

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, February 15, 2007

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Economic Growth & Redevelopment Services RECOMMENDATION FOR COUNCIL ACTION

ITEM No 2

Subject Authorize execution of a 12-month Economic Development Agreement with ATI-WIRELESS, a division of the Austin Technology Incubator, a project of the University of Texas, Austin, TX, in an amount not to exceed \$200,000, to provide strategic business consulting services to Austin high technology startups to foster economic development and job creation

Amount and Source of Funding Funding is available in the Fiscal Year 2006-2007 Operating Budget of the Financial Services Office

Fiscal Note There is no unanticipated fiscal impact. A fiscal note is not required.

Additional Backup Material

(click to open)

No Attachments Available

For More Information Sue Edwards, 974-7820, Jim Butler, 974-6318

Prior Council Action City Council approved the first City of Austin funding for ATI in 1988. Since 1995, ATI has received a total of \$185,000 in funding from the City.

In 1988, the City of Austin funded the Austin Technology Incubator (ATI) for the first time in the amount of \$50,000. Since 1995, ATI has received a total of \$185,000 in funding from the City.

Since the initial funding in 1988, ATI has incubated at least 150 companies that have created over 3,000 direct and over 7,000 indirect jobs. Those companies have produced an estimated \$2.6 million in tax revenue to the City of Austin.

The City will provide \$200,000 during FY07 to assist ATI in providing strategic business consulting services to high technology startup companies that specialize in the wireless industry. These services include, but are not limited to, market strategy, market validation, product strategy, fundraising, customer acquisition, and hiring of key management and development of appropriate means to showcase the startups at conferences and other events of importance to the wireless industry.

ATI also intends to develop a marketing and education campaign to highlight Austin as a center of entrepreneurial activity and promote local companies in the wireless industry. This campaign will include networking and educational events in Austin and the showcasing of ATI's capabilities at major wireless conferences and trade shows.