

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	7471	Agenda Number	136.
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Meeting Date:	6/23/2011	Department:	Economic Growth and Redevelopment
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Subject

Conduct a public hearing and consider an ordinance creating an economic development program for and authorizing the negotiation and execution of an economic development agreement with Advisory Board Company.

Amount and Source of Funding

Fiscal Note

There is no unanticipated financial impact.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Johns, Director, EGRSO / 974-7802; Deborah Thomas, Attorney, Legal / 974-2172
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The Economic Growth and Redevelopment Services Office recommends approval of the proposed ordinance, which authorizes negotiation and execution of an economic development agreement with Advisory Board Company. Under the proposal, Advisory Board Company will expand its business unit within Austin's Desired Development Zone, make \$8.1 million in leasehold improvements, and create at least 239 jobs. The agreement provides that the City and an independent third-party will verify each year that Advisory Board Company has performed according to the terms of the agreement. The City will provide annual economic development grants based on the number of new jobs created. The total estimated amount of annual economic development grants to be provided to Advisory Board Company during the 10-year period of the agreement is not to exceed \$372,590.

The project received the necessary score to be eligible for an economic development grant. Using the WebLOCI fiscal impact software, the net benefits the City of Austin would receive from the project over a 10-year period is \$1.4 million. The net benefits amount is calculated after the total estimated not-to-exceed economic development grant of \$372,590 is factored.