

2017-2018 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Economic Development

REQUEST NO.: 76

REQUESTED BY: Alter

DATE REQUESTED: 8/9/17

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REQUEST: How much funding is included in the FY 2018 Proposed Budget for contributions to chambers of commerce, mercantile associations, and other similar entities? Please provide the amounts by entity and also include FY 2013-2017 year-to-date expenditures. Additionally, please provide the associated goals and outcomes related to this funding.

RESPONSE: The Economic Development Department (EDD) contributes \$9.2 million to chambers of commerce, mercantile associations, and other similar entities in FY 2018. Chambers of commerce received \$1,029,750 in total. Public Improvement Districts, which are self-taxing, received \$8.2 million. The amounts by entity for FY 2013-2017 obligated expenditures are in the tables below.

EDD provides funding to six active chambers. The chambers of commerce partnerships create jobs, increase the city's tax base, diversify and strengthen the local economy by developing Austin's existing businesses and by recruiting outside businesses to relocate to or expand their business in Austin. Contractions also include training, education and networking for small businesses. The annual requirements have remained flat from FY 2013-2018; one-time funding and grant funding has also been provided to chambers.

Chamber	FY 2013	FY 2014	FY 2015*	FY 2016*	FY 2017	FY 2018
IBIZ District Marketing	67,650	50,000	70,000	55,000	55,000	55,000
Local Business Conference	-	19,900	-	15,000	15,000	15,000
Austin Gay & Lesbian Chamber of Commerce	153,750	153,750	166,750	153,750	153,750	153,750
Greater Asian American Chamber of Commerce	142,500	142,500	205,500	289,320	192,500	142,500
Greater Black Chamber of Commerce	171,000	171,000	184,000	171,000	171,000	171,000
Hispanic Chamber of Commerce	212,500	212,500	225,500	212,500	212,500	212,500
Opportunity Austin/Greater Austin Chamber of Commerce	350,000	350,000	350,000	350,000	350,000	350,000
Total annual requirements:	1,097,400	1,099,650	1,201,750	1,246,570	1,149,750	1,099,750

* In FY 2015 the Minority Chambers were provided one-time \$13,000 contracts for professional outreach services for Soul-y Austin. In FY 2017, \$50,000 in one-time funding for the Quality of Life Initiative and \$146,820 for the management and , in FY 2016, \$146,820 in grant funding for consulting of the ATX+PAK Launch Entrepreneurship Grant from the Department of State was provide to the Greater Austin Asian Chamber of Commerce.

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The Economic Development Department provides funding to three public improvement districts. These Public Improvement District Funds are special revenue funds at the request of property owners within the districts, to provide services that supplement services provided by the City of Austin for district programming, quality of life improvements and planning, and marketing. On October 11, 2012, the Austin City Council reauthorized the Austin Downtown Public Improvement District for ten years.

Public Improvement Districts (PID)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018*
Downtown PID	3,271,980	3,740,551	4,136,678	5,182,888	7,647,713	7,862,657
East 6th Street PID	110,040	118,273	126,656	120,691	165,026	157,426
South Congress PID	0	0	0	191,515	103,984	183,664
Total annual requirements:	3,382,020	3,858,824	4,263,334	5,495,094	7,916,723	8,203,747

*These numbers reflect certified values published after the budget document.

EDD developed and led a City-wide pilot initiative, Soul-y Austin Business District Incubator, to stabilize commercial areas and provide resources around the creation of merchant associations. The pilot initiative is designed to promote and support businesses of all sizes and types with a flexible set of tools within the city's commercial areas and corridors. Collectively the City of Austin and self-sustaining merchants associations can work together to stabilize the area by creating vibrant commercial districts that provide jobs, access to goods and services, retention of businesses and support the Imagine Austin's goal of becoming a compact and connected community. The pilot initiative started in FY 2015 and \$362,500 in funding was added in FY 2016 to provide support to commercial areas through the formation of merchant associations. Funding for the program remains flat in the FY 2018 budget.

Merchant Association	FY 2017	FY 2018
Manor Road Merchants Association	20,000	0
Red River Merchants Association	20,000	0
South Congress	0	20,000
12th Street Merchant Associations	0	20,000
Total annual requirements:	40,000	40,000