



CONSTRUCTION ADVISORY COMMITTEE RECOMMENDATION 20240813-04

Date: August 13, 2024

Subject: Updates to the Business Expansion Plan (BEP) by the Economic Development Department

Motioned By: Lyn Nance-Hendricks

Seconded By: Riley Drake

Recommendation

Recommending City Council adopt updates to the Business Expansion Program and also adopt a new Place-Based Enhancement Program.

Description of Recommendation to Council

The City of Austin's Construction Advisory Committee (CAC) is pleased to support the recommended updates to the Business Expansion Program (BEP) and for adoption of the Place-Based Enhancement Program (PBEP). After thorough staff presentation of the process and recommendations for BEP improvements, CAC members believe these recommendations will enhance this Program's effectiveness and alignment with the community's economic development goals. The PBEP will complement this program by providing opportunities for affordable small business and creative space in new construction while retaining high community benefit standards, as well as support for existing music venues, creative spaces, and legacy businesses.

The proposed recommendations for BEP will:

- Increase small businesses' ability to utilize the Program, thereby enhancing opportunities for growth of a vibrant small business community
- Encourage businesses to provide employment opportunities for residents with barriers to employment
- Strengthen Austin's competitiveness in securing high impact economic growth opportunities
- Provide structure and transparency for companies interested in utilizing the Program to leverage growth

The proposed recommendations for PBEP will:

- Provide incentives for new commercial and mixed-use construction to offer affordable, long-term leases to creative spaces, music venues, and small businesses
- Support the development of new creative spaces and high-impact community anchors, including grocery stores in food deserts, childcare centers, and food hubs
- Assist existing venues, creative spaces, and legacy businesses facing displacement
- Facilitate the delivery of major city-led and directed projects with advanced infrastructure elements

Rationale:

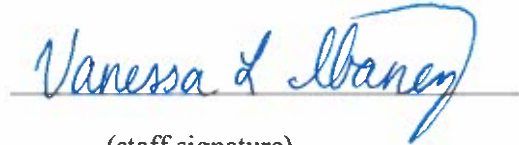
The proposed revisions and new program recommendations represent a comprehensive approach to enhancing Chapter 380 programs, ensuring they better serve our community by fostering economic growth, supporting small local businesses, attracting large business expansions, and promoting equitable and diverse hiring practices. The CAC strongly urges the City Council to approve these updates and new program recommendations and continue to monitor these

programs' impacts to ensure their ongoing success and alignment with the City's economic development objectives.

Date of Approval: August 13, 2024

Record of the vote: Approved by the Construction Advisory Committee on an 8-0 vote with Commissioner Marchiony absent.

Attest:



(staff signature)