City of Austin
COVID-19 Response
and Business
Resources

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ATI Virtual Luncheon

April 21, 2020
Agenda

• COVID-19 Impacts on Austin's Economy

• Austin's Economic Recovery Framework

• Economic Development Department's Response to COVID-19

• Local Resources for Start-Ups and Small Businesses
COVID-19 Impacts on Austin’s Economy

• **Significant increase in unemployment claims**, with forecasted national and local unemployment rates exceeding 30%.

• **Significant job loss in multiple business sectors**, including food preparation and serving, building and grounds cleaning, arts and music, maintenance operations, personal care, service, and sales.

• **Start-ups and small businesses at-risk of closing permanently**, with many business owners and entrepreneurs concerned about payroll and fixed debts.

• **Loss of tax revenues**, including declines in sales taxes (estimated at $30M to $40M) and hotel taxes (hotels reporting 3% occupancy rate).
COVID-19 Impacts on Austin’s Economy

• Reduced consumer spending on non-essential goods, especially luxury items, travel and hospitality, out-of-home experiences, and lifestyle goods.

• Business forced to pivot to adapt to health and safety orders, with some struggling to adapt to online platforms and consumers’ new behaviors.

• Timeline for reopening the economy is still largely unknown, and it is dependent on the success of current and emerging public health interventions.

• Unprecedented path forward as economy restarts, with a recognition that consumers and employees will need time to trust the recovery.
Austin's Economic Recovery Framework

**CONVENE**
Expert Panelists
- Economic Recovery Experts
- Elected Officials & Key Administration Officials
- Industry Sectors & Orgs
- Directors’ Economic Recovery

**CONDUCT**
City Program Inventory
- Inventory City programs that provide immediate assistance
- Inventory City programs that can be repurposed to provide short- or long-term assistance

**CONNECT**
Individuals & Businesses
- Federal assistance
- State assistance
- Regional and Local Assistance

**GOAL**
Identify needs and opportunities to provide economic relief.

**GOAL**
Fulfill primary areas of economic relief.

**GOAL**
Meet critical, short term, and long-term economic needs of the community

Utilizing Newly Gathered & Existing Data to Drive Decision Making
# Austin's Economic Recovery Framework

## CONVENE
**Expert Panelists**

**Economic Recovery Experts**
Purpose: Identify economic sectors impacted by the City’s response to prevent the spread of COVID-19, and identify initiatives to help with economic recovery efforts.

**Elected Officials & Key Administration Officials**
Purpose: This team will focus primarily on businesses and industries, looking at both immediate and longer-term options.

**Subpanel of Officials and Admin. on Immediate Economic Relief**
Purpose: Focused on strategies and initiatives that could be deployed to provide immediate economic relief to individuals.

**Industry Sectors and Orgs**
Purpose: Inform the decisions of Panels 1 and 2 by representing industries and residents who are financially impacted by the COVID-19 pandemic.

**Directors’ Economic Recovery**
Purpose: Inform the decisions of Panels 1 and 2 and provide support and infrastructure across City departments during the economic recovery phase.

## CONDUCT
**City Program Inventory**

## CONNECT
**Individuals & Businesses**
Inventory City programs that provide immediate assistance

Up-to-date list of City resources available at [austintexas.gov/covid19](http://austintexas.gov/covid19). This includes business resources, utility services, eviction regulations, and information about municipal and county Orders.

EDD added COVID-19 resources to the department’s Small Business Resources webpage: [austintexas.gov/small-business-resources](http://austintexas.gov/small-business-resources)

Inventory City programs that can be repurposed to provide short- or long-term assistance

For example, EDD sought and received City Council’s approval to repurpose the Family Business Loan Program into a temporary Austin Economic Injury Bridge Loan Program.

- Once launched, small businesses can apply for short-term “bridge loans” up to $35,000, which can be used for expenses like rent, payroll, and debt.

- These loans are meant to provide assistance until small businesses receive federal assistance through the U.S. Small Business Administration’s Economic Injury Disaster Loan.
**Austin's Economic Recovery Framework**

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**Federal and State Assistance**

City departments are updated daily on the implementation of federal and state economic relief efforts, including measures included in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

EDD is training staff to help small businesses understand current and any future federal relief resources.

**Local Assistance**

Up-to-date list of City resources available at [austintexas.gov/covid19](http://austintexas.gov/covid19)

EDD added COVID-19 resources to the department’s Small Business Resources webpage: [austintexas.gov/small-business-resources](http://austintexas.gov/small-business-resources)
EDD Response to COVID-19

• Preparing to launch the Austin Economic Injury Bridge Loan Program, which will make loans up to $35,000 for small businesses awaiting federal aid from the Small Business Administration Economic Injury Disaster Loan Program.

• Created a COVID-19 online resource database for small for businesses and nonprofits (austintexas.gov/covid19 and austintexas.gov/small-business-resources; filter table by “Disaster Relief”).

• Modifying Creative Space Assistance Program, which will provide grants for creative organizations facing temporary or permanent displacement, were previously displaced, or are facing lease renewals at substantially higher rates.

• Amended agreements with cultural contractors to allow them to continue to satisfy program requirements and receive payments.
EDD Response to COVID-19

• **Provided more than 1,200 free online coaching sessions** through our Small Business Program since March 1, 2019.

• **Offered virtual small business classes** for entrepreneurs and business owners, serving more than 360 registrants since March 18, 2020.

• **Offering case managers to help businesses and districts understand City and County Orders** so they can operate while complying with efforts to slow the transmission of COVID-19.

• **Contributed to Travis County COVID-19 Economic Impact Dashboard**, which will include metrics on workforce, business and economic impacts.
EDD Response to COVID-19

• FREE online videos through EDD’s Small Business Program YouTube channel.  
  www.youtube.com/user/SmallBizAustin

• Exploring Entrepreneurship: Freelancing & Consulting

• Exploring Entrepreneurship: Ecommerce & Online Sales

• Getting Connected: Portfolio Careers: How to create multiple income streams as an artist

• Getting Connected: On Your Own as a Solopreneur: Advice on how to build your career

• Getting Connected: No Shame in Your Game: Marketing Strategies for Artists
Local Resources for Start-Ups and Small Businesses

• City of Austin COVID-19 Information and Resource Website
  www.austintexas.gov/covid19

• FREE online videos through EDD’s Small Business Program YouTube channel.
  www.youtube.com/user/SmallBizAustin

• COVID-19 Online Resource Database
  austintexas.gov/covid19 and austintexas.gov/small-business-resources
  (Note: filter table by “Disaster Relief”)

• Small Business One-on-One Coaching and Online Classes
  austintexas.gov/department/small-business-program
City of Austin COVID-19 Response and Business Resources

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