

AGENDA



Thursday, September 24, 2009

**Economic Growth & Redevelopment Services
RECOMMENDATION FOR COUNCIL ACTION****Item No. 31**

Subject: Authorize the negotiation and execution of a 12-month Interlocal Agreement with the University of Texas at Austin through its Austin Technology Incubator-Bioscience program in an amount not to exceed \$125,000, with two 12-month renewal options in an amount not to exceed \$125,000 per renewal option, for a total contract amount not to exceed \$375,000 for business consulting services to Austin high technology startups.

Amount and Source of Funding: Funding in the amount of \$125,000 in the Fiscal Year 2009-2010 Operating Budget of the Economic Growth and Redevelopment Service Office. Funding for the extension options is contingent upon available funding in future budgets.

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

For More Information: Rodney Gonzales, Acting Director, EGRSO /974-2313

Prior Council Action: City Council first approved City of Austin funding for ATI in 1988.

Since its inception in 1989, the Austin Technology Incubator (ATI) at The University of Texas at Austin has worked with over 200 early-stage technology companies, helping them to raise nearly \$750 million in capital and create thousands of jobs. Under the current contracts, ATI has worked with more than 50 companies, helping them raise almost \$40 million in investor capital and create more than 250 direct and indirect jobs, generating more than \$55 million in economic impact to the Austin area.

In FY10, ATI will provide strategic business consulting services to high technology startup companies. These services include, but are not limited to, market strategy, market validation, product strategy, fundraising support, customer acquisition, hiring of key management and development of appropriate means to showcase the startups at conferences and other events.

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's reporting requirements to the City of Austin include the following:

- Each quarter, ATI will deliver a report to the City of Austin that highlights the progress made by the Bioscience program in achieving each of the objectives set forth in the contract's scope of work document. This report is to be provided to City Council each quarter.
- In conjunction with this annual report, ATI makes a summary presentation to the City Council.