



Economic Development Proposal

US Farathane Corporation

December 2011



City of Austin Educational Attainment

Level of Schooling	Estimate for Austin, TX
Less than High School Diploma	72,420
High School Diploma, GED, or equivalent	86,897

Source: U.S. Census Bureau

- 2010 Austin ISD 4-year high school completion rate: 78%
- 85% of unemployed in 2009 have less than an associate degree (Workforce Solutions 2010 State of the Workforce Report)



Automotive Industry in Austin

- 11 Firms Making Motor Vehicle Bodies/Parts
 - Motor Vehicle Body and Trailer Manufacturing
 - 4 Establishments
 - 178 Employees
 - Motor Vehicle Parts Manufacturing
 - 7 Establishments
 - 78 Employees
- From 2005 to 2011, employment in motor vehicle related manufacturing up from 190 to 256, a 35% increase. Over the same period, total manufacturing employment has shrunk by nearly 8,100 jobs or 14%, while employment overall has grown 13%.



Examples of Automotive-Related Companies – 17,450 employees

- BAE Systems
- Cirrus Logic
- CleanFuel USA
- Community Cars
- Consolidated Metal Technologies
- Corvalent
- DelStar Technologies
- Digital Motorworks
- Epicor Software, Automotive Group
- Equalizer Industries
- Fallbrook Technologies
- Freescale Semiconductor
- Hodyon
- IBM
- Intersil: D2 Audio
- Jabil Circuit
- KLD Energy Technologies
- Manning NavComp
- Microstaq
- National Instruments
- Silicon Laboratories
- SMSC
- Spansion
- TASUS
- Taylor Press Products
- TB Woods Power
- Trilogy Enterprises
- Venkel



Economic Development Strategy

- Opportunity Austin 1.0 & 2.0
- Identification of targeted industries
- Potential impact of Formula 1
- Increased interest from automotive / clean technology companies

+ Upward Mobility Programs Offered by US Farathane

- Job-Specific Training
 - **Examples include:** New Hire Safety Training, Emergency Procedures, Overhead Crane Training, Electrical Safety, Forklift
- Personal Development Training
 - **Examples include:** Diversity Training, Violence / Stress Management, Harassment Training, Excel Level 1 & 2 Training
- Education Reimbursement
 - 100% reimbursement for Grade B or better
 - 90% reimbursement for Grade B- to C+
 - 0% reimbursement for Grade D or below
- Additionally, the Company intends to work with Austin Community College to create job-specific training programs

+ Opportunities for Local Ongoing Assistance Programs

- City of Austin Housing Finance Corporation
 - Down Payment Assistance (DPA) Program
 - Housing Counseling Program
 - Housing Smarts (homebuyer education program)
 - Money Management
 - Credit & Financing
 - Selecting & Maintaining a Home/Managing Finances
- Skillpoint Alliance
- Austin / Travis County Reentry Roundtable
- Minorities for Equality in Education, Employment, Liberty & Justice, Inc. (MEEELJ)



Amendments to Agreement

- Added language bringing the contract into compliance with proposed changes to pending Third Party Resolution
- Added language requiring US Farathane to continue providing upward mobility programs including:
 - Job-Specific Training
 - Personal Development Training
 - Education Reimbursement
- Added language requiring US Farathane to work with the Austin/ Travis County Reentry Roundtable and/or Minorities for Equality in Education, Employment, Liberty & Justice (MEEELJ) in the development of a local recruitment strategy for ex-offenders

+ Additional Information

- Company is willing to consider providing bus passes for employees at the Austin-based facility
- 70% of the anticipated 228 new full-time jobs will be entry level positions with an average wage of \$10.81 per hour
- After completion of a 3 month probationary period, employees receive a \$.50 raise
- Company provides gain sharing
 - Quarterly pay-out tied to plant measurables (attendance, safety, quality, efficiency, customer satisfaction)
 - Averages \$100-200 per employee per quarter



Transit Options to Tech Ridge Site

