

## City Economic Opportunity Council Committee Transcript –3/23/2015

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>> Kitchen: Are y'all ready? You cleared away my water. Is everybody ready?

>> All right.

>> First meeting of the economic innovation and creations committee. It is 3:30. I'm the chairwoman, Ellen troxclaire and joined here by vice chair Houston and councilmembers Casar and pool. Excited about the things we'll be addressing in this committee. This meeting we'll talk about economic development opportunities in east Austin. As a note, we have the public safety committee that is meeting here at 4:00. So we need to be right on time. We only have an hour today. And the purpose of this meeting is really to just kind of lay out our questions for coming -- addressing the topic from the standpoint of what can we do to spur economic development in east Austin? And, of course, the issue of the park and the proposed golf course will be a part of that conversation. But our next meeting is on April 13 and we'll have more of an opportunity to delve into that specific issue at that meeting. So, I'm going to go ahead and recognize our city staff to give us a brief overview.

>> Thank you, Kevin Johns. With me also is Rodney Gonzalez who's also going to be speaking to you. We're glad to be here. We're all very glad to be at the very first meeting of its kind. We've never had an economic think tank as part of city council and looking forward to having dialogue not just once but as we make policy to improve the future of Austin.

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The meeting now is under way and fairly short. So I will be short to complement the time that we have available. I have gotten a draft of the questions but we'll be happy to provide what we can today and continue the dialogue in writing or in person. The economy in Austin, of course, is both really great and it's quite a challenge. And we've got this impressive growth that you've seen in all-day magazine articles, top growth in five or six categories. But we also had this huge challenge. And you may have seen the article that appeared at the -- by the university of Toronto that said that income segregation was the worst in Austin of any major city in America. And, of course, the Brookings institute came out with a similar study that poverty is so fast growing. So I think it's a wonderful challenge only because we have such opportunity. With the economy in America today, if anybody can take on these kind of issues, these kind of economic issues we can. We discussed some of the equity issues and the approaches we're doing which are best practices which is a starting point to show you your best policies. Something brought up here since yesterday. Been here since the early 1900s. It continued in the 30s when there was red lining. And then red lining continued. Then I-35 was built. So we have a history, not just in Austin, but in other cities as well, of where this has happened.

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So tackling it, I think really this is the best time to tackle it while we have the economic success where we can make a major dent in the poverty issues. So I'm going to just turn it over for questions. And we'll kind of take it from there. But we're very excited. I'm very excited about being here. And I think that we can work together and have a real success this year. We have drafted up -- I think what you'll find by may, very exciting strategic economic plan that uses all of the best practices that focuses on poverty. And the equity issues. So with that, I'll take a pill.

>> Okay, great, thank you for that overview. In anticipation of this meeting, the members of the committee worked together to compile a list of questions that provided us a basic framework for addressing the question of how do we best spur economic development in east Austin. So they're focused around four different subjects. The current uses in east Austin so that we can better understand what's -- what's there now and what our options are, specific opportunities going forward in east Austin, what are the current policy barriers to economic growth in the area. And then best practices. So I think we'll just start at the beginning with the first question and then feel free to jump in. Along the way.

>> We'll tag team.

>> Thank you for putting this together. The first thing is we want to get the locations of the existing commercial properties. So that would be the locations of currently operating commercial and industrial businesses for -- in order for us to better understand the area?

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>> We do have that. Part of opportunity Austin and the imagine Austin plan. Where they have nodes of development. We've contacted all of those and we'll provide that to you.

>> Okay, great. So, along that same vein, do we have a map or a listing of the projects that are currently under way, that are currently being developed for commercial and industrial use, whether each property is in the site plan phase, construction, or other? And it would be helpful to know when those projects are expected to be completed?

>> That -- that question needs a little bit more research because we have some information, the planning department will have some information the chamber of commerce may have information. We'll assemble that information for you. I think that a lot of the -- unless the company is entered the development reviews, of course, we won't know. But I think we can get you a good starting point.

>> Rodney Gonzalez, deputy of development department. The department has a GIS on-line map. You can see the Austin, the site plans, click on them and pull up certain information. So when we respond formally to this request, we'll provide council with that link to our GIS map.

>> Troxclair: And is that something that is available to the public?

>> Yes, ma'am.

>> Troxclair: Great, can you tell us how to get there?

>> Yes, I don't know the exact website offhand, if you go to the planning development and review department, you can pull up the current planning which has a list of their site development requests. And so it's very simple to use. But we can get you the exact website name.

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>> Troxclair: Okay, great. Is it possible with all of that information to also supply the current zoning designations of the properties in the area?

>> We can get that for you as well. That -- that would go with the imagine Austin plan documentation they've indicated all of the areas that are commercial because of the commercial zonings. We'll provide you good background.

>> Troxclair: In my perfect world, they could all be maps that we can overlay on each other.

>> You'll find we had very talented GIS individuals and I believe those exist currently. So it will be on one website that he can access towards a matter of clicking and unclicking certain layers that he wants shown.

>> Troxclair: Okay. The last question in this vein is if y'all can explain to us where the city has focused the comprehensive development economic plans so far?

>> I think if I can start by saying that we have a strategic economic planning initiative. And it is focused on poverty. And we have 110,000 people in poverty on the east side. We've got about 10,000 employed people that we've mapped out, people that have been released from jails, people who have a high school degree or less. People who had been homeless. People who had major language barriers. We quantified that so we could target the economic development strategies towards that 10,000 as well as 11,000 people in poverty city wide and 100,000 or so in poverty in east Austin. We also have been very I think careful to break out two other important areas. One is the number of children that are in poverty.

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We want to prevent them from staying in poverty. The last meeting, the Einstein project. But we have knowing what that prop is, for the last four years, we can focus on trying to attract both poverty and the hard to employ. So we have a strategy that includes trying to get 6,000 hard-to-employ people jobs within five years. So that includes trying to get at least 10% to 15% of our small businesses to expand. The small businesses are the only ones who really will hire the nephew that got out of jail or the brother-in-law who didn't make it out of high school. They're not going to get the jobs at Samsung, the technology jobs. We've got about 43,000 small businesses in this city. So our goal is to use our family business loan program to get access to capital to do commercial revitalization or merchants challenges is what our effort is called, to try to stabilize commercial areas by making available to businesses everything from industrial revenue bonds, new market tax credits, all sorts of financial mechanisms to get them to expand. Small businesses are a major thrust because that's what we have so much of, they're starved for capital. There was a small business study done three months ago, which I can get to you, it said that during the recession, all of the community banks were folding. And so the small businesses lost the access to capital. The 1% loans we hope can generate 4,000 to 5,000 to employ and make that dependent on welfare.

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The second piece is about recruitment. We know about the chapter 380 performance-based agreements. Our focus, we introduced the bonus for hiring hard to employ. We recognize that getting

people who had been released from jails, jobs, people who are hard to employ, getting them off of the is not only the right thing to do, it has great return on investment. In the I-35 corridor, the north American free trade organization quarter, so all of the free trade that comes out through Mexico goes through Austin. And you may or may not know, but we have developed an inland port strategy. And the goal there is that between I-35 and 130, south of the airport, there's about 3,000 acres of industrial land. And so we would like to get more manufacturing and more distribution companies in that area with the hope we can get four or five in the next five years to be hard to employ. Forklift drivers, truck drivers, people making benefits. In the area which is close to where it is in east Austin, it's the need for the jobs. We developed a triple free port which is an incentive that gets a tax break to companies who locate in that area. We activated the industrial bonds for the city. We have done a marketing program. We have done two studies. We had a study done by Texas A&M supply chain management that was able to document that more business could be done in manufacturing and distribution with companies coming from Mexico or coming through, avoiding the the Panama canal and coming through the ports in Austin and going to China.

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We've had documentation they've provided to the chamber. They've adjusted their opportunity Austin plan to do recruitment. Now it's up to us to recruit companies like U.S. Verse that I know, HIV global. So part of the strategy is small business. Part of it is in the recruitment system itself. It's the ecoindustrial park and we're trying to turn it to the landfill and turn it to recycling jobs. Landscape it well. Grow local companies that you recycle that supports a zero waste effort. We recently got an economic grant from the economic development foundation to jump start that. That is a partnership with our department and the resource program. And we also realize that the poverty in east Austin and the growth problems that we have, they're because people don't have jobs and we want to revitalize the neighborhood and regenerate and stabilize the neighborhoods where the jobs could be created within walking distance to the people who live there. If people are able to walk or bike to those jobs, they save much more money, \$4,000 to \$50,000 a year for not needing a car. So we are launching a merchant's challenge with a series of opportunities for businesses to come together and form merchants' associations so they can do on a self-help basis the fixups and we will provide them low-interest loans. We will get them culture and arts, we will get them music. We will work with them with public works and capital improvement office to try to get dollars into those areas for streets, signage.

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We are putting under contract for the design center. They will provide architectural services to the merchants so they can beautify the areas with the idea of getting 10 or 15 businesses in every location to expand and hire locally. Those are the core strategies that you're using to tackle poverty specifically in east Austin. There is one more piece to it that Rodney mentioned the last time. I touched on it. It's the Einstein project. We recognize there are about 37,000 kids in poverty. Most of them are kids of color. So we will bring to you all first and then to the Marion council the program that uses the chapter 380 ingredients to incentivize the high-tech companies to loan corporate scientists, engineers, financial people, to teach the teachers in the school system. And we think that we can address over a 10-year period all 27,000 children who are currently in poverty and have them mentored by the smartest people in Austin. And we had the Ray Marshall center at the university who we're working with doing a 10-year longitudinal study on our success. They will measure how many kids get jobs. What they paid, what the taxes they generate are, and how much welfare is avoided so that you all can present this first ever in America longitudinal study of how do you take a whole generation of kids out of poverty and turn them into a generation of Einsteins?

>> Thank you for that overview. I think councilmember Pool has a question. Point afternoon, everyone. Thanks for being here. When you talk about the plans that the economic development program has for development in the 3,000 acres, for example, south of Bergstrom airport, aiba, do you have -- can you talk a little bit about how that -- how that interfaces with the neighborhoods in the area?

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I think one of the things I'm looking to understand in this committee is a comprehensive overview of how the city works to develop the economy and the community throughout the city. I know you're interested specifically in the east side for a couple of reasons. If you can maybe step back and talk about comprehensive economic development planning that's been done with the city as a whole and then specifically when you are looking at locating a recycling area or a light industrial area. And if you choose the east side, is that having looked at the entire city? And that that's the most appropriate place? And do you have conversations with the neighborhoods and elected officials in those areas to see what their suggestions might be and if -- if the placement by the city on the east side is a welcome thing to do.

>> It's a very good question. We're fully committed to working over the next ten months to create the strategic economic plan to a large and important outreach process to the communities, to the neighborhoods, to the business population, to all stakeholders to make sure that we're all on the same wavelength, that we've -- we pride ourselves on being incredibly transparent. You know from some of the agreements from everything that we do is essentially on line. And we're very, very proud of the fact that we listen and we don't want to change that. The industrial land is industrial. It's on the I-35 corridor and it's between there and the 130 corridor. We're not proposing a change to any zonings.

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What we're proposing is to recruit companies to the properties that are already there. Now we would still be delighted to get feedback from all stakeholders. And we'll do that.

>> And I would add further the comprehensive planning question that you had posed at first originated in the 2003 era following the dot-.com bust and at that time the mayor's task force was convened. 88 stakeholders represented a broad swath of the community from residential to environmental. A number of stakeholders. We can provide the list to the council which formed the three-prong approach on focusing on traditional business improvement, focusing on the cultural arts sector, and focusing on small and large business. So what you have are the origins dating back to the mayor's task force on the economy. Along the way, we added the music program. And when our department originate in 2000, it was the redevelopment services office which was focused on redeveloping the airport. You've got the five divisions, the planning under the five divisions originating back to the mayor's task force on the economy. The three prosperities, those three together is how we think we can build a prototype city in the future. By getting them together and reaching a consensus on the best practices.

>> If the council decided that we wanted to use it engage in community and development on the east side, what role do you see and how does that integrate with the communities that are already in place?

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>> The economic development issue is the nexus of the city for the economic development system. So the workforce contracts. The 240 cultural arts contracts. The 2,000 to 4,000 musicians, all of those are small businesses, the 16,000 small businesses, the entrepreneurial aspects, the Austin technology council, the five chambers of commerce. So I think we would be ideally situated to work for you as the nexus of creating the kind of policies that you would like to do.

>> Maybe councilmember Houston would like to refine that a bit?

>> Thank you.

>> Stou much. Something that councilmember pool said that leads me to ask if we can also get city-owned land. In -- any the area that we're talking about east of I-35, east of 183. And I asked that because the city owns a lot of land. And I came into the office and found out that the Austin resource recovery was going to build a facility on city-owned land right next to colony park. And so you can understand some of the hesitancy that I might have as a city, city councilmember. I think we'll be able to work that out. So it seems as though that the city uses their land to do other kinds of things with rather than real economic development? I understand that the property southeast of the airport is private sector.

[3:28:53 PM]

That's going to be the private sector. The visual, the perception, where we put the things in the value and where we put things in places where we don't value. So if I can have a listing of where the city-owned property is in there, maybe we can incentivize business activities and economic growth that we value on the city-owned land rather than things that we would prefer be placed elsewhere in the community. So that's one thing. Do you think you can get that?

>> We certainly can. And councilmember, I hear you. And one really good example recently asked what we would like there is the Williams and creek model. You may know we'll give you the map. There's seven acres that's owned by the water utility company, Austin water and utility. And we were approached about putting something as a viable economic development project on that land. Not manufacturing. And we went to the neighborhood and said what is missing in your neighborhood that you would like to see on this property? We did it in a short time frame. We're more than glad to send the council the study on that. The water and utilities needs the property for five years to finish what they're doing there. But that's a good example of how we've taken a city asset of land, and there's a lot of it, as you mentioned, and going back to the neighborhood and asking them what is it that you need and not coming in with the predetermined plan of what to put there.

>> The other thing is, I think I said this before, we can bring as many great entities in to town as we want. But if there's no transit for people to get to the job, they can't get there on transit. So part of economic development is to ensure that the economic engine was there and the transit was there.

[3:30:59 PM]

So I want to make sure that those things continue to go hand-in-hand and not have a great company come in that will hire folks who have a criminal history but they can't get in there.

>> Absolutely right. Our department is part of the housing transit jobs city group that's been formed to do exactly what he talked about, which is connecting the housing, connecting the transit, connecting the jobs, making sure they're all connected. And within a short order, you'll see that group of city departments come together with a list of recommendations for the three components.

>> And I'd like to add that the software we developed with the \$3 million sustainable places grant is called envision tomorrow. And it allows us to canle cue late when a development happens around transit, how much money all of the residents save. How much their family disposable income goes up



because they're more inclined to use the transit, whether the transit station or a bus stop. So we can use that as part of the incentive processes.

>> One last thing, madam chair. Mr. Johns, I know how much you like your Harvard studies. But cultural competency, in district one, for example, we're probably the most diverse district as far as cultural linguistics citizens who reside there. Whoever we bring into the MIX to give us this great new -- no one else has done it but we can do it, they're cultural complement.

>> It's important. It's an opportunity to use our cultural diversity as an economic strength. And I'm in favor of U.T., Georgia tech, Texas A&M.

[3:33:11 PM]

>> Houston: We have to have Texas southern, we have to be cultural sensitive whatever we're using.

>> Yes, ma'am.

>> Troxclair: That conversation was a good lead-in to the next topic that we have questions which are specific opportunities in east Austin. You may have provided us with a similar list before. And in an effort to compile and have all of the information that we need in one place, it would be helpful if we could get a list of the projects that have utilized the city, the economic development programs that you outlined in the -- in your previous statement. And just an update on the status of those implementations, you know, where the businesses are located, what kind of incentives they got, and what the outcome has been.

>> We'll certainly do that. Great success in building private partnerships that we don't have at all. We're working on several projects we'll share with you that we're helping to jump start but there's not necessarily a quest for money. For example, we have been instrumental to try to develop the medical schools for the next 10 years. So we feel like that would be a very important part of the regeneration of that area. We put together with the Moorehouse schools, the secretary Louis Sullivan to get some information about how that might help. The partnership that emerged has great implications for the black community and Houston Tilson.

[3:35:18 PM]

We'll share with you those kind of projects.

>> That would be great.

>> Troxclair: I don't think we have to limit it to city money but any projects you're working on would be helpful.

>> A few months ago, we began looking at the status to help map it out as well. Looking at where the recipients of loan programs are at. Looking at the enterprise of loan locations are mapped out as and doing the layers as well for a gis map. So we've got some of this data. But along the way, we found out that the addresses that we were collecting, say, for instance, our cultural contracts. We provide over 250 cultural contracts for a total of \$9 million. The address may be for the umbrella organization and not for the artists themselves. And that keyed us in to, okay, we need to request more address information going forward. So the information we've collected, we've begun to analyze so we'll be glad to share that with council.

>> Okay, great.

>> Troxclair: The next question. If you can provide with us a summary and supplementing documents to help identify and spur economic growth in the area. It sounds a little redundant after what we all talked about. But in the context of the fact that, for example, the golf course proposal is a specific thing that has been brought forward for our consideration, are there other -- what other opportunities, I don't want to say like that, but because I know that's just a unique project. But what other -- yeah, specific projects have been identified in east Austin, other than just kind of the general programs on the economic development department has for general business. That the city has pursued that could be pursued but is not so far.

[3:37:18 PM]

>> You might recall the conversation we had that I enumerated I think eight different initiatives that we have targeted towards east Austin. So we'll provide that list to council with the description of each one.

>> I really think that y'all have -- answered more or less question number four which is a summary of programs within the department that can be effective tools in addressing the unique problems. So I'll go on to question eight. Which is a question that is specific to the gulf proposal. So the question is what value is there in leasing the land. What would be the value gained by that in the city?

>> So with regard to the decker proposal, we enumerated the impact related to the proposal itself. In the rep process, we requested that the developers submit a 10-year economic impact. Which they did. And myself as well as Kevin reviewed the economic impact. If memory serves me, it's \$310 over a ten-year period. The results of the city is the revenues would receive in terms of license revenues that would begin at 3% and increased 11% to 12%. In the 10-year period, total of about \$140 million. The city of Austin would receive occupation tax. This is a tourism. And the city received 7% of hotel occupancy tax from every room night sold in Austin. So the city would receive sales tax. The visitors in Austin spending

the dollars here, whether it's in restaurants or merchandise or clothing, just spending their dollars here in Austin and we get 100% of that spend.

[3:39:29 PM]

The additional sales tax that we would get was from the construction materials associated with what would be spent for the golf course, they anticipated spending \$28 million from that. So the value of leasing the land, of course, the other global piece of that, was taking this unused piece of property because as it was pointed out, a piece of property that for more than 40 years has been fenced off to the public. With signs that say you cannot use this. There is an access point, which, of course, would be illegal. That would be through the lake via boat. Taking that unaccessible piece of land and providing it back to the public they haven't seen this before in this part of east Austin, they've seen less attractive things come to east Austin. This held a lot of value for them because it was clean, it was friendly to the environment. It was taking a previously chained off piece of property and providing it back to the public in a public way. We tried to enumerate as much as possible the value of leasing the land. The other piece of it was that even though it was -- in the lease, just to make sure that we're talking about a license agreement in Austin, not necessarily a lease of land, but that license agreement could be revoked at any point in time by the city. Since then the city, on day two wasn't certain that, hey, we wanted to stay in this license agreement. It could be provoked and all of the improvements that the developer would make to that parcel would stay with the city.

>> And I think the question is more geared to what would be the value of leasing the land.

[3:41:39 PM]

We know again the decker lake proposal on the table. But we're trying to understand what the options are surrounding this. Why this rose to the top. Councilmember Casar, do you have anything?

>> Casar: I understand that licensing agreements have been used on pieces of parkland. I understand the value in those. But there's been a good reason, a question as to why we're entering to a license agreement rather than a lease that would require the voters to approve and a lease would likely result in payments directly to the city rather than the sharing of the green fees and the other elements here in the contracts and what I wanted to try to do my best to understand is what the value of this land, if it were sold might be, or what the value of a contract would be if it was leased. And I understand they would have to be approved by the voters in such a case. But I think for just for comparison sake to understand what the value is for the city if we're getting the best deal that we can. And if the developer is willing to take a financial risk in investing in city-owned parkland, the developer is able to give us a

risk. If we took the risk out, I would be interested in seeing what it would be in the amount of revenue generated to the city. Because it is kind of a complicated formula with the multiple tiers of revenue to the parks department. I'm interested in developing urban parks and bringing as much revenue to the department as possible. I'm trying to get an understanding of even in three columns, what do you think we could get if we sold this for this kind of development? What would we be negotiating on the leasing or licensing agreement?

>> I understand what you're asking. The complexity that we have is matching options to each other that are apples to apples if you will. I think it's a hard stretch for us to imagine that parkland could be taken away and be used for something other than parkland.

[3:43:43 PM]

Of course, we have a restriction of going back to the voters. And so when we look at this option, we look at it in the context of what could it be used for and what are the other options that it could be compared to. What are other license agreements saying what can be compared to. Not necessarily saying what other lease options can it be compared to. We have to stay, from our side, we have to stay within the context of what was the viable option to compare it against? It's a difficult time for us to compare it against the lease that may not be a viable option. It may not be something that the voters approve. The more fair comparison would be comparing it to another license agreement for that same time period. What other license agreement could we engage in?

>> Troxclair: Councilmember -- Kevin, did you want to say something?

>> I was going to say for historical references, it might be helpful to you all at some point to hear about where we've done both of those. You might want to know how we've done a lease and why. And while we've sold property and why. So you get a historical context. And also the deals themselves, so you can kind of get a feel for Seaholm or the water treatment facility or some of the other projects so that you would have a better handle on it. Because it's complex. We don't want to take the land away from the parks department either.

>> Troxclair: I think some of the comments that I want to air out here today go to the extreme discomfort that I feel with our public parkland where we feel we have to monetize it. The reason we have to monetize is because we don't have enough money in the budget for the parks department in order to program sufficiently, to open up the land sufficiently, that is why it's fenced off over time and we have stories about how it is this portion of long metropolitan park ended up behind closed Gates.

[3:46:15 PM]

Before we dive into conversations on leasing public parkland, I want to -- again, I want to make a clear statement that that causes me a lot of concern. I have heard from a lot of people in the community that this is not how they anticipate economic development happening in our community. I'm willing to have a conversation on how our parkland is an attractive destination that feeds into economic and community development but taking the public land without a public vote. I want to ask if this is a great proposal, open it up to have the opportunity to vote on whether we have a good idea. Let's let the public vote, I don't care if it's concession or a lease. If it's not required by a concession. It's required by the lease. And to the public, it looks like a side step to get away from Aring P having to have the required charter -- is it charter 26 vote? Chapter 27 takes it the other direction. There's two chapters, one is where we take it out for public use. So it's rhetorical. But I want it noted that I am laying that out there. If this is such a great proposal, let the public vote on it.

>> Thank you for your concerns. Perhaps at the April meeting if you want to continue that conversation, not sure you do, we have the parks and recreation department come forward and talk about that project from that perspective. Yeah, this was an rfp that was issued through the last council. And so we now have a new council and we want to have them come forward with the reasonings behind moving this as an rfp.

[3:48:24 PM]

>> We're short on time. Aisle have a couple of questions to provide us with some information. I would like to know what other cities lease this land for this sort of purpose. I'd looic to know --

>> Excuse me. Is that for parks?

>> I'm sorry, not leased, have a concession on public parkland. I would like to have some focus on the fact that we have a \$4 million concession value with the full value, I think the number was given at \$300 million. It's a small amount of money. If it's based on green space, what certainty do we have? We've been given articles that golf is not a growing sport, at least not currently. Maybe 20 years from now, it will be. But if we base it on greens fees, what certainty do we have from the 3% up to the 12% that you've talked about. And I would ask why are the concession fees so very low. 15 years ago -- 15 years ago, it was \$40 million for one year and we're talking about 4.8 over 10 years. I would like some information on that. The last thing at work session a couple of weeks ago, I asked about accessibility to roads. There's roads out there and the developer would have to create access to that road. But just like where the county had to come back and spend \$16 million for a road to run directly to the front door of coda, what requirements would the city have to provide Ada access to this portion of the lake?

>> We've taken your questions. If that is an item in April, we'll have the parks and recreation department here.

>> We only have about ten minutes left. I want to recognize councilmember Casar?

[3:50:24 PM]

>> Kitchen: Sure. I wanted to address the next meeting since we are short on time. We've gotten a lot of information. It was our first meeting and I had a sort of small garage of questions generated by the discussion here. So I wanted to get some idea and some certainty from what it is that we want to get done for the rest of the meeting with the last ten minutes. Finish the staff or discuss anything with each other, making motions. I saw that the time was short. So I didn't want to get into something here on my screen that I was going to get to finish.

>> Troxclair: Sure. Sure. Well, with the time constraints in mind, let's go ahead and go through the last two questions so they have that information and so we can talk about if there's other topics we want to discuss on the April 13 meeting. So the number 9 was policy barriers that inadvertently prevented maximizing the opportunity in that area. I know the common answer is that council sets policy and y'all are just implementing it. But it's helpful for us to get feedback, to understand that there are decisions that have been made in the past that have prevented us from maximizing economic development in east Austin. So any information that -- or feedback that you have on that topic would be helpful. And then the last question is also about along the same lines as councilmember pool's suggestion, best practices and what other cities are doing. We would be curious to know about economic growth programs that have been used in similar areas as east Austin and other cities. So places that face similar obstacles. Is there anything that other cities are doing that the city of Austin is not doing that maybe we should look into?

>> Those are excellent questions. On question nine, of course, we'll give you our feedback.

[3:52:26 PM]

Would you also like to have policy feedback from the private sector? Because I think sometimes we're not told what the real issues are or we'll get it secondhand and sometimes it's good to hear directly from the people who say, "You know why I don't do this." If you want, we can look at that as well and make suggestions.

>> Troxclair: Okay, that would be helpful.

>> In terms of question 10 which is best practices, we do that almost every day. We're continually scouring for best practices to learn -- to do lessons learned, especially to learn what doesn't work. So we would be delighted to share you some of the best practices we feel are -- are effective and also maybe

what has not worked so that you can see what to kind of get from the ones that work to the ones that don't. And while we're trying to customize them here.

>> Troxclair: Okay. Thank you. One more question.

>> Houston: Quick question. I would be delighted to hear from the chambers as to what their view is for the inability to provide economic incentives of growth in that area.

>> Thank you.

>> Troxclair: And the last thing I have to say, I just wanted to make a correction. I stated that the rfp for the.

>> Golf was issued by the last council. It was issued in the last council's turn, but it was issued by staff.

>> Yes, it is. I meant to say during the term of the last council. Thank you for that question.

>> Troxclair: Yeah, so thank you for allowing us to get through all of the questions. I know it is a lot of information that we're requesting in a short amount of time. If it's possible. If you do have any information by April 6, it would be helpful for us to kind of review, especially the first thing Wes talked about where the current zoning is, what the -- where the current businesses that are utilizing economic tools, etc., etc.

[3:54:39 PM]

Those would be helpful for us to review well in advance of the next hearing. And then, you know, going forward, I wanted to -- I know that time was short today. But I really wanted to out of respect to the area who -- and the city staff who have both worked very hard on the proposal, as well as allowing us to have time to answer questions, I wanted to go ahead and get the ball rolling as quickly as possible on this particular topic. And I know we made a commitment to vice chair Houston on our last city council meeting that we would address it as soon as possible and bring it back to the full council as soon as possible as well. So my thoughts for the next hearing were to -- first of all, get a follow-up and get answers to the questions that we ask today. I think it would be very helpful to have the parks department folks here to answer questions specific to the proposal. As well as anybody else who would have information about the license agreement versus lease issue as you can imagine that's a lot of the feedback that I'm getting in my office and I imagine a lot of other people are getting in their offices relate to that specific question. And I don't know if councilmember Casar got the answers you were looking for in the question about the lease.

>> Casar: I know how to get all of the answers.

>> Troxclair: If you would like to clarify or additional information, I would like to hear from the other councilmembers about the specific topics they want to discuss in the next meeting.

>> Kitchen: Before we go forward, I want to make my quick comment about economic development and how it pertains to the item at hand with the golf course. I know my view jobs of east I-35 doesn't necessarily mean jobs for folks east of I-35. Job west of I-35 doesn't oftentime mean jobs for those east of I-35.

[3:56:41 PM]

Fairmont hotel, 90% of the people building that live in districts one, two, three, four or districts like them in other cities. So I'm encouraged in the current agreement there is a piece that talks about a hiring provision of people from district one, something that I hope to have continued conversations about not in this agreement but future economic development agreements As to how to make the provisions better, places around the country have had actual hiring requirements that are requirements and not just job hiring fares as needed. District 1 is a district like all of our districts are. I'll be interested in ways that we can target the individuals that have real need for jobs that economic development department has turned their focus to. Because parts in district one and parts in district four gentry iffed quite a bit. And I know councilmember Houston really looking to serve the folks that need the jobs the most. I'll be having some discussion on this project and on future ones to have the stronger hiring provisions and this is part my district straddles east and west Austin and we all know that east Austin is not contained to east Austin as well. There's several strapped to my district that have 20% lower and median incomes than colony perks. Census strapped. And west of I-35, higher concentrations of working poor people. So I will be working with this committee and others to make sure that we're talking about all of the areas that are at need, even there are several parts of district 7.

>> >> Troxclair: That's exactly right. I was going to say district 7 is not im

>> Casar: Yeah, so we need to be sensitive to the fact as we come forward and I appreciate you coming in and answering the questions.

>> Troxclair: All of the reasons you mentioned here is exactly why I wanted to frame this discussion today about economic opportunity in east Austin as a whole. Because I don't think that economic opportunity in that part of the city is going to, you know, begin or end with the issue of the golf course.

[3:58:48 PM]



So although that's the topic that's in front of us now, I don't know that that's long-term solution to all of our problems. I think it's a much bigger problem that we're facing. So I was hoping that the conversation today and the answers that we'll get in the future will help us to further address that issue. Do you have any other comments?

>> Houston: Thank you so much.

>> Casar: I am interested in the next meeting or in the near future an update on where the manufacturing projects are at. I do know some of the historic situations of location and placement of manufacturing, I know there's manufacturing all over the country and different parts of the world that provide great benefits and are good jobs and are jobs that people are proud of. While there's manufacturing jobs all over the country and across the world that have horrible working conditions and don't provide a good wage. And I don't want Austin to become the China of the United States and so we want to be better -- I prefer to be the Germany of the United States as far as manufacturing goes that actually invests in that sort of human capital and brings people up. I'm interested in getting an update on the manufacturing end of it and also with a -- with a view not just with what the facility looks like, but what the jobs are like and what kinds of folks are getting hired and the level of human capital investment. Also, some idea of why the manufacturers are choosing to locate here as opposed to elsewhere.

>> We share that. We don't want to bring any company to Austin that doesn't meet our highest standards and we've all worked hard to articulate it. It's a competitive world. Everybody would like to have a distribution company that hires 100,000 people at 45,000 a year. We're totally onboard.

>> Thank you so much for your time. It's 4:00, I'm going to let chairman Zimmerman take over and start his public safety committee. I guess this first meeting is adjourned.