

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	17473	Agenda Number	11.
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Meeting Date:	8/23/2012	Department:	Economic Growth and Redevelopment
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## Subject

Authorize award and execution of a 12-month professional services contract with ATI-BIOSCIENCE, a division of the Austin Technology Incubator, a project of the University of Texas-Austin, to provide strategic business consulting services to Austin high technology startups to foster economic development and job creation in an amount not to exceed \$118,750, with four additional twelve-month extension options for a total contract amount not to exceed \$593,750.

## Amount and Source of Funding

Funding in the amount of \$118,750 is included in the proposed Fiscal Year 2012-2013 Operating Budget of the Economic Growth and Redevelopment Services 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.

Purchasing Language:	
Prior Council Action:	City Council first approved the City of Austin funding for ATI in 1988. Since 1995, ATI has received a total of \$1,300,000 in funding from the City.
For More Information:	Kevin Johns, Director, EGRSO / 974-7802; Brian Gildea, Economic Development Manager, EGRSO / 974-6381
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

## Additional Backup Information

Since the initial funding in 1988, ATI has worked with over 200 companies, helping them raise over \$1 billion and create thousands of jobs and millions of dollars in taxes. It is estimated that the activities of ATI member companies contribute \$20-30 million of economic impact to the Austin region per year. In the last four years, ATI has incubated over 70 companies, helping them raise over \$150 million in investment capital, with \$300 million in company exit value. Hundreds of direct and indirect jobs have been created by ATI member companies during the last four years.

Under the recommended agreement, the City will provide \$118,750 during FY13 to assist ATI in providing strategic business consulting services to high technology startup companies that specialize in the bioscience industry. This contract may be extended on an annual basis for up to four (4) additional one-year terms. 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 bioscience 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, 2013).
- 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 2013–2014 Budget.