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@ú@-@up0g1@g1w@0(g1h,p@@q>p >> And, finally,

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our Einstein project, incorporation with the UT ray marshal center, ic squared, Austin independe school district and other nonprofits focused on science, technology, engineering and math or stem, we want to explore programs that focus on ramping up stem education for kids and the top 20 technology professions of the future and we will identify curriculum strategs that can influence the past to these careers. The goal will be to develop the next generation of einsteins right here in Austin. So that they can compete for high-paying tech jobs, not only here in Austin, but around the world. Finally, our last program that council approved in 2012 is our family business loan program. We provide low-interest loans for small businesses so that they can grow. And because of the funding that 'R using from hud, thesection 108 fds, it reqres the employment of a low to modally income individuals. This is a picture of sawyer and company, an original Austin business for nearly 66 years before closing in 2012. Steven shellcross was a frequent customer and chef and he has fully renovated the cite, restoring it to it had some of its original character and has created 19 jobs. A few of the programs that the economic development department is focused on to affect workforce development. Now I'll turn it over to Alan Miller. >> Thank you.

[10:25:19 AM]

Good morning, mayor pro tem, councilmembers. Thank you for havin hear this morning to share with you a little bit about the landscape for workforce development in our community. I won't go into a lot of details about workforce solutions. I've left an information packet up there wv of reading material. Suffice to say we are about connecting people and jobs. We are a nonprofit organization, but we are a creation of stateand federal legislation that puts us in a position of being the administrative entity responsible for federal and state workfce programs and funds that are allocat to this area. That includes a budget of about 30-plus million dollars annually, everything from child care subsidies, early childhood development, occupational training and job placement. Let me begin by -- I want to give a little bit of background to set context for things, talk a little bit about what workforce development is. It's been called an economic development resource, something that spots economic growth and prosperity. It's been called an anti poverty avoiding. Poverty -- strategy.it is also a human resource strategy. It's about helping people ace bepetive in the workplace. And also enables their employers to be competitive in the global economy. When we talk about the workforce development system, it's not just one thing. It is many. A network of educational institutions, of training providers and related service providers. It goes back to the pre-k system, getting children ready to learn by the time they enter school, the k-12 system, our colleges and units, Austin community college being one of the preeminent players in that game. It's about our community-based

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and faith-based organizations and nonprofits. It's the capital ideas, the skill point alliances, goodwills, literary coalition, foundation communities and dozens of others. It's about our labor unions and their apprenticeship programs, about employer-sponsored training and it's about government-sponsored training programs. If you will, I want you to visualize the workforce system as each of those components being an arrow inside a circle and all of those arrows are going in different directions. That's really the state of our workforce development system. If we look outside of the k-12, colleges and universities, the --public educational system and concentrate on the adult workforce development portion, there are three primary funding sources. There's the city of Austin, about five to \$6 million annually of investment there. There's Travis cnty, about 1.5 to \$2 million annually and workforce solutions capital area, as I mentioned with a budget of about \$30 million annually. One of the things that is noticeable about this is that while we've got three primary funding sources feeding into help grow and contribute to the workforce development system, while there's a degree of coordination amongst the three, there's no unified planning process. We work together tangentially but not in a way which would help us promote a better workforce system. We have three separate procurement processes. We have three separate contracting administration and monitoring processes, different definitions and outcomes, no joint planning. The result is we lose opportunity to leverage resources is we have duplication of 70 is and we have increased

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administrative costs. When we talk about workforce development I want to highlight for you some of the basic workforce services encompassed within that, and they range from adult basic education, which includes English as a second language, ged preparation, and literacy skills training, computer literacy, occupational training, training whether it's short-term of three months or under or six months to a year that leads to a certificate, to an industry-recognized credential to an associate's degree, to a bachelor's degree. It's work experience, which includes internships and job shadowing, life skills training, work readiness training, which deals with basic work habits and ethics, job skills, resume writing, interviewing skills, entrepreneurial skills training, labor market information and career awareness, includes career counseling and planning, case management and supportive services. Workforce development system is in a constant state of flux it's changing just like the labor market that we work within changes. The labor market is undergoing a continuous structural transformation. It's influenced by globalization, new innovations, changing technologies, consumer demand and changing demographics. The result of that transformation which makes our job a little bit difficult is that we're seeing the creation of new jobs, not static, not a constant level, if unfortunately, playing field of jobs, but new jobs being created all the time, new jobs with new skill requirements, higher levels of education and skills, 're seeing job obsolescence at

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more frequent case, jobs part of the landscape 15 to 20 years ago are no longer here today in many cases. That transformation poses part problem for the workforce. A number of challenges we face 'V geconomies in the country, but that growth has been proportionate. Large at the top and large at the bottom. That N say -- and there'-- my friend, Bri Kelsey has been quick to point out we don't have a shortage of middle skill jobs we don't. They're not growing as fast a rate as the upper and lower ends about about 30-plus percent classify as middle skill jobs, jobs that require some level of education and training beyond high school, but less than a bachelor's degree. That's a little bit less than the national average, but, again, our economy here is based on technology. So it's not surprising. The fact is we have more job openings right now than there are people looking and available for work, but why cap. That skills cap translates into several different levels. Most notably, what people read about the most is at the top, software developers, for example, people who -- companies who require individuals with a bachelor's degree plus the experience, those who support. That's not just here. That's a national phenomenon. We have those unemployed and those who underemployed, who are unable to find labor market both in terms of middle skill and upper skill jobs. But is even those with a college degree that face some of the greatest of the

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match what the labor in E market -- labor and market demands are. I call myself a recovering liberal arts major. When you have a bachelor's degree in psychology and anthropology it doesn't align exactly local labor market. So the skills gaps are everywhere, not just within one concentration but they do lead to this wage disparity we have amongst those lagging behind in education and challenge of individuals that have been coming to Oghob but we're also having an increased number of people coming to our community who don't have the skills. They're competing with our local residents who are already behind the curve, who are being pushed further to the margins, exacerbating the problems of unemployment and underemployment. We have structured deal with capacity, work-based, and different scheduling that will accommodate E needs of those who are working. Resources simply not enough to meet the demand. Scalability factor in this. Other programs out there and ANC are doing great work. You're here of this morning. But we're dealing with small -- relatively small numbers. We're dealing with maybe a half need to be talking hundreds how's. With the council, we're halfway. We are further behind. I don't want to talk about a couple of practices that

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undergoing -- we're undergoing here in our community. Two that have received both state and national attention are dozen organizations that are in small numbers. The two I want to focus on this first workforce readiness continuum that happens to be the city of Austin. We serve as the model for 11 other communities, individuals within them at or below 20% of poverty and come from some of our groups with the disabled, veterans, and others. These 11 are offering a standard of care that is a gold standard, common definition of data, and transverse across agencies. It offers individual access to service with over 38 points of entry throughout the community. So no matter which door, which the 11 partners try to be able to provide necessary assistance and way of which they can easily access those systems. The common application and whether that needs to be easily connected to the report where they go. The other project is Austin opportunity youth collaborative,

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again. Again, workforce solutions serves as a backbone for this, but this is a collaborative that involves over two dozen youth-serving agencies in our community, working together to better serve opportunity youth who are ages 16 to 24 who are not connected to either education or work. There's an estimated 100,000 youth in the community at the time. This collaborative is working to better coordinate existing services, and sometimes those are policy barriers that youth from re-enter education or the workplace leveraging

resources we started out with a grant from the Aspen Institute, one of only a couple dozen institutes throughout the state invited to us. We received a grant from them, as well as some financial assistance from the foundation about the program, it's not out, I think it's about directing services, it's about organizations that are already in place coming together and which they can better collaborate and work together to better serve youth, to take the existing resources we already have, to leverage them and expand them and, again, to better serve the youth in our community. Well, I outlined a number of challenges that we have with our workforce system. There's also some great opportunities that exist. And these are the opportunities where the city and through making, in partnership with Workforce Commission, our development organizations and the business community, opportunities to come together,

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to work ways which we can better align and integrate services, do joint unified planning, focus on voices and outcomes over agencies and aims, obtain greater involvement both in terms of identifying needs that they may have, providing internships for students, teachers, counselors, provide mentoring and sharing them in the classroom. It's about stabilizing local, sustainable force for funding for workforce development without having to depend upon the feds or the state of which we're not going to see any new money on those fronts. It's about increased coordination between economic development, workforce development, and education. It's about economic development support local hire and find middle skill job growth. And it's about joining us in a campaign to create awareness and knowledge of the local labor market and its opportunities. That to me represents one of the biggest issues we face in our community. People simply don't know enough about the local labor market to take advantage of the opportunities that are there. You don't know can hurt you in terms of the decisions that you make. Whether it's high school student mapping out their 4-year aggression plan or an adult trying to re-enter the workforce. If you don't know what the opportunities are that are out there that pay well, provide benefits, and provide career growth opportunities, then those are shut out to you. And we can gather -- together launch a campaign that can change that picture and I think eventually change the status of a number of individuals in our community for the better. And that's what I can do in

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about 15 minutes on something that would normally take a full day. But thank you for your time this morning. I appreciate it very much. Thank you. Thanks to both of you. I'd like to move on to our next speakers and so if there are questions for these two, if we could hold them until we have heard the entire percentage wasn't to make sure since we did start on time that we're allowing the speakers who might need to leave at the end of their committed time the possibility to do that. So let's begin. Our next panel

of four speakers are going to address the question of how we can address the growing disparities in education and employment and income in our -- both within the city of Austin and within the region. And so our first speaker is Brian Kelsey, who is the founder of civic analytics, an economic research planning and consulting firm. Thank you and welcome, Mr. Kelsey. You'll be about five to seven minutes. >> Thank you. Good morning. Other than having four employees and paid summer interns, I don't really have any information about programs to share with you, and so what I thought I would contribute in my five minutes here is to try to offer some information that can kind of unpack this issue of why workforce development is so important and try to relate it to some other important issues that have been on the minds of a lot of people lately, including economic segregation, affordability and other things along these lines. So I just want to create some context here, and then as you hear from the rest of the speakers about programs, you know, hopefully we can all start to understand and appreciate the connection between having this capacity in the region and hopefully needed and some of the other outcomes we might be able to anticipate. So I've got two slides or three slides, I think, and I think I can do this in five minutes. We all know how dramatic the change has been. We are number one in job growth since 2000, number two in

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population growth since 2000, and three in overall economic growth since 2000. We hear lots of things about this tail of two cities narrative, we talk about the lack of middle wage jobs. People who have lived in Austin a long time will tell you you can pick your head up and see the tremendous amount of wealth that has been created but it just sort of feels more unequal than it ever has before. And, you know, that's really kind of caught my attention lately, why, given all the job growth, you know, given the fact we have performed so well, why does it feel so unequal to people here? So what you're looking at here is a graph of per capita income and average wage per job back to the '60s all the way through 2013 and it's indexed to the U.S. Metropolitan average, that line at 100. This is Austin's performance relative to the U.S. Metropolitan average. You can see historically we have trailed. People tell you, well, lower cost of living here, a lot of reasons for this. Then during the tech boom in the '90s we were able to get over that hump a little bit and start creating wealth here, broadly shared wealth, mind you, at the average per capita levels relative to the U.S., and ever since that dot com bust we've been muddling along where we haven't seen much gain. The question is why, given all this growth, aren't we seeing broader and more substantial gains in the labor market? If you look at the wages, 2003, adjusted for inflation, average wage was about \$51,000. Fast forward to 2013, \$52,000, 1.6% inflation adjusted growth. Compare that to how home prices changed, 15% rate adjusted for inflation in nominal terms 45% and you can quickly start to understand why wages really aren't keeping up with the rising costs of housing here. Now, why is this important?

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Well, it's important because of how it translates to inequality in the labor market across a couple of other education dimensions. This is average wage, adjusted for inflation from 1996 through 2013. Broken down by educational attainment. You can see back in the mid '90s -- we've always had inequality in the labor market, higher education, higher training, this always had a return on investment in the labor market. Go back to '96 and look at the gap with workers with a bachelor's degree and better and workers with a high school diploma. The gap was much narrower in the mid-90s than today. Today bachelor's degree or better make 94,000 on average, high school 48,000 on average and you can see how things changed so dramatically in the '90s because of the return to higher education during that kind of technology-fueled boom, some of the stuff Alan was referring to. In inflation-adjusted terms, nobody has gained much over the past ten years on average, but you can see we haven't really done much to shrink that gap. So the reason Austin really kind of feels more unequal than it used to is because it is. Even the most well-educated down to say the high school diploma level that gap was much smaller back in the '90s than it was today. If you break it down by race ethnicity, you can start to understand how this ties into things like gentrification, economic segregation, you know, it becomes pretty clear when you look at that time this way. This is the same graph, average wage, by race ethnicity from '96 to 2013, all adjusted for inflation and you can see the gaps, sort of who has gained, who has not gained so much kind of through the boom in the '90s up until today. So we have very large gaps in the labor market now, and if we don't do a better job closing them through post secondary

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education this inequality is going to continue. >> Tovo: Thank you very much, Mr. Kelsey, for that information. >> Zimmerman: Sorry. >> Tovo: Again, we're going to hold questions primarily to the end but if you've got a burning one. immean: Qwa't you to come bk to this. You were talking about theaps but I see therend, everybody is going down. >> That's correct. >> Zimmerman: To me that's more important than the gap but you can talk about that later. >> Sure. >> Tovo: Great, thank you. Our next speaker is Betty voits, executive director of capital area council of governments. Thank you for being with us. >> I didn't bring slides. Everybody else said they weren't doing slides so I didn't do them. Anyway, it's just a one-pager. Let me start by saying that the difference between what I'm going to mention and everybody else is because we are -- we're required to do regional economic development. So the economic development administration funded by -- through the U.S. Department of commerce gives us funding to do a regional economic development plan. We do five-year plan and we finished our 2015 to 2020 draft. It hasn't been adopted yet and turned into Eda but we're getting close. From a regional perspective I want to mention a few things. First of all, we know and it's not new that about 50% of the folks in the region and particularly the msa counties cross the county line for a job. So a huge portion of the workforce in Travis county is actually people who live someplace else. That growth is continuing exponentially. The corridor counties are growing as well as Walle well and bastrop, burnet is

eventually going to start growing more and so even more why we have to look at things from a regional perspective. On the handout that you have, I don't know if you have it in front of you -- >> Tovo: We've got it. >> Couple things we want to

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mention. There's -- you've -- you're hearing some of this already. There's stark divide in educational attainment. If you look at the bottom of the first sheet we show you there are jobs that don't require bachelor degree, just need an associate's degree and we just don't have a way of telling how much progress we're making in that area. Our new economic development plan focuses on four things, workforce, entrepreneurship, ace make, and resiliency. And I want to just mention real quickly the four things we have in here related to workforce. First of all, and this begins into more of an assessment of where we are and what we're doing because we don't actually do worker training programs. Identify and address gaps in educational support to match studen to appropriate programs and improve education outcomes, increase the capacity of programs that credential students for career skills at the secondary and post secondary level. These are our strategies and plan. Coordinate between educational institutions in the private sector to align post secondary program offerings andxpand accessibility and, forth, support the sharing and distribution of labor market and career knowledge to inform residents of our region about the decisions they make. We were excited at cap cog because a lot of our sick development focus is data and policy driven because we don't deliver programs when house bill five passed last session and it basically said, you know, the ISDs need to look at what career opportunities are going to be available and try to develop some curriculumhat helps kids go into that instead of aiming at a four-year degree. I can tell you with a southern in col that would have helped him an awful lot. We don't know how well that's working. We can't figure out exactly what the ISDs are using we called the sponsor of the bill, it's too early for any success

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stories or any progress on what's happening with that. But it's an example of the things that we need to be doing to make sure that every kid that gets out of high school doesn't quit there because they can't go to a four-year college degree. We decided for those goals I mentioned that we wanted some metrics. And this is a starting point. It doesn't have to be the end all. But, again, we plan for the ten county capcog area, five county msa really skews what we're doing. We don't have too much impact when it comes all the way out to fayette county. What we're going to try and measure, the increase in the share of population age 25 plus that have a post secondary degree. Anything aft high school. Increase the share of households in our counties that earn an annual income of more than 35,000. Now we know the

median household income is higher than that, probably runs into the 40s for much of our counties but there's a whole lot of folks that dip below that 35,000 mark so we want to figure out what to do about that. We want to increase the number of vocational certificates awarded by regions post secondary institutions and last increase the share of jobs added to the regional economy that pay average of \$20 or more per hour. Part of what we're looking at is not just the workforce issue but resiliency. To Brian's point we're looking at population growth, population growth is going to continue. Population growth in the minority community is going to increase at a higher rate and the hispanic the highest, which are traditionally the community that we want to make sure get into something besides high school. The recommendations that I would make. [Buzzer sounding] >> -- Are simply three. First of all, the economic development policies that all of our communities use need to

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incentivize some of these things. I know that y'all have got the Einstein project going yet but the fact that Austin is doing that and is going to provide some incentives to companies for apprenticeships is good. We need more incentives to companies that our cities and counties are giving for those kind of things to make sure that companies are creating better jobs with benefits. I watched, you know, the whole region and I see cities giving benefits to companies that don't even offer health benefits to their employees. That's outrageous. And it's going to take some discussion among the elected officials to start talking about good policy. We know that there's a lot of things going on out there as far as adult education, apprenticeships, there's a lot of job training going on that's good, ACC is doing a great job. We have somebody from ACC and tsdc on our economic development board, we have both of the workforce board directors, Alan and James [indiscernible] On there. We spend a lot of time talking about this. To Alan's point there's a lot going on out there but we really don't know where the gaps are. We know we need more resources but we don't know exactly how much. We really don't have a good idea of how to fill the gaps because we don't even know where they are. Finally, for us, it's all about doing things regionally. I think there's a lot of great planning that gets done for city of Austin, Travis county, but when you have 50% of the folks getting jobs by driving here or driving across another county line, we're going to have to look at what we call a broader labor shed, which really covers the five-county msa and beyond. I'll stop there. >> Tovo: Great, thank you. Councilmember Houston. >> Houston: Could you tell me what tstc is? >> Yes, councilmember it's Texas

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state technical college and they're statewide. The one that's in our region is in hudco. >> Tovo: Thank you. Our next speaker is Mike mitchly from the Austin community college and he is the vice president of

instruction. >> Great, thank you. >> Tovo: Welcome, Mr. Mitchly. >> Thank you for inviting me. So Austin community college is regional in scope. We have a service area -- Austin community -- >> Tovo: If you would tap that button there. >> Good is now okay. So for the third time, laving, so we are regional in scope, we have about a 7,000 square mile service area which includes all our part of eight counties. We have 11 campuses and we have about 40,000 credit students at any given time in the semester. And in the neighborhood of probably 15 to 20,000 additional annual of non-accredited continuing education, adult education students. So fairly large institution. So it was interesting listening to my colleagues, listening to Alan and Betty, because really a lot of their priorities are our priorities as well, and I'll come back T that towards the end of my five minutes. But to jump right into it, so, you know, the skill set, there's been a lot of discussioat the national level and regional level about the skills gap for a while now and usually when you look at that -- this is true nationally and frankly true here also, most jump directly to the technical distills. If you pull CEOs and ask them what is the skills gap, a lot of those folks say it's technical skills, generally it is it-related skills, technology skills, those things. If you look at their responses, they also talk a lot about nontechnical skills as part of the skills gap. What you have are two things that are affecting a lot of the populations that I think we're discussing this morning. One is the lack of technical skills and one is the lack of

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those skills -- basic skills, like math, for instance, which limits you if you can't do math you're not going into the advanced technical middle skill jobs. Just not going to happen. Management leadership skills, supervisory skills, skills some people call tm emotional skills, persistent self-discipline, selawarenessy the surveys those skills rank equally with the technicalkills. I think that matters asein to look a we attack thible want to run through some of the specific things that ACC is doing T address some of these issues and'll come back to, ai the E we think some of T that we could do together enh tho efforts would be.so of the things that we mall andopefully you've been out there, visited that. Ifot yout's Abo 200,000 square F the things we did and allyhe center piehat we were seeing wh our studs who came tos is in the nd a up T 50% of those studesere simply not ready to do any sort of mat courses. Again, ifou can't doh not going to do technology.ifouechology Yo nng to do af th jobs we're looking to try to which is really -- which is dids chged T entire currirmathn that.he students auallyor through cputer diet competency mh modus with a ofes in the room helping emit our results hav-- we're only one semester init's a lite bit difcurgi Te, B T results cg back from ttct are quiteood. Wee the whdwalate to about a third what have it wasre theuccessated for students coming into that is in the high 80s, pretty phenomenal given that in the traditiol delmental math

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sequence I ynterhaat the lowest lev maybe one in ten wlinish a mathrse. Pretty phenomenal wt doing. It was kind of iesting I was Ving a little talk or there ING just in sort it, and tgrp from lone star college, leadership academy, and the the hallways, it's a L room. After finished one of the students came up and tell me how much he >> Wire looking at Austin sidents who enrolled in one time in college, generally -- is that time? >> Tovo: You're welcome to take another minute or two if you need it. >> Let me wrap up. I'll start the other initiatives. Thers a list of those. Most folks at the tle are aware of those, but so a couple of things that were brought up

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earlier that I think are important. One is the lack of knowledge about the available opportunities across broad spectrums of the population. If you look at declared majors who come to us, probably in the 10,000 out of the 40,0 students are acally declarihnnical programs and so -- and many othose are in nursing. So I think that that's important to raise awareness. And then of course the partnership such as the one we have with capital idea to provide support services to those folks who simply won't succeed without them. I think the city has a wide array of rousers at its disposal and they're primarily but not totally financial. One of the resources you have is to be a convener and help us to work together and do joint planning. I think our recommendation asline with Betty's and. >> Tovo: Thank you very much. Our next speaker kwee LAN Teo yam who is vice president of talent development & acquisition for the Austin chamber of commerce. Thank you for being with us. >> Thank you, council, for allowing me to share with you our chambers work on regional workforce issues. At the chamber we have invested heavily in programs and research in public education and developing a stronger local talent pipeline and I'd like to give you a quick overview of the programs that we have to help me not just short-term but long-term hiring needs in our region. So this very first chart that you're looking at right now, this is a report that the chamber generates monthly, which shows the available job postings in our region, and as you can see, we have about 18% of all job openings are in computer or math occupations, which is mostly tech

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jobs. The it sector has seen a growth compared to the same time last year. We have about 700 more job openings and that's approximately 10% more than we did last year. So we shared this report with the regional publicchl districts, the coselorshe serine, he give them much clean and clearer picture about what our regional job needs are. And if youk at the chart you will see that we currently have about 7400 it jobs and about -- that's about 18%, and it's followed by office and administrative support, so it's related jobs in health care. I'm going to quickly run through a couple of th company relocations and

expansio that their H been keeping track of the past three months, and you can see that the majority of these companies are going to be somewhat tech-related. And that's for February, and that's in January. Here is an overview of the central Texas computer science degrees that have been awarded, so back in 2009-2010 time period we had about 743 regionally. That number has gone up to 1,293. That's the most recent number that I have in terms of the computer science degrees that we have earned in our region, and this is the number that comes from approximately 16 institutions around Austin -- in and around Austin. As many folks here have already mentioned most of the in demand hard skills that are -- hard skills shown on a lot of our job postings will be predominantly it skills and that's because they're actually comprised of -- they comprise a larger portion of the pie of jobs available. In demand certifications are mostly going to be healthare-related. And otharts you see that there has been a positive -- quite a

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large number of positive increase for both tech skills and health care certifications. Here are the top 15 job openings and hiring difficult that companies or employees have in our region. On the top of the list would be registered nurses by software developers, marketing managers and web developers. Quite a few of these jobs actually do demand that the candidate have some form of post-secondary degree and experience, some don't. But for example, retail salesperson, you don't need -- you generally need less than a high school or some short-term on-the-job training to be eligible for those jobs but those jobs are also very easily replaceable. As you can see the hiring difficulty scale on that is a 10. So going on to the long-term programs that we have at the chamber we have a five county education partnership. And we've been working with the public school districts in the five county area and 12 of those school districts are part of the student futures project which is a conlabive effort wit the ray marsll center. What we D is track high school students four years after graduate toant to work or, you know, do they go to college and what do they do in college. The purpose is improve the feedback and policy and propaganda alignment for Texas I.S.D.S we also have 11 schools participating in the education progress reports, which the academic performance of each school district tracked in line with the community's expectations. The chamber also finds the council portal pilot, which is given to regional public school districts that would aggregate apply Texas, fafsa, and ti student level data which would give counselors a realtime tool to

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more effectively transition students into post-secondary education. So what that toooes is basically tell Y if a student actuay has filled in a financial form and where they are in that process. So here is the Austin msa path to college. About 90% of Austin msa seniors say they're going to college -- >> Tovo: Feel

free to take some more time if you need it. >> 84% actually apply via apply Texas. 84% look at or ACS, 64% of our regional students in our regions are actually college ready and 62% have completed the financial aid this year -- sorry, last year, and about 60% of all students actually directly enroll in college fall after graduation. The chamber's goal is to achieve a regional 70% direct to college enrollment rate. And this is where we're at on college application rate by campus. So apply Texas is actually a form that would actually show you -- it's a centralized mean for both Texas and non-Texas student to apply to post-secondary area institutions we have -- secondary institutions in Texas. We are at 84% right now and that shows that the number of students that are interested in pursuing their post-secondary education here in the state of Texas. So the chamber worked to improve its social media push to help get students and families to apply for financial aid, and the reason why is because the odds for a student goes up if they apply for FAFSA. Students who have filed have an 80% chance of actually moving on to post-secondary education, so this year we did the ACL wrist band contest. C3 had ten \$1,000 scholarships to

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financial status attendees. This number here would be the increase in the first time FAFSA application. So since inception we have moved from about 5500 first time flyers in public school districts to 11,500. The goal is to have 12,000 students file for financial aid for the first time in 2015, but the data has not been released yet but we can share that with you. About 80% of first time filers go on to pursue post-secondary education, and most of the jobs that you have heard in our region actually are in some form of post-secondary education so that's the reason why we have directed quite a bit of our resources in this. The college application rate by campus is -- regionally it's 62% for the class of 2014 and we should have the 2015 data sometime later part of this year. This change is the financial impact of what financial aid Saturdays does for our region. When we first started in 2006 financial impact was slightly over 15 million, now it's close to \$122 million for 2015. So we -- generally the chamber has about 30 events each February and March, and -- in the public school districts high schools, to help students and their families complete and submit their financial aid forms. And the good news on that one is direct to college enrollment rate has been steady despite state and national decline. Thank you. >> Tovo: Well, thank you very much, and I know we'll have probably lots of questions for all of you who have spoken, but we're going to move on to our two business representatives. The first of whom is Gerardo

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Interiano. Please correct my pronunciation, from Google. Thank you for having us. We really appreciate THA's opportunity. >> I appreciate you being here. >> Thank you. >> So I'm going to take a little different angle when it comes to workforce development. I'm going to talk about middle schools. The information that's

been laid out we talked about computer science education and here's the Numbers in Texas. So there's 45,000 open computing jobs in Texas yet there's only 3600 computer science glawts. Texas is actually in a pretty interesting position in the sense that we are one of 25 states where the studentsan count computer science credit towards high school graduation, and we're the only state in the nation that now requires high schools to offer comper science to all students. To give you an ihis means from an enocerecve, th is naonal numberó, so there's 1.4 million computing jobs, only 104,000 computing science graduates, that's a \$500 billion opportunity across the nation. So the question that we alwayset l why, and think it's twofold. It's -- sometimes the teachers -- the school districts don't have the teachers prepared to be teaching these courses and the other is that the students may not realize they're interested in and exposed to these careers. So we're working on both of those fronts. On the teacher side we actually just gave a grant and we're working with aisd to create a teacher professional development program where teachers will be trained on professional science curriculum, then they'll go back to their schools, develop a Co cohort and trip teachers. On the student front we have cs first, that's club-based. We've been working closely with means and Garcia on essentially expanding this program here in Texas. It's our first city in Texas that we're looking at. Means has become the first all girls school across the nation to have adopted this with Google, where every girl at means will be part of acs first club. We're also working with the Ann

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Richards school. I mentioned aid. You know, part of it for us is how do we -- how do we create a more diverse work source. 17% of computer science grads are girls, we're working with the girl scouts. They have a coder patch, three different levels and the girls are out there coding and working in these careers -- working in these skills to try to further develop that. The other aspect that we focus on is entrepreneurship. Austin was selected as one of three cities across the nation to have an entrepreneur in residence, that we're funding and here in Austin they're housed at capital factory, so it's an entrepreneur that was selected here out of the community whose sole job for the next two years will be to develop curriculum and to develop programs to promote diversity within entrepreneurship. We think that these two things go hand in hand and the opportunities that were shown by all of the previous speakers there are really enormous and there's a big chance for us to start early with these kids. We believe that we should start with middle school, that if we're starting to think about this once they're in high school, once they're in college it's too late. But we can get these kids interested in these careers at middle school and get them to understand that computer science is not just, you know, getting in front of a computer and coding -- and coding. It's everywhere in what they see. It's in fashion, it's in sports, it's in cars. I mean, these skills really can be seen all throughout our workforce today. So we're excited to be partnering with aid. We appreciate the work the council is doing already and I'll keep my remarks short and end them on that. Thank you for having us. >> Tovo: Thank you very much. And our next speaker on this topic is Patrick terry of perry burgers. Welcome. >> Thank you, thank you for having me. What I

thought I'd do is briefly tell you a little bit about what we do as a business and have done for the last ten years, and then at the very end maybe make just a tiny suggestion so

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when my wife Kathie and I started P terry's ten years ago the idea was to be a different type of business and in many ways I guess we've achieved that, but one of the things that has been most important to us is that when we -- we opened we took a belief that the people that worked for us would be the single most important part of our business, and if we treated them -- we treated them right, we felt like they would treat the customer right, and that circle would begin. And so it was a mentality that started from the very beginning. We've always paid over minimum wage, and although that's a nice thing, it's short-lived if there isn't a belief that this person can one day run your restaurant. And so of the 10 restaurants that we have, all ten started working at a -- the lowest possible position that we have, because everyone starts at that position. So the manager at the north Lamar location has been with me for almost ten years. He was 19 years old. He does not have a diploma. He does not have a ged, but he runs a store that does quite a bit of sales, and because of the mentality that says we walk in with our eyes open and a feeling that you will not be held back for any reason, as long as you do your job you can move forward. And so what we've done is grown to 350 employees, and we -- we try, because of the business that we're in, we try and do things different to maintain our staff. You know, we become known, and I didn't realize it at the time, we've always given noninterest loans to our employees.

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And I didn't see what the big deal was, because first of all, interest rates in the bank are a joke, right? I mean, you're not making any money in the bank, so you're not losing anything by loaning it out. But what we found out is that we can change someone's life, or at least help them continue if a car breaks down or they're looking for an apartment and they need first month's rent and a deposit. It was a very simple thing in my mind, and I think what it did is establish us with the employees that we had a family here. We do other things, we make birthday cakes and we give year-end bonuses, and I can pass myself on the back all day long for this, but the truth is it's just good business. And there are a lot of employers -- a lot of employers in this town that do good things, and this is a great place to work in so many regards. The question was posed to me, I was looking at this as everyone was speaking, and I know that the people on this panel work really hard and try and make a difference, and it seemed to me that the way -- the question that was posed to me was how to strengthen business involvement in the workforce development, and I would -- I would suggest that perhaps this partnership would go both directions, that the workforce development would reach out to businesses and businesses would respond, and

perhaps there could be a checklist that would give you a grade within that workforce development that says these guys take care of their employees. There is a potential for growth. This is not a dead-end job flipping hamburgers. This is where you could go. And when the checklist is

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completed, if there are ten things on the checklist and you hit ten out of ten, then the workforce development now knows that this employer scores a perfect 10. And now can go to people look looking for work and say, well, these are the guys that score tens. These are the guys that score 9s, these are the guys that score 8s. And as a result a relationship might be formed. I don't know. I was just thinking about it while I was sitting here. That's really all I got. Thank you. >> Tovo: Interesting idea. Thank you, Mr. Terry, and thank you for sharing a little bit about how your business operates with regard to this issue. Well, council, we are -- >> (Indiscernible). >> Tovo: I believe that we have heard from our panel, and so we have about ten minutes reserved for questions. Have I missed someone? Okay, we'll hear from our other voices here in a minute, but we do have -- we have 10 to 15 minutes for questions, so thank you for allowing me to hear from all the speakers first and hold our questions to now. And so I'll recognize council member Zimmerman. >> Zimmerman: Mr. Terry -- sorry. Is your sister-in-law Trisha terry? >> It is. >> Zimmerman: All right. So we are related. Trisha terry's mother was my mom's first cousin. I thought that was you. >> Tovo: Small world. >> Absolutely. >> Zimmerman: The question I wanted to ask, from listening to your comments, it sounds a little bit like -- I don't think you're doing this intentionally, but you're shooting some holes in the idea that you have to have education, higher education, to be successful. >> Yeah. >> Zimmerman: And illustrates it's just not the case. I'd like you to talk for a minute or two about really what's more important for your business is the personal integrity and the character of the individual you hire, their work ethic, their honesty. >> Yeah, there's no question

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that -- you know, what I think we do is we give -- we give everyone a chance. So, you know, the people that come to work for us come from all walks of life, and for the most part what you have to do as an employer is establish a trust. And once the trust is established, we work with a lot of hispanics, and -- that have in the past not been treated fairly, not been given a good break. So once that's established you're absolutely right, we're looking for integrity, we're looking for a hard working individual, and from there, you know, the sky is the limit for them. I mean, honestly. , You know, we -- this is not a tech thing, but a manager of a restaurant can make \$65,000 at perry's, and if you don't have a ged, this is for many a chance of a lifetime. >> Tovo: And I should point out if any of our panelists would like to respond as well or would like to comment on or elaborate you're welcome to do that. Mr. Kelsey? >> I would, if it's

okay. There are definitely businesses like Mr. Terry's that provide these wonderful opportunities here, where it is true that you may not need a completed post-secondary degree to make a living wage here, but they are by far the exception and not the rule. And so I think to say that -- it's one thing to say yes, it's possible to get into a living wage opportunity without a completed post-secondary degree, but to assume that that's true for everybody, it's a little bit like assuming -- like pointing to the one poor kid from a not very good school who goes to Harvard and saying, look, she did it so why can't everybody do it? And so this notion that -- I just want to be very careful

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about suggesting that we don't -- really shouldn't focus so much on completed post-secondary degrees here, because I think if you look at the statistics, you may find that's not going to be the most viable path forward to a lot of people. >> I'm not going to disagree. >> Can I add one thing? >> Yes. >> Zimmerman: I went to an urban school in San Antonio. A lot of people with tremendous athletic talent and I always wanted to be an athlete but didn't have the physical talent. You can have put a million dollars into me to try to develop me into a guy that could run the 100-yard dash in 4 seconds but it wouldn't happen. And when I got into school and found out how hard mechanical engineering was, there are a lot of people you could pour a million dollars into them and they would learn how to write kernel device driver in linux. There's no acknowledgment of the god given talent that we all have, whether it's athletic or individual. We've all got talents, and secondly, our personal character, our integrity, our honesty, our commitment to work with each other is more important than the book education. And I don't see that acknowledged. And I'm afraid we're going to spend tens of millions and hundreds of millions more money and we're going to wind up right where we are today. That's my concern. >> Tovo: Yes, Ms. Woods. >> I think that we're not in disagreement with that. I think that the gap is that for so long -- and like I said before, my son is in college now. You either graduate from high school and went to a four-year college or you didn't. And, you know, when I was going

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through school there was shop, there was, you know, voc ed, there was all these other things, and for a few years now we've been saying we need the other things. So it doesn't necessarily mean that you have to go on to a structured degree, if we could have apprenticeship programs, interns, places where businesses like pterry's says, hey, we have an internal training program, you start at this level but you have an opportunity to move up, that would be wonderful. But we just can't have this you either go on from high school to a four-year degree or, gee, we don't know what to do with you, and that's kind of what we're saying in our planning effort. >> Tovo: Council member Houston, did you have a question?

>> Houston: Thank you. I thought I did but I think I've forgotten which slide it was on. But let me try to get back to that. Someone had a slide. This is what happens when -- >> Tovo: I know. >> Houston: Someone had a slide that talked about -- that showed -- maybe it was the chamber of commerce that talked about the number of people who applied for financial aid or -- or -- >> I had two slides. Actually I had more than two slides, but one was the college application rate by campus -- >> Houston: That was one. >> And I also had a financial aid -- quarter 1 first-time filings in our region. >> Houston: Let's start with the first one about college applications by campus, please. The Numbers were very -- I mean, the letters are very small on there, but I think I can remember that Lyndon baines Johnson high school was up near the average, and I'm wondering, is that just for the people in the magnet program or is that the whole campus?

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>> We actually break up the magnet program, I believe. >> Tovo: I wonder -- I hate to interrupt, but I wonder if we're able to bring up that slide. >> (Indiscernible). >> Tovo: That would be great. >> Here it is. So -- which one is it again? >> Houston: Lyndon baines Johns Johnson -- >> You're referring to the whole magnet program? >> Houston: I'm asking, because it's so close to the 84%, I'm asking is that the magnet program only or is that the total school? >> I'm still trying to see. Okay. So that one for lbj, it is about -- close to 90%. For the magnet program it is actually slightly over 70%. So we do separate out magnet programs. >> Houston: Show me where the magnet program -- >> It is on to the third one, the third bar from the left. Do you see that? >> Houston: Okay. Okay, I see it. >> So apply Texas is actually the intent to go to post-secondary education in Texas. There may be students from the high school who may say I want to go somewhere else. >> Houston: Well, it's just interesting if that is the magnet program because they're lower than the people in the neighborhood school program, which I would think would be reverse. So that's -- that's interesting. >> The student portal actually does help the public school districts identify which students have or have not done the apply Texas filings as well, so one district that I can highlight that is at 100%, which is Hutto high school, which is a fairly small district.

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They do have -- they've actually done a pretty good job, together with del valle high school and Crockett high school in 2014, making sure that their students fill up the state apply Texas form. >> Houston: Thank you so much. >> Tovo: Am I understanding that data correctly, that the chart that we're looking at here are the application rates to Texas schools? >> Post-secondary institutions. >> Tovo: I see. So that shows us, then, that the students in the magnet program are applying to Texas schools at a lower rate than the students in the non-magnet program on that campus? -- On that particular campus? >>

Correct. >> Tovo: Is that your understanding, council member Houston? >> Houston: Yes, but it's still an unusually high amount. >> Tovo: It is, yeah, yeah. Thank you for sharing that. Council member troxclair. >> Troxclair: Mr. Miller, I was hoping that you could expand a little bit on your comments from earlier where you talked about that there was room for improvement when it comes to coordination not only between the city and the county but then also within the workforce education readiness continuum and the programs that try to have a one-stop shop forward for development resources. Can you -- I want to make sure that I'm clearly understanding where there is room for improvement, how we can address those gaps. >> I'll give you one example. The city's last procurement process for -- for funding for social services, there was funding made available for workforce development, but it was done out of two different departments. Capital idea and skillpoint alliance were funded out of the economic development department's budget. The other portion of funds for workforce development came out of procurement done by the

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health and human service agency -- or department. So we had two departments within the city of Austin with two separate procurement processes for the same thing. It's akin -- I'll do an analogy. It's -- many companies across the United States, even large ones, when you go to talk to them about internships or about workforce development within their company, there's no go-to place. There's no go-to office. It's usually somebody who was trying to find a job for a neighbor's son or daughter or their niece or nephew, or it was something that got tacked on to six other jobs that they're doing. So there's no -- where do you go in the city of Austin for the workforce development department? There isn't one. There's some over here and some over here. That lends itself to a little bit of disconnect. Workforce solutions, we do coordinate with both the city's economic development department and health & human services, but the degree and level of that could be enhanced tremendously through joint planning. There is no one single workforce development plan for our region. And without that one -- one plan that brings focus and alignment to the entire system, we're losing a lot of opportunities. That was the point I was trying to make there. We also duplicate costs. We serve -- it's interesting that when we come to the funding aspects of things, the city, the county and workforce solutions, all three of us are funding the same agencies for the same services. We could do a much better job if we were doing that collaboratively and under some level of joint planning and joint processes instead of spending 15% on administration, if we could do it for 10, that's 5% additional that could be put back into serving individuals. Those are missed opportunities, and things that we could

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positively work on that really don't result in the cost of any money. It's just a better way of doing business. >> Troxclair: Okay, and so you're suggesting that there is just more coordination. You're not really suggesting all the workforce development be under one specific department or that we consolidate outside the city, that we consolidate workforce development, just that there needs to be more joint meetings and joint planning? >> Not necessarily meetings. I think there's value in consolidating all of it into one place. Why have two over here that are workforce development, tied to economic development, but the others aren't? Strategically that doesn't make any sense. It's a poor business model. The right-hand doesn't always know what the left hand is doing and too many opportunities can be missed because we are not working together. I would argue for the consolidation, personally. >> Troxclair: Okay. Thank you. >> Tovo: Council member Garza. >> Garza: I just wanted to comment and say that I strongly disagree with the notion that every child's natural talent is going to come shining through and they're going to be successful in their own way. That would assume that there's an equal playing field, which I think we can all agree that there's definitely not that. So I just want to thank you for the work that you do and the jobs that you provide. It's essential to our community, especially my district. So thank you for being here. I have to leave. I mentor a little boy in my district, I've done it for three years, the ceiling foundation, usually their children have one parent incarcerated and I can guarantee you he's facing an uphill battle that other children in this community are doing. So thank you for the work that you do. >> Tovo: Council member troxclair. >> Troxclair: I think our city staff had a response. >> Yes, thank you, council member troxclair. Currently our workforce development, we work hand in hand with health & human services which is currently managing the workforce contracts

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this year, but next year they will be moving over to economic development, and we are planning on developing a strategy that looks at a comprehensive look at workforce within the city. So just wanted to let you know that. And we've worked hand in hand on the procurement. >> Okay, thank you. >> Tovo: Council member Houston. >> Houston: I just want to thank Mr. Terry for being here today and for presenting a model that I'm excited about, one that says we look and care for our people, and if we care about the people, then the people will care for our customers, the customers will keep coming back because they feel respected and valued. And then the business model I think is sound. And I really appreciate you sharing it with us. Of course I wish there were more of you there in different kinds of business opportunities that had that same kind of vision. Thank you. >> Tovo: Council member Gallo. >> Gallo: Thank you to all for being here. I do have a question of the city staff person. You know, as we hear about local schools, particularly underperforming schools that are at risk of being closed, is there any dialogue going on right now to perhaps jointly use some of those schools as workforce development area -- I mean, potential places to hold classes or, you know, do things that -- it just seems like that would be such a great use of the schools to be able to keep them open and to continue with schools but also have other functions too. >> Yes, thank you, council member. Currently one of our new tools is

definitely called the Einstein project, and I may ask my staff, David Colligan, to come up and do a great job if I don't. But we are focusing on science technology and engineering and math education, and we will be seeking professionals to go out and not only mentor students but again train teachers within those fields to help encourage

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students who may not otherwise think that those areas are for them, to produce our own group of einsteins for the future so that they may be able to fulfill those jobs. >> Gallo: But my question wasn't as much about the program as it was being able to determine locations for programs like that that could also utilize the under-enrolled schools to be able to have a facility but also be able to keep the schools operational. >> Yes, we will be looking at all areas of possibilities. >> Gallo: Okay, thank you. >> Tovo: And council member Gallo, and it looks like Mr. Kelsey has a question -- or a comment as well. I wanted to say that using facilities -- using our school facilities jointly and in collaboration with the city has been a long-term -- a long-term goal of the joint subcommittee of aid, the Travis county and the city of Austin, and I believe while there are some schools that may be offering classes to parents and others in the community at the schools, kind of systematizing that and figuring out how we might work together has been a -- has certainly been a priority of -- been a priority of mine and one of joint collaboration as well. But in particular I think it could be a very successful strategy for some of our under-enrolled schools. Council member Renteria and then Mr. Kelsey again. >> Renteria: I would hear this -- I heard this report on the capital idea, and they're saying that ce -- \$1.5 million, and we got 80 (indiscernible) Graduates from there, which kind of adds up to about \$18,000 a year, but what kind of degrees are they getting? >> If I could ask either Stephanie or the representative from capital idea to come up and speak to their success rate, because it is a great rate.

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>> Thank you, I'm Steve Jacobs, executive director of capital idea. I'm here for my colleague, you'll hear in a few minutes. It takes 3 1/2 years average for someone to go from someone needing basic math to a two-year degree. The two-year degrees are in high demand, high stem occupations. Nursing are the health -- other health care occupations, information technology occupations and the trades. >> Renteria: So these are basically two-year -- they're two-year programs? >> Yes, those are two-year programs, two-year college degrees. >> How come they're not using ACC? >> We are using ACC. We don't do any training ourselves. What we're doing is supporting students who are going through ACC with the emotional, psychological and logistical support they need to get that two-year degree. >> Renteria: And that's what -- are you also helping pay for the ACC through the 18,000 per student -- >>

Tuition fees, books, other expenses like tools and kwru678s that come along, vaccinations, credentialing. Second major expense is crild care because -- child care because we're dealing with folks who are average 30 years old, they have kids. The biggest barrier to getting an education is finding a place they can crust and afford. >> Renteria: Thank you. >> Tovo: Thank you. Thank you, Mr. Jacob. Mr. Kelsey? >> This will be quick. Back to the previous comment about what the city could do, looking at some of these schools, is to look into dual enrollment, which is just another way of saying as you're going through high school, models to be able to secure both a -- or a -- sort of a six-month or one year certificate all the way up to an associate's degree. If we could reach students, get them to that level before they leave high school, on average the difference between a high school diploma and associate's degree is about \$500 a month.

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So if we're thinking about this as a way to kind of keep up with the rising cost of living, city staff sitting down with aid, sig down with Mike at ACC and others, if inked wave a wand we would have dual at every high school. That would go a long way to preparing the population for living wage jobs. >> Tovo: Mr. Midgley? >> A quick comment on that. We have two long-standing -- pretty long-standing, three years in early college high schools, we have eight in all across our district. So we have those. We're adding a third one, Travis, and we're beginning to move into the technical areas for both lbj Regan and some of the other high schools. We bring other folks to do it while they're still in high school. And in may, next month, we will have our first group, small group, but our first group of students who will receive their associate degree around two weeks before they actually receive their high school diploma because our graduation comes earlier. So that's really good. And we also do dual credit, not early college high schools, which goes all the way down to the 9th grade, so it starts arrestingal early, but we do dual credit in almost all the high schools within our district. Thank you. >> Tovo: Thank you very much for adding that information, 34r Kelsey and Mr. Mij -- and Mr. Midgley. As I was driving to work today I heard a report actually about Travis high school become an early college readiness program. So it's very, very timely and thank you also to Mr. Jacobs for bringing up the discussion of child care. We're not really talking about it directly in this session but it is such a critical economic development issue for our workforce development and economic development because, of course, if people don't have the ability to have quality child care for their children, it's very difficult for them to secure and maintain a job. So thank you for addressing that. We're now turning to the discussion of our -- the section of our presentation that has other voices, and our first one will be from skillpoint alliance, and that will be Jason boies.

[11:44:16 AM]

Nangs thanks for being with us. You have three minutes. >> Thanks for having me. My name is Jason boies and I'm the -- I work for skillpoint alliance. I'm the of two programs at skillpoint alliance, the first of which, in no particular order, is the velocity program, stem based for juniors and seniors in high school. But what I'm going to talk to you primarily about is the other program that I manage, which I've actually been working with my entire two years at skill point, which is the gateway program, the gateway program is funded in part with city of Austin money. A few things about it. It's a quick -- it's four to eight weeks full-time equipment course, primarily for adults. We have classes in certified nurses aide, electrical plumbing, hvac, machine operator, like metalworking, mills and lathes. We're talking about adding a welding class because basically every day I hear why don't you have a welding class? So that's something we're talking about right now. We served over 275 people in central Texas last year. Primarily in our standard four to eight-week full-time adult classes. We have an 85% completion rate. 80 employment rate in the field, within 45 days after graduation. We do, like I said, primarily work with the adults but we also have classes at Williamson and Travis county juvenile detention centers as well as we have a partnership with the warrior transition brigade up at fort hood and we actually started this morning our fifth class with them. That's an electrical class. Next year we have 24 total classes planned, serving over 300, and we've actually already serve over a hundred this year. So that's quick, you know, three minutes is a short amount of time for me to talk about my program when I could probably stand here and talk to you until you all left and went to lunch on me. But a couple points that I wanted to make from what I've heard today. Like I mentioned a couple times, these -- the gateway program is 40 hours full-time commitment for four to eight weeks depending on the class, and as we heard earlier, that 51% of

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our underutilized are completely unemployed, and so this model really seems to work for them, because they are unemployed, their days are open, and it's to best utilize the time that they happen to have for whatever reason at that time. So they can get in, you know, work 40 hours a week. It's a serious commitment, but they get all the skills, and basically we look at any program that's about a year long, a prenticeship and cram it into this. It best utilizes their time. Another point is I want to reemphasize, it's mentioned a couple times, but the importance of professional development. Our classes offer around 20 hours of professional development. We regularly do brain trusts with industry leaders in the central Texas area, just to get a feel for what training needs are out there, and I'm just amazed at the answer that we get the most of what can we train applicants in for you, and I wonder if Mr. Terry would agree with this. We get so many people come in and saying, we just need people that will show up, that come to work, they show up to their interview on time and they'll be here the next day and we can count on them. So I think that that might also go back a little bit to council member Zimmerman's comment on natural talent. Maybe their natural talent isn't the same for everyone, but I think that getting -- touching back on the professional development aspect of finding jobs is kind of improving their talent, skills. We can teach the hard skills all day, but jokingly, what one industry leader told me, they can be the best

machinist that I've ever seen but if they show up 15 minutes late to their interview in a Mickey mouse t-shirt they won't get the job. So we really try to emphasize that. Sorry I ran over. Thanks for your time. >> Tovo: No worries. Thank you very much.

[11:48:18 AM]

Questions, colleagues? Okay. Our next speaker is Eva Rios Ileverino from capital idea. Thank you. >> Hi, I think we should be looking at a picture of our students. I just wanted to put a face to the individuals we've been talking about today. Our students come to us making around \$14,000 a year, and when they complete the degree, their associate's degree, most of them, they will end up making around \$40,000 a year. So we're very proud of that investment that we're making thanks to all of you. So today we've been talking about the importance of getting their education, and I wanted to also share some of the return on investment after our students are done with their -- their training. So the Ray Marshall center, conducted a study that showed that -- the taxpayers receive 501% return on their investment over 20 years, so once again, we're very proud of this investment and making sure that our students are job-ready once they complete their education. However, not everything has been working as planned because we're facing some challenges with employers, especially in the IT area. And that's where in terms of giving you all some areas to work with us is where we're looking for your support for IT internships. We're calling them earn and learn opportunities. We are facing that the employers are asking our students when they go for job interviews for experience, and unfortunately they're not willing to give them this entry level opportunities so they can start earning that experience. So we are finding -- working on finding other mechanisms and as we're working with ACC that's one of the areas I mentioned on this project of career expressway, IT internships will be there at the focus. And what we're looking at is, at least on the capital idea end,

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looking at earning opportunities for about ten students a semester for 20 hours for 16 weeks, which is the length of the semesters and asking for a \$12 an hour pay. This will be working hopefully with you, the city of Austin, and other entities, so that we can provide this experience for them so they can continue to be as successful as they have been. Any questions? >> Tovo: Thank you. Thank you very much for that information. I have a quick question. Did you say that your students on average begin making \$14,000 a -- >> With 40,000. >> Tovo: 40,000. That's quite a return on the investment. Thank you. >> Yes, thanks. >> Tovo: Okay. Welcome, Mr. Rip Rowan from the literacy coalition of central Texas. >> Good morning. Thank you. So the literacy coalition is comprised of about 30 nonprofits across our region, and we're serving folks at the very low end of the continuum education alley. Educationally.

That's the folk area for us and I feel like Austin deserves a pat on the back and thanks for the position we're in. Having worked nationally in a lot of different areas, particularly in workforce development, Austin is ahead of the curve. There's obviously still a lot of work to do. I think a couple of points that I would like to make to add on to the comments that have been added here this morning is that we need to meet people where they are, and I think we really have to have programming and services that meet people both geographically and educationally but culturally as well in a relevant way, and the bias and politics and the institutional issues that get in the way of those investments are something that don't serve our community well. I think we -- there's a lot of talk of data, and I think that's exactly the right way to go, but I think having a real clear focus on the expected outcomes and what the yield of those investments should be is something that needs to be part of the expectation coming into the process up front and what that has across our community.

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For literacy, there are almost 300,000 people in our region that either don't have a ged or don't read well enough to be able to fill out a job application. And the scariest part of that in my book at least is that that number is going to double in the next 20 years, so the demographic is shooting up at a tremendous rate. And at exactly the same moment in time there are less than 5% of the seat we need to serve folks in those programs today for those learners. So I think that's the extent of the additional comments I'd like to add here. I think that the capabilities of the people that are not being served are just tremendous. The opportunity of the individuals and the potential and productivity that we're losing as a community, as an economy, it has a huge drain on us, and I think over time if we don't serve a third of our population more effectively we're not going to have a sustainable community in a way that we enjoy today. Thank you. >> Tovo: Thank you very much for sharing that, and that does bring us right back around to Mr. Kelsey's graph of the widening economic gap in this area, in this region. So thank you for adding those additional comments. And our final speaker of the day is Mr. Richard Halpin. >> Thank you. >> Tovo: From first unitarian universalist church of Austin. >> Thank you, mayor pro tem. My name is Richard Halpin and I'm going to focus my remarks today on youth employment, specifically at risk, at promise minority and nonminority young adults. As a taxpayer in Austin I saw austinites go through the very costly jail and welfare revolving door, so I went to the private sector, city council, workforce solutions, and others and said, what -- let's see what we can do together. Over the years our team and others in this room have created respectful, comprehensive, one-stop award-winning workforce

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model programs. National and local award-winning American youthworks where I worked is still going strong. Most importantly, thousands of Austin and Travis county young adults have learned and earned a pathway out of poverty for themselves, their families and the taxpayer. You are aware of the double digit youth unemployment Numbers with African American and Latino Numbers off the charts. These Numbers of 11,000 or more people are time bombs. A big portion include poor health, malnourished, no skills, school dropout, criminal justice, welfare involved youth. 60% or more of our prison inmates are school dropouts. The cost, Columbia university study tells us that each one of these young people are going to cost the taxpayer \$51,000 apiece annually. We can turn this around. In the last minute I have here are some recommendations. One, create and promote a citywide vision that all young adults, especially those who have been excluded, are invited into successful one-stop workforce training solutions. Two, invite successful workforce training programs, people here in this table in this room, outstanding employers and others to be partners in an all-day solutions shurep, overseen here by four council members who care the most about Austin's young -- excluded young adults, and bring in excluded young adults. Increase our city workforce -- our city youth workforce training investment to \$10 million. Leverage that \$10 million with new -- with a new \$10 million in social investment bonds, and use that as matched to the program's -- to the program money raised by award-winning programs you've heard from today and others. Increase the mayor's youth council employment fair to once

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a quarter and get the word out on the street that all young people are welcome. Direct all your city departments to make innovative youth employment to meet their own workforce training needs a meaningful part of each department's next year's proposed budget to you. Id smarter, city workforce initiatives, like a uniform nonpolice hospitality and parking enforcement division, our water leakage finding and mapping and infrastructure improvement core, and expanded conservation disaster readiness core. These are just examples. Make this a priority. Leverage our taxpayer investment. Save the lives and improve our economy. Then use the return on investment to lower all of our taxes. Thank you very much. >> Tovo: Thank you, Mr. Halpin. Thank you for those specific recommendations. Colleagues, do we have any last questions for our panelists? We've heard a great deal of information today. Council member Houston? >> Houston: Well, I just wanted to ask Mr. Terry, it's just fascinating to me and I'm not even a relative, so it's -- [laughter] Talk to me just a minute about your return on your investment. Are you losing money? >> No, ma'am. I wouldn't keep building restaurants. You know, I'm very careful, as I said earlier, to not pat myself on the back. This is a business. We make -- we make a good living. But I'm always surprised, you know, that -- there's a book called fast food nation that came out, and my wife happened to read it just before we opened. And it talked about a lot of things that the fast food industry does. And not a lot of them are good. One of the most intriguing was that so many businesses in my

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segment intentionally lay people off after a six-month period so they don't have to give them a raise. And I found that totally counterintuitive, it made no sense. If I have an employee that, as Mr. Zimmerman said earlier, is a decent human being with high standards, a smile, offered good customer service, why would I want to lose that employee? Why? So, we took what I thought was a really simple approach. You know, this isn't brain surgery. And, you know, to your point earlier -- and yours as well. You know, you would want people to get the most out of their life. You would want people to get a good education and learn a good skill, and have a good living. And in a perfect world, that would happen with everyone. But there are people that for whatever reason, you know, some of my employees, you know, education wasn't important in their families. No one had been educated before. So it didn't even enter their spectrum. And so, what we do is we offer -- we're very proud of our diversity. The people that work at our restaurants come from all walks of life, and many of them are part-time students that go to UT, that will go on to make great salaries. As a result of what they're doing now, they're improving their skills. It's a step for some. It's a lifetime for others. And it's simply a way that we never thought it was all that difficult or intriguing. It just seemed like -- common sense. >> Tovo: Councilmember pool. >> Pool: I appreciate what Mr. Terry is talking about with the training of employees.

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And it's surprising to me that that would be an approach that some employers would have, to lay off their employees after six months to avoid giving them a raise. They're not looking at the amount of money that they have invested in that person over time with the training, and the knowledge base that has grown, and the community that they're building. So, I think that's something we should talk about even more. The amount of investment that employers put into their employees in bringing them up to speed on issues that matter in the work place. It doesn't matter if it's an engineering job or a first job for a high school junior doing a cash register or waiting on a table. I just want to make a point, workforce commission does really good work in our community. Younger days in the '80s, I worked for what was called the employment commission. It's now called the Texas workforce commission. But one of the precepts and concepts that I internalized from my work there was the importance of training on the job and having safety nets for those employees that happen to lose their job through no fault of their own. And the workforce agencies that are out in the different communities now are an outgrowth of the work from the state legislature, and what was then called the employment commission. So, I really appreciate the work that you are doing. Sometimes, it's the only door these open -- that's open, even if it's only a crack, to folks looking for a fresh beginning or a way to support a family they may have, or just themselves. I don't think we can underestimate the importance of employment and full employment in our community. So, thank you for all that you do. >> Tovo: Councilmember Renteria. >> Renteria: I want to thank everyone. Growing up and graduating from

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Austin high school, I was very fortunate to get a job at education service center region 13. They not only encouraged you to continue your education, they paid your tuition, which was a great help to me. It was just called the university of Texas night school, before we -- citizens of Austin realized that the value of having these kind of technical and schools like ACC. And the voters voted to create Austin community college. So we are very fortunate to have that, because I was able to continue my education there, and get in a career, which I worked for 35 years. And retired. But, through that skill, I learned to give back to the community, which got me on this city council. I was one of the very lucky ones. And, you know, I just have -- gave my whole -- to charity, because these are the kind of employs that not only give back to the community by, you know, helping and giving livable wages to the lower income, but, you know, it's also giving them opportunities to earn income, giving them job skills, at the same time while they're pursuing their education. So, it's these kind of employers that, you know, the payback is just great. I mean, I'm a homeowner. I was able to get my kids to be homeowners, and taxpayers, with good jobs. So, I really have, you know -- I mean, to me, you know, it's given back. Because the city of Austin, and the organizations and nonprofits that helped me out so much. So, I want to give out a big thanks to all of you.

[12:04:25 PM]

>> Tovo: Thank you. And I want to just extend our thanks on behalf of the whole city council for being here today and providing us with a sense of all the city resources, and the resources in the community. And from our case studies to kind of the larger-scale data that Mr. Kelsey and the -- presented. Were the mayor here, he would say, a deep dive would take more time than we could devote. Thank you for providing a thorough snapshot of these important issues. And with that, I will adjourn this special called meeting of the Austin city council. And the time is 12:05.