

24 **WHEREAS**, on August 22, 2022, Council increased the City’s living wage
25 from \$15 to \$20 an hour, effective October 1, 2022; and

26 **WHEREAS**, that change gave the participant in the Chapter 380 Business
27 Expansion Incentive Program only weeks to absorb the cost of increasing all
28 employee wages to \$20 an hour; and

29 **WHEREAS**, the participant did not have the resources to adjust to the wage
30 increase in such a short timeframe and thus cannot comply with all of the program
31 requirements; and

32 **WHEREAS**, previously, the participant had been meeting program
33 requirements to the best of their ability and is an industry leader in adhering to high
34 standards for wages and conditions for employees; and

35 **WHEREAS**, the Chapter 380 Business Expansion Incentive Program only
36 awards incentive payments to participants that demonstrate compliance throughout
37 each year of participation in the program, with no incentive payments pro-rated for
38 months of compliance; and

39 **WHEREAS**, it could encourage small businesses to participate in the future
40 if at least one business could complete the program successfully before this
41 iteration of the program ends in August of 2023; and

42 **WHEREAS**, City staff has the expertise to devise a stair-step, phased model
43 of wage increases that could enable this participant to move into compliance
44 without compromising the intent of the City’s program or the guardrails built into
45 the program guidelines; **NOW, THEREFORE**,
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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is authorized to devise strategies which would enable small business participants in the current iteration of the Business Expansion Incentive Program to remain within the Business Expansion Incentive Program and to report back to Council via memorandum by January 15, 2023.

ADOPTED: _____, 2022

ATTEST: _____

Myrna Rios
City Clerk