

## FY 2023-2024 BUDGET QUESTION

### *Response to Request for Information*

---

DEPARTMENT(S): Economic Development Department

CBQ NO.: 061

REQUESTED BY: Kelly

DATE REQUESTED: 07/18/2023

DATE POSTED: 08/06/2023

REQUEST: What initiatives are in place to promote small business development and entrepreneurship?

---

#### RESPONSE:

Economic Development Department's **Small Business Division (SBD)** provides business training, one-on-one business coaching, educational events, and funding opportunities to empower Austin's entrepreneurs and small businesses including traditional for-profit, creative, and non-profit businesses.

**Classes:** SBD offers 15 different low-cost business foundation classes to instruct both aspiring and established entrepreneurs on a variety of business topics including writing a business plan, marketing essentials, human resources basics, and business financials.

**Coaching:** Small Business coaches help business owners plan specific actions towards establishing a new small business enterprise or to strengthen a business that has a solid foundation but may need assistance with an area of improvement.

SBD coaches develop and deliver industry specific training including a 6-week Artist Career Training program designed to strengthen established creative businesses, The Business Resiliency Program is a 12-week training program designed to support small business owners that were operating successfully prior to the pandemic in Austin's highly impacted industries.

**Events:** SBD hosts annual events including National Small Business Week (aligned with federal calendar) and Austin Business Women's Luncheon offering various small business speakers, networking, classes, and forums designed to bring a diversity of thought and solutions to the prevailing challenges facing Austin's small business community.

**Funding:** SBD's HUD Section 108 lending program rounds out a continuum of small business services to provide a funding option to promote the growth and expansion of local Austin small businesses. Loans include flexible terms and below market rates for business owners that commit to providing job opportunities to Austin's low-to-moderate income community.

**Music & Entertainment Division (MED):** MED delivers programs and services to innovate and grow Austin's commercial and nonprofit music and entertainment industries, including its small businesses and entrepreneurs:

**Live Music Fund Event Program:** Offers \$5,000 and \$10,000 grants for local professional musicians, bands, and independent promoters to produce and publicize awarded projects. Grant funds may be used to cover expenses for music events, studio and video production, staffing

and professional services, merchandise distribution, music broadcasting, and more. Awardees are provided industry standard templates for monitoring budgets, as well as technical assistance, tourism marketing training, and mentorship opportunities to realize their projects.

**Creative Space Assistance Program:** Offers grants between \$5,000 and \$50,000 to creative organizations and independent artists facing displacement or new commercial leases at higher and unaffordable rates. Grant funds may be used for revenue-generating space improvements, lease payments, and gap financing for creative space purchases. As part of their grant agreements, Awardees must commit to participating in or hosting in technical assistance programs or other capacity building support (business development workshops, financial planning, etc.).

**City of Austin Performance Opportunities:** From cultural events to City Council meetings and outdoor concerts, the City of Austin provides Austin area professional musicians and bands, dancers, and artists paid opportunities to perform in live and virtual City sponsored events. City sponsored events highlight Austin's diverse talent and genres that equitably represent the city's unique cultures, heritage, and people.

**Business Services & Assistance:** Through one-on-one meetings and regular public convenings, MED provides music, film, and arts based small businesses and entrepreneurs with direct assistance on City operating, permitting, and code requirements.

The **Cultural Arts Division (CAD)** manages the City's cultural arts programs and provides leadership for the economic development of Austin's creative economy. CAD oversees the Cultural Arts Funding Program, Art in Public Places Program (AIPP), and other programs to assist the development of creative industries in Austin, and initiatives designed to support the community's unique cultural identity and vitality. Thrive, Elevate, and Nexus cultural funding programs were developed in consultation with Austin's creative community over the past 3 years. Funding will prioritize equity through a combination of seed funding, broad sector support, and targeted investment.

The **Nexus Grant** offers \$5,000 grants for new and emerging local small organizations, individual artists, and small arts businesses to produce creative public projects. Grant funds may cover administrative costs, equipment and space rentals, marketing, and other eligible expenditures.

The **Elevate Grant** offers \$10,000 to \$75,000 grants for arts organizations, individual artists, and creative businesses that produce culturally vibrant and diverse artistic content. Grant funds may be used for creative, administrative, and operational expenses incurred in producing creative activities and events for the people of Austin and its tourists.

The **Thrive Grant** offers \$85,000 to \$150,000 focused investment to sustain and grow arts organizations that are deeply rooted in and reflective of Austin's diverse cultures. This program seeks to directly correct the historical under-funding, displacement, and cultural erasure of communities within Austin by offering substantial funding for these organizations to self-determine and invest in their own sustainability and growth.

The **Heritage Tourism Division** manages heritage tourism programs that derive community and economic benefits while honoring and preserving Austin as a place of personal heritage.

The **Heritage Preservation Grant** offers \$30,000 to \$250,000 grants for non-profit and for-profit entities to preserve and market projects that tell inclusive stories rooted in Austin's history and heritage. The program encourages partnership from historically underfunded organizations, heritage groups and disinvested communities, especially those from under-interpreted heritage sites and histories, including legacy businesses, whose work preserves historic and culturally significant sites and historic districts. All sites must be historically designated. All awardees will

have access to tourism marketing training and technical project guidance to support their projects.

All recipients of HOT-funded grants through the Economic Development Department (CAD, MED, HTD) will have access to six Tourism & Marketing classes through a contract with Miles Partnership. This will serve up to 750 unique individuals. Additionally, all 36 Thrive organizations will have direct support through a variety of targeted business development trainings, based on goals set by the cohort.