

Firm-Based Incentive Matrix

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Company Name: AthenaHealth, Inc.

SECTION 1. MINIMUM PROJECT REQUIREMENTS

The Firm is located in the Desired Development Zone.

The Firm conducts its business in compliance with environmental regulations.

SECTION 2. EVALUATION CRITERIA

Overall Economic and Fiscal Impact

AVAILABLE POINTS

TOTAL

Small

Medium

Large

10

20

30

20

Relative to its industry, what is the absolute size of the net benefit as measured by: jobs and income, level of desirable public benefits, and net fiscal impact to the City?

The net benefit based on the WebLOCI analysis, not including any incentive, is \$2.35 million over a ten year period.

Linkages to the Local Economy

Poor

Acceptable

Excellent

0

15

25

25

Is the firm a recognized targeted industry identified by City of Austin?

Yes, the firm is a health information IT services company; both health care/life sciences and software/IT are targeted industries for the City of Austin.

Is the firm a headquarters operation? Does it represent the "headquarters" of a new product line or service for the firm?

No, the expansion will not be a headquarters operation. The office will focus primarily on R&D for the firm's cloud-based IT services platform.

Is the firm growing? Is the firm in a growing industry? How stable is the firm?

Yes, the company is a publicly-traded company that has been in operation for 16 years. The company has had annual revenue growth of more than 30% since its founding.

Does the project make use of an especially underutilized asset such as certain segments of the labor force or current office space?

Yes, the project will be located Downtown at Seaholm Power Plant. The central location will enable employees to utilize existing transit infrastructure, such as MetroRail, which is concentrated in the Downtown area. Seaholm is a former power plant that is being redeveloped by the City of Austin and that is in need of an anchor tenant for its office space.

Will the project create significant contracting opportunities for local firms including small and disadvantaged businesses?

The firm is proposing to invest \$5.25 million in leasehold improvements which will provide contracting opportunities for local firms including small and disadvantaged businesses.

Does the project fill a hole in the Austin economic base?

The firm's expansion will strengthen the local software and IT sectors.

Does the project have the potential to either seed a new cluster or bring additional firms to Austin?

Yes, the firm has the potential to bridge the existing health care and software/IT clusters and carve out a niche for Austin within the software industry for cloud-based health information services. The firm's location at the Seaholm Power Plant will also catalyze that redevelopment project and provide an anchor for the project's retail and residential components. In addition, location in Downtown Austin will help spur residential development in Downtown Austin and contribute to the City's goal of supporting a vibrant daytime and nighttime environment downtown.

Will the firm directly compete for resources with existing firms?

The firm will be hiring employees for software development, and there is a talent shortage both locally and globally of software developers. The firm plans to work with local higher education institutions to hire the software development talent needed for this project by visiting campuses for job fairs, hosting informational meetings, and to conduct interviews.

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