



MEMORANDUM

TO: Economic Opportunity Committee

THROUGH: Dr. Eric Johnson, Assistant City Manager, City Manager's Office

FROM: Anthony Segura, Interim Director, Economic Development Department

DATE: July 3, 2025

SUBJECT: **Update on Chapter 380 Business Expansion Program**

The purpose of this memorandum is to provide an update on the Business Expansion Program (BEP), part of the City's Chapter 380 Program. This program provides incentives to support workforce growth and business expansion in Austin from local, domestic, and international companies.

Background

On September 26, 2024, City Council approved updates to the Business Expansion Program through [Ordinance No. 20240926-013](#). Originally established by [Ordinance No. 20180830-057](#), the revised BEP now includes:

- A new category supporting small, local businesses
- An updated living wage definition to include tips, shift differential, bonuses, etc.
- Increased award amounts to reflect inflation
- Bonus application points for businesses locating in Transit-Oriented Developments

Implementation

Following Council's approval, staff finalized the revised application and scoring process between October and February. A soft launch of the application occurred in March 2025, followed by five community workshops in April 2025 (i.e., Austin City Hall, Economic Development Department Offices, Permit Development Center, Carver Library, and Virtual). These events generated over 100 requests for information.

Additionally, staff supported outreach during Small Business Division office hours at the Economic Development Offices, Southwest Library, and African American Cultural and Heritage Facility.

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Since the update, staff have fielded more than 25 direct inquiries, resulting in five formal application distributions.

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Next Steps

The Economic Development Department will continue outreach through bi-monthly Small Business Division office hours and via Opportunity Austin. In parallel, staff are evaluating the City's broader Chapter 380 policy framework. Currently, three incentive programs fall under this umbrella:

- Business Expansion Program
- Place-Based Enhancement Program
- Creative Content Incentive Program

Staff are preparing recommended updates to the Creative Content Incentive Program for Council consideration in Fall 2025.

Should you have any questions or concerns, please contact Haileigh Meyers, Program Manager II in the Global Business and Expansion Division of the Economic Development Department, by e-mail haileigh.meyers@austintexas.gov or by phone (512) 974-2254.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Corrie Stokes, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors