



**Professional Services Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 2
AGENDA DATE: Thu 02/02/2006
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SUBJECT: Authorize execution of a 12-month 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 \$50,000, to provide strategic business consulting services to Austin high technology startups to foster economic development and job creation.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2005-2006 Approved Operating Budget of the Financial Services Office.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Economic Growth and **DIRECTOR'S**
DEPARTMENT: Redevelopment Services **AUTHORIZATION:** Sue Edwards

FOR MORE INFORMATION CONTACT: Sue Edwards, Director/974-7820; Jim Butler, Creative Industries Development Manager/974-6318

PRIOR COUNCIL ACTION: In 1988, the City Council approved the first City of Austin funding for ATI. Since 1995, ATI has received a total of \$135,000 in funding from the City.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

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 \$135,000 in funding from the City.

Since the initial funding in 1988, ATI has incubated 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 \$50,000 in funding during FY06 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, fund raising, 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, the showcasing of ATI Wireless companies at WCIT 2006 and other events, marketing collateral, a new website, and test-bed systems.