



2014 Local Business Conference

Austin Independent Business Alliance

Presentation of Goals and Proposals

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and the

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Local Business Conference History	Page 2
Introduction to 2014 Goals	Page 3
2014 Goals and Proposals	Pages 4-5
Appendix A— Participating Organizations	Page 6
Appendix B— Leadership Circle Members	Page 7

2014 Local Business Conference

Austin Independent Business Alliance

History

In 2010, Mayor Lee Leffingwell engaged the Austin Independent Business Alliance (AIBA) to bring 40 local business owners to an evening meeting to discuss what wasn't working for them at the city. This was called the Small Business Summit. Business owners spoke freely and outlined more than 200 issues and ideas.

From this, the City of Austin's Small Business Program (SBP) edited and categorized by city department the material gleaned from the summit. This was presented to nine different city departments that were asked to select two initiatives each to complete in 18 months. Very little was accomplished from this.

In December 2012, the City Council passed Resolution 20121213-064 with a directive to hold the summit annually. The second Small Business Summit was held in March 2013. The 2013 summit expanded its reach to include most of the Chambers of Commerce in Austin as well as several community lenders. Each entity was asked to invite four local business owners. However the conversation was much the same as the 2010 summit because the issues and problems still existed. AIBA participated in both summits.

In October 2013, AIBA launched the Local Business Conference. This was initiated out of frustration from the lack of real progress from the summits. With 35 business owners in attendance we asked one question: What can the City of Austin do to make Austin a more thriving community for local business?

At the conference we also asked the business owners to prioritize the ideas to set 4 to 6 specific goals. We then asked for 15 volunteers to serve on a Leadership Circle for one year, meet monthly to review the goals set at the conference, and create programs and policies to achieve the goals.

In October 2014, The Small Business Summit merged with the Local Business Conference. Working with SBP and 10 other business organizations including the Chambers of Commerce and four community lenders(see Appendix A for participating organizations), we held the second Local Business Conference with more than 70 local business owners from 11 business organizations. The process of identifying issues, ideas and opportunities; prioritizing these into goals; and convening a new Leadership Circle was repeated.

At each of these conferences we presented a report card on our progress on the goals from the current year and any goals not yet achieved from past years.

We are now formally presenting the policies, programs and solutions from the current Leadership Circle (see Appendix B for the Leadership Circle members).

2014 Local Business Conference

Austin Independent Business Alliance

Introduction

The October 2014 Second Annual Local Business Conference was the first conference held in partnership with the City of Austin Economic Development Department's Small Business Program. Together we enlisted the participation of 10 other business organizations (see Appendix A). The participating organizations invited four of their members or clients who are local business owners to participate for a total of 70 business owners.

We gathered to identify and prioritize issues and opportunities resulting in 4 to 6 prioritized goals. With identifying problems, we bring solutions. But this isn't just about what isn't working. The Local Business Conference annual process includes identifying opportunities, bringing new ideas and crafting programs and policies to achieve the goals.

The Local Business Conference is the only place where we gather as a community to set goals and priorities to make the environment for local business better. There is no other forum for this. Nowhere else do we gather the wisdom of local business owners to prioritize the most important issues. Through open discussion and collaboration, we come together as a community and reach consensus on the goals to be worked on and achieved in the coming year. The Local Business Conference is the only business collective that both highlights problems and brings solutions from the business owners to the table.

In partnership with the Small Business Program and in collaboration with business owners and participating business organizations, we now present proposals to achieve the greater goal of making Austin a more thriving community for local business.

We respectfully ask that the Economic Opportunity Council Committee accept these proposals and move them forward to the next step for City Council action.

2014 Local Business Conference

Austin Independent Business Alliance

Goal 1

Affordable Property Ownership for Local Businesses

Local and small business will not fully attain sustainability without owning the space they occupy. We must create new options for affordable ownership of space for local and small business that reflects local character.

The Leadership Circle is recommending that the City Council consider a proposal to add small retail condos as an option to mixed-use buildings with the condition that they must be sold to locally-owned businesses. There are many existing examples of policy implementation through density and height bonus programs where local business could be included as a community asset. These include policies currently in use for development for Riverside, West Campus, Sattillo Plaza and others.

To assist with affordability of small spaces by small, locally-owned businesses, we propose that the City of Austin facilitate a lease-to-own option and that the city explore and secure federal grants to make this program possible. We also recommend reviewing a land trust option such as is currently in place for residential use at Mueller.

Goal 2

Job Creation and Employees

Local and small businesses are collectively a powerhouse of job growth. Help us to realize this potential by supporting job growth programs for local and small businesses including a citywide minimum wage increase.

1. The Leadership Circle proposes that the City of Austin start an online Local Employment Pool and Local Job Board. Initially this pool would be for employees in the restaurant and child care industries but would expand to include all industries.

The employment pool would register employees and ensure that they receive training and basic certification in their elected field. An employer would be confident that new employees have been trained and certified when hired from the pool. Potential partners on this are the Small Business Program, Austin Community College, Texas Restaurant Association and Workforce Solutions.

The Local Job Board would allow locally-owned employers to post available jobs.

2. We also propose a youth job program to provide local business with low to no-cost job growth while making Austin's youth more employable.

This program would include several segments covering an introduction to what's expected in the workplace, any necessary industry certifications (such as food handlers certificates) and a next step for continuing education. There are similar programs in place for specific segments of the community such as the chronically unemployed, underemployed and at-risk youth. This program could build on existing programs through YouthWorks, Texas Workforce Commission and others but specifically focused on the local business community.

2014 Local Business Conference

Austin Independent Business Alliance

Goal 3

Communication of City Resources

The City of Austin interacts with local businesses in many ways. Programs, policies and announcements from multiple departments such as Permitting, Code, Transportation, Health, Parks, Economic Development and more affect local business but it's difficult for businesses to find this information. We need to increase communication to local and small businesses and find ways to reach out and expand programs where needed.

The Leadership Circle recommends that the City of Austin create a central source for information for local business. This would be based online and include any notice, program or information pertinent to locally-owned businesses from the City of Austin and would include all departments. It would also include links to information from County, State and Federal websites that apply to small business.

The challenge is to code or filter general content for items specific to local business. This would need to be done by a key data manager who filtered for local business and not at the entry point of information by each department.

Goal 4

Sustainability Programs

Austin's local and small business community is healthy but how do we keep it thriving amid an influx of chain stores and big boxes?

1. The Leadership Circle recommends that the City Council consider a proposal to mandate a minimum percentage of all new construction and redevelopment projects be committed to locally owned businesses given their substantial impact on the local economy. To assist preservation of our local business community, we recommend a 5% cap every 5 years on rent increases for leases to local businesses. The landowners could be compensated through tax and other incentives.

The Leadership Circle recommends that City Council consider a proposal to mandate that lease terms for local businesses clearly identify tenant renewal rights including, at minimum, one option for extension in accordance with the previously defined percentage rate increase cap.

These policies can be implemented through two methods. First as a condition of development and second as a feature in developing Activity Corridors and Neighborhood Centers as defined in the Imagine Austin Plan.

2. Local businesses are looking for a balance to the incentives given to big business. It is a challenge to create a program that could benefit most or all local businesses and not just a select few. We propose a Local Business Sign Incentive that provides a stipend for signage for new or remodeled local business of \$500 to \$1,000 if the business completes certain educational courses such as Biz-Open. In addition, we can promote local artists through Cultural Arts grants for creating and producing the sign. With a Cultural Arts grant of \$1,500 to \$2,000 per sign, we could employ local artists, have a more creative array of signs for our community and have an incentive for local business that is broad based.

2014 Local Business Conference

Austin Independent Business Alliance

Appendix A—Participating Organizations

Austin Independent Business Alliance—Organizer

City of Austin, Economic Development Department, Small Business Program—Partner

Austin Energy—Sponsor

Lift Fund, formerly known as Accion Texas

Greater Austin Asian Chamber of Commerce

Greater Austin Black Chamber of Commerce

Austin Young Chamber of Commerce

BCL of Texas

BiG Austin

Greater Austin Chamber of Commerce

Greater Austin Hispanic Chamber of Commerce

PeopleFund

Note: The Austin Gay and Lesbian Chamber of Commerce was invited but had a conflicting event.

2014 Local Business Conference

Austin Independent Business Alliance

Appendix B—Leadership Circle Members

The following business owners comprise our current Leadership Circle. Their names are followed by the City Council District in which they reside. Their business name is followed by the City Council District in which their business is located. Following the business name is the organization that invited them to the conference.

Hoover Alexander (District 1)
Hoover's Cooking (District 9)
AIBA

Steve Bercu (District 10)
BookPeople (District 9)
AIBA

Jeremy Barndt
SBP Business Coach
SBP

Linda Burton*
Sendero Health Plans (District 3)
AIBA

Roger Chan (District 10)
Evergreen Global Group (District 10)
GAACC

Alesha Fitzsimons (District 1)
Dirty Dog (Districts 5, 9 & 10)
SBP

Caitlin Haney (District 3)
The Haney Law Firm (District 9)
AYC

Ashley Hunter (District 10)
HM Risk Group (District 9)
ABCC

Natalie McKee (District 5)
Jump! Gymnastics (Districts 3, 5 & 7)
PeopleFund

Rebecca Melançon (District 9)
AIBA Executive Director
AIBA

Trish Preston (District 7)
Barter Trade Business (District 7)
AIBA

Denise Reid*
Mercury Permits (District 9)
AIBA

Jody Reyes (District 9)
Whichcraft Beer Store (District 5)
AIBA

Blair Smith (District 1)
Dirty Dog (Districts 5, 9 & 10)
SBP

* Does not live within the City of Austin but owns a business in Austin