



MEMORANDUM

TO: Mayor and City Council

FROM: Sylnovia Holt-Rabb, Director, Economic Development Department

DATE: October 9, 2023

SUBJECT: Chapter 380 Program Modifications Request for extension until May 30, 2024

This memo requests an extension to develop modifications to the City's Chapter 380 program relating to economic development agreements with small businesses, as directed through CIUR 2619.

The Economic Development Department (EDD) is preparing the five-year revision of the City's Chapter 380 incentive program. The program assists large, medium and small businesses with tax rebates in return for job creation and capital investment in Austin. In addition, the program promotes commitments to important community benefits, with attention to workforce training; living wages; employee benefit packages; environmental stewardship; and diversity, equity and inclusion.

A Request For Purchase (RFP) for an outside consultant to review the City's Chapter 380 program was released in April 2023 and subsequently in June of 2023, an award was made to Economic & Planning Systems, Inc. The consultant has provided a draft program assessment and is now preparing to engage focus groups to further assess community needs and input.

Review of the City's Chapter 380 program is being undertaken in parallel with a targeted industry study and an assessment of EDD's departmental structure and processes. EDD anticipates updates to the chapter 380 program and proposed departmental review to be completed by Spring 2024.

For additional information, please feel free to contact me at (512) 974-3131 or Van Jobe, Interim Deputy Director, at (512) 974-8051.

xc: Jesus Garza, Interim Austin City Manager
Veronica Briseño, Assistant City Manager