has received \$122,507,590 from the Coronavirus State and Local Fiscal Recovery Funds (Fiscal Recovery Funds) provided pursuant to American Rescue Plan Act (ARPA); and

WHEREAS, on September 14, 2021, City Council approved the Coronavirus State and Local Fiscal Recovery Funds Plan (“the Plan”) and the category allocations contained therein; and

WHEREAS, the Plan provides for the use of Fiscal Recovery Funds for programs and projects to directly address the negative economic impacts caused by COVID-19 in the areas of housing, small businesses, non-profits, individual job training, and tourism recovery; and

WHEREAS, on February 15, 2022, the City and the Alliance entered into the Operation Agreement for Coronavirus State and Local Fiscal Recovery Funds Business Support Programs (“Agreement”); and

WHEREAS, the Agreement provides for the Alliance as a vendor to provide services to manage and operate the Fiscal Recovery Funds Business Support Program which provides assistance in the areas of job training and placement, small business technical assistance and retrofits, minority business assistance, and non-profit assistance; and

WHEREAS, it is the parties’ desire to increase the Program’s not-to-exceed amount to provide additional program services, and to amend the term of this Agreement, ongoing management fee, and use of interest funds.

NOW THEREFORE, for and in consideration of the mutual promises herein expressed, the City and the Alliance agree to the following amendments, provided that all other terms and conditions not explicitly listed shall continue in full force and effect, to wit:

A. Amend Section 1.1, Program Services as provided below:

1.1 Program Services. *The Alliance is hereby engaged by the City to provide operation services for the City’s Fiscal Recovery Funds Business Support Program (“the Program”). The Alliance shall create a Program plan of the projects to be included in the Program for review and approval by the City Manager or his designee. The Program may include projects from any of the subcategories listed below. The total amount of Fiscal Recovery Funds that may be used for Business*

Support Program projects shall not exceed Twenty Million, Four Hundred Forty-six Thousand and Five Hundred Dollars (\$20,446,500)~~Twenty Million, Two Hundred and Fifty Thousand Dollars (\$20,250,000)~~. This includes assistance, project subcontractor costs, and project general expenses, such as software expenses. This amount does not include the Alliance management fee.

A. Job Training/Upskilling Workforce Development – this includes projects to assist small businesses and individuals to obtain upskilling, training, education, and coaching with a focus on areas such as contractor support, hospitality/customer service, retail, healthcare, digital skills, and manufacturing.

B. Minority/Disadvantaged Business Support and Technical Assistance - this includes projects to provide assistance to minority businesses with technical assistance with the goal of providing growth among minority owned businesses.

C. Small Business/Non-Profit Support – this includes projects to assist small businesses and non-profits with ongoing business needs, including but not limited to, loans, grants, technical assistance, “Streeteries”, business retrofits, and legal clinics. This also includes projects intended to build the future capacity of communities for development, including but not limited to, DEI Best Practice training, business district technical assistance, and financial literacy training.

Projects must be approved in writing by the City Manager or his designee as provided herein. All Services provided under this Agreement shall comply with the legal requirements as set forth in the American Rescue Plan Act and the guidance issued by the United States Department of Treasury. For any approved project, the Alliance shall gather the required information from the beneficiary, shall organize the required information, and shall submit the information to the City Manager or his designee along with a recommendation for approval or denial of the assistance. The City Manager or his designee shall have final decision-making authority on the approval of any assistance to provided.

B. Amend and replace Section 1.4, Payment of Fiscal Recovery Funds as provided below:

1.4 Payment of Fiscal Recovery Funds. *The total amount of Fiscal Recovery Funds that may be used for Business Support Program projects shall not exceed Twenty Million, Four Hundred Forty-six Thousand and Five Hundred Dollars (\$20,446,500)~~Twenty Million, Two Hundred and Fifty Thousand Dollars (\$20,250,000)~~. The following are the estimated amounts for each subcategory but these amounts are authorized to change up to twenty percent (20%) from the estimated amounts by written approval of the City Manager or his designee. Subcategory changes of more than twenty percent are only authorized through written amendment of this Agreement.*

<i>Job Training/Upskilling Workforce Development</i>	<i>\$4,000,000</i>
<i>Minority/Disadvantaged Business Support and Technical Assistance</i>	<i>\$4,000,000</i>

Small Business/Non-Profit Support

~~\$12,250,000~~ \$12,446,500

Payment of Fiscal Recovery Funds under any project/program must meet the eligibility requirements and limitations provided above and must be approved in writing by the City Manager or his designee prior to payment. Upon approval of eligible a project/program as provided for in Section 1.2, payment the City shall transfer the approved budget amount of funds to Alliance, who will cut the individual payments to ~~approved~~ vendors, persons, or entities after approval of the individual payment by the City or entity.

- C. Amend Article I to add Section 1.6 Receipt and Custody of Fiscal Recovery Funds provided below:

1.6 Receipt and Custody of Fiscal Recovery Funds. *Upon approval of a program/project per Section 1.2 and receipt of Fiscal Recovery Funds from the City in the budgeted program/project amount, the Alliance shall deposit the Funds in an account until such time as payments to individuals/entities are approved by the City. Such account may be an interest-bearing account and the earned interest may be spent on management fees paid in accordance Sections 2.1 and 2.2, and for projects which benefit the City which have been approved in writing by the City Manager or his designee. The use of interest funds is not required to comply with the Eligibility Requirements provided herein or ARPA regulations.*

- D. Amend Section 2.1 Compensation as provided below:

2.1 Compensation. *The Alliance shall be paid a management fee of not-to-exceed One Million Six Hundred Fifty-Five Thousand Dollars (\$1,655,000) ~~One Million Five Hundred Thousand (\$1,500,000)~~, for the operation of the City's Program as a vendor of The City of Oklahoma City. This compensation is provided for services rendered. The Alliance is not a subrecipient of the City.*

The Alliance acknowledges that the funds used to compensate it for services under this Agreement are funds from the American Rescue Plan Act. The Alliance will retain sufficient documentation of its costs to allow for any potential audit of this Agreement by the City and/or the federal government.

- E. Amend Section 2.2 Management Fee Payment as provided below:

2.2 Management Fee Payment. *The management fee shall be paid as follows:*

- *an initial payment of \$96,000 made within 14 days of full execution of this Agreement*
- *quarterly payments of \$117,000 on:*
 - March 1, 2022, June 1, 2022, September 1, 2022, and December 1, 2022*
 - March 1, 2023, June 1, 2023, September 1, 2023, and December 1, 2023*
 - March 1, 2024, June 1, 2024, September 1, 2024, and December 1, 2024*
- *quarterly payments on the following dates in the following amounts:*
 - March 1, 2025 - \$90,000*

June 1, 2025 - \$45,000
September 1, 2025 - \$10,000
December 1, 2025 - \$10,000

The total management fee paid shall not exceed \$1,655,000 ~~\$1,500,000~~.

F. Amend and replace Section 4.1, Term as provided below:

4.1 Term. This Agreement shall be retroactive to September 14, 2021 and shall terminate when all funding available under this Agreement for distribution has been spent, or on December 31, ~~2024~~2026, whichever is sooner.

G. Amend Article IV to add Section 4.15 Conflicts of Interest

4.15 Conflict of interest. The Alliance agrees that, during the Term, it will not, without the City's consent, knowingly serve any interest or do any act or thing that would, in the City's reasonable opinion, conflict with the City's interests with respect to the Program.

IN WITNESS WHEREOF, the Parties adopt and approve this Agreement.

Approved this _____ day of _____, 2024.

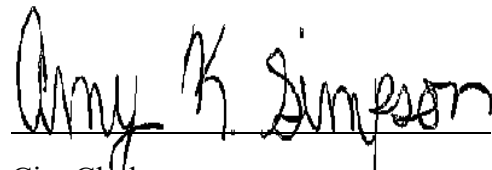
THE ALLIANCE FOR ECONOMIC
DEVELOPMENT OF OKLAOMA CITY



Kenton Tsoodle, President

APPROVED by the Council and signed by the Mayor of the City of Oklahoma City,
Oklahoma, this 4TH day of JUNE, 2024.

ATTEST:



City Clerk





Mayor

REVIEWED for form and legality.



Assistant/Deputy Municipal Counselor