

AGENDA



Thursday, November 6, 2008

**Economic Growth & Redevelopment Services
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 16

Subject: Authorize execution of a 12-month Economic Development Agreement with ATI-BIOSCIENCE, a division of the Austin Technology Incubator, a project of the University of Texas-Austin, in an amount not to exceed \$125,000, 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 amount of \$125,000 in the Fiscal Year 2008-2009 Operating Budget of the Economic Growth and Redevelopment Services Office.

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

For More Information: Rodney Gonzales, Acting Director, EGRSO / 974-2313; Brian Hamilton, Economic Development Manager, EGRSO / 974-6381

Prior Council Action: City Council first approved the City of Austin funding for ATI in 1988. Since 1995, ATI has received a total of \$710,000 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.

Under the recommended agreement, the City will provide \$125,000 during FY09 to assist ATI in providing strategic business consulting services to high technology startup companies that specialize in the bioscience industry. These services include, but are not limited to, market strategy, market validation, product strategy, fundraising, customer acquisition, 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 will develop a marketing and education campaign to highlight Austin as a center of entrepreneurial activity and promote local companies in the bioscience industry. This campaign will include networking and educational events in Austin and the showcasing of ATI's capabilities at major bioscience conferences and trade shows.

ATI-Bioscience reporting requirements to the City of Austin include the following:

- Each quarter ATI Bioscience will deliver a report to the City of Austin that highlights the progress made by ATI Bioscience in achieving each of the objectives set forth in this scope of work document. This report is to be distributed to City Council each quarter.
- Report is due to the City of Austin within 60 days of end of reporting quarter.
- An annual report, which may contain the final quarterly report, is due on or before sixty (60) days following the end of the final quarter of this contract (September 30, 2009).

- In conjunction with this annual report, ATI-Bioscience shall make a summary presentation in person to the City Council. ATI will make this presentation prior to the adoption of the 2009–2010 budget.