

AthenaHealth, Inc. Project Summary

City of Austin Economic Development Department
January 2014

Background

- A potential new economic development agreement between the City of Austin and athenahealth, Inc. is being considered.

athenahealth, Inc. – Company Overview

- The Company is a publicly-traded leading provider of cloud-based health information technology services. The Company was founded in 1997 and has 2,853 full-time employees. It has experienced 30% revenue growth since its founding.
- The Company currently has 36 employees in Austin and is considering Austin for its expansion of its R&D functions.

Overall Benefits

- 607 new full-time jobs created in Austin over 10 years with an average annual wage of \$132,085.
- \$1.67 million estimated net benefit to the City of Austin (including the cost of the incentive), plus an estimated additional \$199,826 in property tax revenues which would be contributed to the Seaholm TIF.
- athenahealth will establish an Austin presence in 115,000 sq ft of office space and invest \$5.25 million in leasehold improvements and \$7.75 million in business personal property.
- Employees are offered health insurance and same-sex partner benefits, job training, tuition reimbursement, career paths, employee stock purchase plans, paid maternity leave, and other benefits.
- The Company gives back to the community through its athenaGives employee-directed charitable giving and by donating its electronic health records software to health centers that serve low-income, underserved communities.
- The Company will locate at the Seaholm Power Plant in Downtown Austin near transit.

Economic Development Proposal

- Economic Development Matrix total score= 90.
- Total performance-based economic development grant over the 10 year period is estimated at \$679,500, paid from the Economic Incentives Reserve Fund.
- The recommended economic development grant is equal to \$250 per new full-time job over a 10 year period.