

RESOLUTION NO.

WHEREAS, locally owned businesses are the backbone of our local economy and the foundation of Austin's unique culture;

WHEREAS, according to the Census bureau, Austin small businesses with fewer than 20 employees account for 81% of total growth in all businesses;

WHEREAS, a landmark study by Civic Economics (a locally-owned business) found more than three times the dollars stay in our community from money spent at a locally-owned business rather than a chain store;

WHEREAS, the Austin Independent Business Alliance, which is celebrating its tenth anniversary this year, recently released a manifesto outlining specific ways to help small local businesses navigate governmental regulations in a smooth and effective manner resulting in successful businesses that ultimately support the local economy;

WHEREAS, the City of Austin gets a lot of media attention for our economic incentives for bigger businesses, but less for the work the City currently does in small business development, though City small business staff does a tremendous job helping our local businesses; and,

WHEREAS, the Council would like to realign the priorities of the economic development program to focus more on small local businesses,

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN,

That the City Manager is directed to investigate ways to enhance the City's Small Business Development Program, including the following.

Create and fill the position of Local Business Ombudsman, with authority to work collaboratively with other city departments to assist local businesses in working through bottlenecks in city licensing, permitting, and inspection processes, to identify and resolve recurring bottlenecks that affect multiple businesses, and to be an advocate within the City for small business concerns. Partner with organizations like TexHealth to assist employees and owners of small local businesses to access health care.

Create an incentive program for small, local businesses, to be focused on new and emerging businesses that provide goods and services to statewide, national, and international markets, or that contribute substantially to Austin's unique local culture. The incentives may be in the form of tax

credits, fee waivers, free or reduced-price business skill development and job training, or capital infrastructure, but should be justifiable on the basis of net revenues to the City and economic benefits to City residents.

Increase the visibility of the City's Small Business Development Program and partner with business groups such as the Austin Independent Business Alliance to promote a Shop Local campaign.

Convene an annual local business conference to address ongoing issues and to continue the work begun at the small local business summit held on 23 March 2010.

Explore grant opportunities similar to the Discounted Youth Opportunity Tax Credit (DYOTC) to provide incentives and subsidies for small local businesses to integrate at-risk youth into the workplace.

BE IT FURTHER RESOLVED,

That the City Manager is directed to work with the Austin Independent Business Alliance and other small business groups and other stakeholders as needed to identify and recommend appropriate adjustments to city codes, ordinances, and processes that put an undue burden on small business operation and expansion. This work should include, but by no means be limited to, the following.

City regulations that discourage landlords from making small spaces available for lease by small local businesses;

City regulations that limit the capacity of clusters of small businesses to participate in parking districts and other mechanisms that would allow them to provide adequate parking for their customers at a reasonable price;

City regulations that limit the reach of the small business certification program and the small business construction program.

BE IT FURTHER RESOLVED,

That the City Manager is directed to work with small business groups and other stakeholders as needed to develop a pilot program for developing alternative compliance plans for small, local businesses. These plans should accomplish the same objectives as current regulations, but at lower cost in money or time to the businesses that participate. Alternative compliance plans should not compromise public health and safety; any adjustment in regulations should not materially affect the quality of life in adjacent neighborhoods and should only be made after consultation with the neighborhoods affected, and provide an appeals process.

BE IT FURTHER RESOLVED,

That the City Manager is directed to report to the Council on or before 14 June 2012 with a plan for implementation of these directives, including estimated budget adjustments and an implementation schedule.

ADOPTED: _____, 2012 **ATTEST:** _____
Shirley A. Gentry City Clerk