

## Economic Opportunity Committee Meeting Transcript - 08/24/2015

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hello? Can you hear me now? Great. All right. Welcome to the economic opportunity committee hearing. Thank y'all for being here. It is 9:14. I'm chair Ellen troxclair joined by councilmembers Houston, pool and Casar. Just so y'all know, we are going to take a little break, we're going to get through a couple of items and then take a break here in about five or 10 minutes so that we can attend the mayor's press conference. And then we'll reconvene and continue the committee hearing. So let's get started on citizens communication. Unfortunately the agenda was somehow posted without citizens communication, but we will always have citizens communication in this committee, so is there anyone here to speak on an item that wasn't posted on the agenda? Okay. All right. Then we will move on. Item number 2 -- oh, satisfactory, we have to approve the minutes. Councilmember pool moves to approve the minutes. >> Houston: I have a question. I couldn't find the minutes, so does someone have them? >> Troxclair: Okay. Anybody? >> Houston: They weren't posted as backup. >> [Inaudible - no mic]. >> Houston: Really? We looked again this morning. >> [Inaudible - no mic]. >> Troxclair: We can wait. >> Casar: We can table that item and make sure she gets a copy and takes a look at them. >> Troxclair: Mona, can

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you make sure she gets a copy of the minutes so we can approve them later in the meeting? Thank you. Okay. Well, we will table that until we get back and move on to item number 2. Councilmember Casar, this was an item that you were involved with, so I'll turn it over to you. >> Casar: Sure. I think we saw this co-op item several months ago because we were viewing it, it got held up a little bit, but I just would move that we let staff continue with their job in the procurement process so that they can evaluate the co-op proposals and move forward with using those funds. >> Second. >> Troxclair: Okay. Well, all in favor of approving this item and allowing staff to continue their work, please raise your hand. All right. It passes unanimously. Okay. I guess the next item on our agenda is the update from the economic development department, but we only have about five or 10 minutes. Is this something that y'all would prefer to table until we get back from the press conference? >> Yes, please. >> Troxclair: Okay. >> Kevin Johns, director of economic development. We had like 20 minutes prepared, so if we can delay that, that would be great. >> Troxclair: Okay. Yeah, I think all the other items on our agenda this morning are going to take a little bit longer than that, so we will go ahead and recess for the time being. Thank y'all for being here. We'll see you back in 30 minutes or so. [Short recess].

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>> Troxclair: Okay, we're going to go ahead and get started. We were just recessed so I think that we can continue the meeting. I know councilmember Casar is going to be joining us shortly and councilmember pool had to step out for a quick meeting but she will be right back. So let's continue with our agenda. We're going to do item number 4 first so that we can let our convention center folks go and then continue in order with items number 3, 5 and 6. So let's start with item number 4 is bob lander here? Do you want to -- you signed up to speak. >> Good morning. Everyone this bright Monday morning. I assumed that we were going to do a presentation and I would comment but I'll set the stage a little bit. Start this, this is funny to say, but at the turn of the century, going back to the turn of the century your predecessors had the vision that in Austin we were leaving a lot of revenue on the table because we were not engaged in the industry of hosting conventions and meetings. We're pretty much all our eggs were in one basket as far as the hospitality industry went. We were an individual business travel destination for the tech sector and we hosted some small meetings. On a regional basis. They made the proactive decision -- decisions to invest about \$1.5 billion in -- in funds to get engaged in this business and that was moving our airport and making it -- giving that airport the ability to grow, 2, relocating and redoing the palmer events center, 3, investing in the convention center hotel, and 4, starting on the project that would become the waller creek project, and 5, doubling

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the size at that time of amazingly inadequate convention center. I would suggest to you that 15 years later, 16 years later almost, what mayor Watson and the councilmembers did at that time proved to be quite visionary. And we have grown that industry significantly. To the extent where today visitors in Austin produce on average \$500 million in revenue. At a time when all of you right now are going through the budget process and places we can save and scrimp and tighten the budget to make things work better for Austin, as we appreciate what you are doing, take a look at what we can do to produce revenue as well. Just in sales tax, estimate came to me this morning that sales tax alone spent by visitors last year in Austin, Texas was over \$53 million. So it's a significant thing that this business that we've engaged in, that we've been very successful at. Our people fly here, they don't make too much more traffic, they go home for the most part. That's a good thing, and they leave a lot of money behind. We don't have to educate their children, we don't have to provide them services so it's really a good business and really the reason why cities across the United States including those in Texas were so far ahead of us in this business. San Antonio, Dallas, Houston, Fort Worth, who we've surpassed some of these markets considerably in that period of time. We're at a point now that we have the infrastructure up and running without public investment. Public investment was only in one hotel, the Hilton. That started the ball rolling. Now we have the infrastructure to be able to grow the industry, provide more revenue to the city and not impact our services that much. And so what you are going to hear today is a very well thought out study on how we can maybe increase the size of the convention center to allow us to host some meetings that will impact the city on a revenue basis and I appreciate

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your taking a look at it and for your time today. Thank you very much. I'm bob lander, by the way, president of the Austin convention and visitors bureau. >> Troxclair: Thank you for being here. We are going to try to keep the meeting on schedule and adjourn by noon so I think we have 20 minutes allotted to this particular item so let's try to stay within that time frame. Thanks. >> Good morning, chairman -- chairwoman troxclair and councilmember Houston, I'm mark testrum here to update you on

two items. As Bob mentioned first is our long-range planning process. We actually kicked off with our RFP in late 2013 and we spent all '14 in the stakeholder process and I'll be joined at the dais by -- or at the podium here by Alan Collier and he's the principal of Gensler and lead of our consultant team that did our long-range planning process and he's going to go through what we did in 2014 and then in late 2014, then councilmember Chris Riley did a resolution and requested that we engage the Urban Land Institute to do a technical assistance panel that looked at the report and made recommendations and/or support of that, and David Stein Woodell, executive office of the Land Institute will come in after Alan. But did have some really great points and I'll just run through some of them, but the questions I hopefully will answer today to you is what did the city wish to accomplish when we made the investment of a convention center, have we been successful. If we have, what do we need to do in order to remain

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successful, and that will be primarily done by Alan and David, and lastly, what is at risk if we stay as is and stay status quo. So what did we want to accomplish? It was job creation, tax generation and a growing working class sector that had potential for -- for promotions. And really ultimately a vital, energetic downtown. And you'll notice that \$5.9 billion economic impact on local spending from the tourism industry in 2014, and it notes 48,900 jobs. I would highly suggest those are well over 50,000 now with the continued growth of our industry. As Bob mentioned, we just not only generate hotel and rental taxes from the visitors, but also general funds, and you'll notice in this slide that we've had an annual increase of \$1.5 million that went to the general fund. That is since 2002. That is \$1.5 million per year that has went to the general fund all on the backs of the visitor. And, of course, the convention center being a vital part of that. Here's a little slide that just indicates what we've done to the hotel occupancy tax. We started in 1999 when the 2-cent venue was passed to expand the current Austin convention center. Total tax generated for hotel occupancy tax, all buckets, 24.6 million. Here's everything that's occurred, the convention center expansion, the opening of the Hilton, our first convention center hotel in 2004. You'll notice in 2008 hotel occupancy tax collections had almost doubled then at 45.2. The convention center

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generated an estimated 172,000 room nights. If you look to the right in 2015, we're just about 100,000 more generated through the convention center and hotel occupancy tax are 76.2 million. In 2016 we have a budget for almost \$80 million and that's just really very, very significant and rewarding to see what we have done on our community -- on the backs of the visitors. And then just to note that if we did nothing, the current 2-cent venue would expire in 2029. That is the current -- the current plan. Here is just for your reminder a breakdown of the 9-cent hotel tax. This is the legal most that the city can charge on hotel occupancy tax. Notice 4.5 is general obligations to the convention center. 1.45 goes to our official sales and marketing arm, the Austin Convention and Visitors Bureau which has a sales team partnering with ours and filling the center and our hotels. 1.4 -- 105 goes to the cultural arts. That's 15%, the most by Texas state law. And 2 cents which will be the next -- the same funding source if we were to expand, the 2-cent venue, which currently is expected to -- or will expire in 2029 if we do not do anything. Just to note, we are one of the few convention centers in the country that actually gives a rental credit. We want to be competitive, but we actually give a rental credit based on anticipated hotel occupancy tax collections. We want to generate hotel room nights and do it through events in the city and we give some of the tax in order to lower the rental and remain competitive. A very, very competitive marketplace. And just some of the totals,

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and you look at just the cultural arts which just provides so much vitality for downtown. In 1999 they were receiving \$2.9 million and in 2015 almost 9. And that's just a significant amount increase and again what it does is it makes downtown vital and it enriches the lives of both the residents and guests. So I think hopefully we've answered yes that we've been successful in that we've accomplished what Bob slated was the goal beginning in expanding our entire visitor industry. And so I just wanted to just mention what happens I guess if we don't, if we don't expand, if we stay as is. The current convention center is maximum occupancy. We are full. We've had no growth since 2002. We've had significant amount of obviously hotel growth. The number one reason you probably hear this from Alan that we lose business now is because we are not available or that we're too small. That is what we're hearing now. We have more rooms within walkable distance, more hotel rooms within walkable distance for the size of our exhibit space than any one of our competitors by a long shot. So we have went from a decent size convention center that didn't have enough hotel rooms to a too small a convention center with too many hotel rooms to support our building. There is -- there is, again, more rooms within walkable than any of our competitors. We do indicate that we're going to see a top of our business. The revenues both with us and in hotel occupancy tax will remain stagnant.

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At some point we're going to lose market share. Potentially some of our long annual events will continue to grow and go to other destinations. That is absolutely something that we do not want to do. We also want to continue to maintain our current Texas state accounts which have been so important to us and to our growth. And it is -- it is important that we continue to move forward. We have really one shot to do this. We have very limited opportunities to build something that would make sense and the time is really now. And if we're not able to move forward, we may miss out on that. And again, at the end of the day it will mean jobs and it will mean a stagnant and potential loss of market share. And here's just a little bit of our process, then I'll go ahead and call Alan Collier up, but we started this, we've got some significant stakeholder involvement, and we hired the best consultant team in the country that had done this -- the same process in many other destinations. Alan Collier was the lead. We also worked with conventional wisdom and Ch Johnson. Conventional wisdom are the building people. They said here's what you can do in this particular spot, and Ch Johnson with the Numbers, they did surveying and all the market analysis. With that I would like to call up Alan, principal with Gensler. >> Thanks, Mark. Good morning. I'm Alan Collier, planning of you are been design with labor. Our Austin office is about one block north of this building. As Mark had mentioned that this was about a year-long process. And when you are dealing with the planning for a large civic

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asset like a convention center, that process needs to be inclusionary. It needs to look at the prospectus of not only citizens but people within the industry and obviously the leadership of the city itself. And so our process was very much about the -- being inclusive. We conducted a number of workshops, the first of which was the visioning session that we conducted that included people from some of the public agencies, the city manager's office, industry meeting planners and some of the consumers that use the convention center on a regular basis. And in some of the things that we heard from them was that -- that they were outgrowing the convention center in Austin, that they would need to start looking elsewhere. Now, when you -- when you plan for a convention center, there are five key attributes meeting planners look at when they decide which city they want to send their conventioners to.

Facilities, hotel room supply, transportation, amenities and attractions and safety and security. And we have found over the years, and those five criteria really do remain constant over the years. And we always try to solve for the weakest link. Now in Houston the weakest link they didn't have hotel room supply. Here in Austin you have great hotel room supply. In fact, with the new fairmont and the jw, you will have, as mark had said, more hotel rooms probably within walking distance than any of its competitors. You have great amenities and attractions. Austin has that cool vibe. Everybody wants to be here. The one thing that was the weakest link were your facilities in terms of their ability to host the types of shows that would be helpful.

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Now, we looked a lot of different options because along with being -- the process being inclusionary you have to explore everything because we are under great scrutiny, everyone is these days. We looked at every possible option from really doing nothing and what would that mean to the business to moving eastward if you expanded eastward towards palm park. You know, that had some pluses, it also had minuses. We looked at the western expansion which we are currently recommending. We looked at going south across Cesar Chavez and attaching with a bridge and again those had issues, and ultimately we looked what if we just moved off campus, maybe went outside of downtown to build a brand new build to suit. All of those had pluses, all of those had minuses. The direction that seemed to work the best for the most and the feedback we received from people in the city with transportation, people from meeting planners who said, you know, you need to keep everybody within a certain area so it's convenient going back and forth between shows was the westward expansion across Trinity. Now, we looked at contiguous space. That's always desirable, but we also knew that would have some impacts on the northward mobility of Trinity. So after several studies we came up with expanding the facilities across Trinity on those four blocks from Cesar Chavez up to fourth street. And then building a double deck facility to accommodate the space needs required but in that confined space. And this just shows a -- just a very blocky massing of how that would occur. This also suggested, as you can see in the blue building, that there might be an additional hotel attached to it, but we look at studies to where it could be built without the hotel and also the

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hotel and other areas as well. So the ultimate recommendation was that we expand westward, that it add 200,000 square feet, almost doubling your -- your exhibit space. Just around the same amount as San Antonio and still a lot less than Houston, but they go for different shows. It would also add some all important meeting space, but even more importantly it would add a ballroom the size of which now is the standard for, you know, competitive -- when you go out and you are competing with other cities about bringing in groups that need a ballroom of that size. We were able to achieve all of that within those four blocks that we have discussed in addition to -- and I'm not sure if there's a -- let's see if there's -- well, this just shows some of the expansion ideas with the hotel, without the hotel. This also begins to look at how we would have activated the streets because right now the convention center in its current phase is like a fortress and there's really nothing going on at the street level. We're suggesting that the expansion will also build into those spaces along San Jacinto and along Cesar Chavez, spaces for restaurants, many of whom are probably already there and they could then just stay in that same neighborhood. We activate the streets much more than what currently happens. And let's see, this is just another view looking in order up Trinity avenue and the connections that would occur connecting the existing convention center to the new convention center. And this is the one I was looking at. The idea that we proposed would also add a three block urban park on the roof of the convention center. It

would be a place for events, programmed events. It could also during nonprogrammed times just be a place for con conventioners

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and citizens through the city and out over town lake. And at that point I believe I'll ask David to join. >> Thank you, Alan. Appreciate that. Councilmember Riley at the time did a technical assistance panel urban land institute to review the long-range plan and make the recommendations on that and that occurred on April 14 and 15 and there were a panel of five experts. Thank you, David. >> Thank you for the time to be here. As has been mentioned, urban land institute was commission 9 by the city -- the previous city council to take a look at the plans that have been proposed by various agencies and others on the convention center expansion. Our technical assistance panel is designed to be unbiased, transparent as well as any member that agrees to be on that agrees to remove themselves to any new business process, so they step away from any potential new business. We had developers from around the state of Texas take a look at the plans. That review also included interviewing stakeholders, touring the facility, spending two days taking a look at everything there and coming up with a set of ideas. Probably the biggest conclusions were our agreement with -- following that option 3 B, which is the expansion west across Trinity and with the advantage of that site being able to have a lot of vertical development as well as street level development. What we really noticed was that the current convention center, as mark mentioned, was a fortress. When you get into the convention center, even if you are outside the convention center, you don't know you are in Austin anymore. And one of our primary recommendations with the expansion you create a

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convention center district that is not only for convention center visitors but for people within Austin. You have the opportunity depending on how that is developed to include a new hotel. There could be apartment or condos built on top of that site. It's outside the view corridor so your height allows for affordable housing as well as for other type of development right there. The -- the prospect for increased business just from that area in terms of sales tax and potential for additional jobs is significant. I think our biggest take-away is that that entire area from brush park to the north to waller creek and then, you know, the intersection of the convention center with the balance of downtown is a critical component to our, you know, supporting this plan. The proposal to expand to the west I think is the best way to go and that was the conclusion of our panel, but also then integration of bringing Austin back into the whole convention center area was a critical aspect of that plan. Thank you. >> I have a question. Sir. >> Troxclair: Councilmember pool. >> Pool: Thursday the council approved the sky walk for the fairmont to connect not only waller but the convention center. Could you speak to that? I had to step out for another meeting briefly. >> Mark may be better suited to talk to that. We were not involved with that process in terms of looking at that sky walk. >> Hi, mark, if you could just touch on that. >> I think it will be a great access or great addition to the facility. The safety is the number one reason and certainly that bridge there is not big enough to handle the amount of people

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that would be coming back and forth. The majority of our events that we book now at the convention center will have concurrent meetings in hotels, usually not just hotels in hotels. You can imagine lookingal your app or thing as you are walking, you got your head down and there will be cabs coming in there. Of course, that's the way all our trucks move in and out and I think that's absolutely going to be a

great benefit for the safety of that area. In addition just to say that we've got a thousand room fairmont that is connected by an open air walkway I think is a good competitive advantage. I just received or just received news and knock on wood it's verbal, but we received notification we were going to get the mortgage bankers association I think for fall of 2022. That's our selling cycle right now. That event when looked at us previously, that mayor Mont type of property and that walkway, that thing was very big in getting in a group to secure. >> Pool: And it comes into the convention center as -- >> It will come outside, land on our outdoor patio or terrace. They will also be doing a handicapped walkway, a walk that will go down to the creek level and catch on to the boardwalk. >> Pool: That's a couple of stories, right? Is it the second level is where the patio is? >> It will be on our first level. >> Pool: I thought it was coming in above street level, the sky walk. But I can talk to -- >> It will come in and then come down on the patio right behind iron works there on the outdoor patio and come in right in by ballroom ABC. >> Pool: All right. Thank you. Approximate approximate we've gone over 20 minutes. I know you have a few slides

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left. >> Short-term strategy, we do have to move forward on the land acquisition process. We would be wanting to do some preliminary design and development. Those are just ideas there. We do want to get third-party partnerships to get hotels, retail, other things involved in it. All of that will depend on how --- will indicate how we finance or move forward on a financing proposal. Long-term I mentioned the 2-cent venue tax. That would be the same financial -- financing processors for an expansion to the convention center. It would require us to either redefine the venue or go and start a new venue and extend that tax. It is set to expire in 2029, but we would want to take that 2-cent and get it put out and a new venue, new description of what that venue would be done. So it would be the same process that we did with the 2002 expansion of the convention center, would require us to go to the voters. And here's just an ideal time line in a perfect world that we would be in a position to go to the voters with either a new or expanded venue, 2-cent, in November of '16. That would be probably the earliest time. And then all the way down until potential breaking ground in 2021. And I'll take any questions now and appreciate your time and support. >> Troxclair: Does anybody have questions? Councilmember Houston. >> Houston: Thank you so much and thank you for your presentations. I've got a couple of concerns. On page 13 of the urban land institute report, we compare ourselves with peer cities, some in Texas, some not. Have we ever made a comparison between peer capital cities

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rather than peer cities. Like sack men could, like Indianapolis -- Sacramento. >> I don't know if we carved it that way but that's something we could do. >> Houston: I think that would be interesting because this is a state capitol and we have the same kinds of issues that we have. I was in a conference in Indianapolis and the jw was right across the street. So the comparables you do for peer cities, I would be interested others in state capitals have. Like the -- the age of the convention centers in those areas, what -- what their capacity is, that kind of thing. >> That's a good example. Indianapolis is a great example, by the way. Sacramento not so much. Much smaller market than ours. But Indianapolis convention center now is almost 600,000 square feet of exhibit space. >> Houston: If you could give that to us, I'm not going to remember it. >> We're about a quarter of a million. They are almost three times our size. >> Houston: So I would like the comps on that and when they were built and whether they have done additions. >> They've done additions. Absolutely. >> Houston: The other thing that I have a concern about is there is -- it seems to me that as we continue to grow this industry, the affordability issue, the cost of living in this town gets more and more pricy because the hotel rents haven't come to --

to rent a hotel at night has not come down even though we almost had a glut, in my opinion, of hotels. We're about to have the fairmont with 1,000 units open up. So we've lost some of our events because people can't afford to pay the hotel rents. What is this going to do to continuing that cycle of the standard of living increasing to the point that people -- some people can't even afford to come here for an event?

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>> It is supply and demand and demand is at probably its highest. The asset manager that oversees the city financed Hilton, they oversee 59 hotels and 55 of them are having record years this year. So the economy is at the tops. It is supply and demand and, you know, as councilmember troxclair mentioned in our budget -- budget presentation last week, you know, I do think that eventually the rates will come down. What an expanded convention center does, it allows us to get back into those groups to be able to dove-tail and handle groups and put them in place and stack them and put them in ways that we can get those rates. So I think the expanding the convention center will absolutely allow us to get into those -- back into some of those markets by putting in new times and stacking them and making -- >> Houston: But you have no control over how much a room costs. >> Correct. >> Houston: So that doesn't really tell me like the uil went to San Antonio. Other places have left because they could not find rental rooms in this city because of the skyrocketing costs. And I haven't heard you say how building this is going to help those people that we had for 20, 30 years come back to Austin. >> Well, first we'll be able to accommodate their [inaudible] More and more trouble because we're full. We're getting more and more national groups. And then secondly by stacking them, you can make a very strong case to say we've got this event coming in here, we've got this event coming in right afterwards, look how it flows and here is the rate, that's what the convention center's job is and I think eventually those groups will come back and will be able to stack them. >> Houston: So my next question is about the

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stakeholder process. During the campaign, we always hear -- I always hear from people in my district about the stakeholder process and how the stakeholder process is for the city are pretty much geared to get the outcome that the city staff wants it to be. And so I looked at all the stakeholders there, but you didn't have anybody that actually lives in the city other than professionals and folks that you all know and that are in the business. And so how do you explain this expansion to people who live -- never come downtown, never go to the convention center, how do you explain the need for this convention center to people who live off of 183 and webberville road? >> I would say it's about job creation and about tax generation for the entire -- for the entire city. You know, 50,000 industry jobs that particular -- some of them could certainly be at risk. There are hourly jobs great growth opportunity within our industry. We absolutely the events that we come in that we book at the convention center they fly in, fill our restaurants and bars and cabs on Monday, Tuesday and Wednesday nights -- >> Hold on just a minute because this is really critical to me. They do all of that in downtown. No economic benefit is accrued to any other part of this city because all of that happens downtown. And so people are saying what is the benefit to us. I've got restaurants, Joe cooks is a caterer, he sees no business when these large events come into downtown because everybody stays downtown. And so when you talk about the businesses being able to

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benefit from this, they are not seeing it because I talk to them and they don't see that benefit. >> What

they may see though is that what happens is if downtown is full, the -- the outlying hotels will be full. Or pushed out. They will be able to get higher average rates. Their restaurants will be full. The domain will be full by people, by selling out downtown, it does have a ripple effect. We heard the talk about the -- the farm last week and about conventions and events doing events out at the urban farm. There is a lot of events that take things and go out of -- opening event will go to an outdoor event area outside of downtown. >> Houston: Chair, I have some more, but I'll stop and let somebody else talk. >> Troxclair: Okay. I have a couple of questions, but to follow up on her point, I would say maybe it's the -- yeah, the tax revenue that the city sees and then we use those tax dollars to fund services and amenities and things for the entire city, then it's our job to make sure that the money that we receive is allocated in a - >> That's correct. \$1.5 million additional money has went to the general fund since 2002. General fund. 1.5 on an average every year since 2002. >> Troxclair: So do we have -- first of all, I want to clarify, what are the next steps? Is there search and rescue action you are asking the committee or the council? >> This is just an update on that. We would like to go to full council and move forward. There would be no fiscal asks, there's no money tied to this plan until we go and try to

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acquire land or higher an architect or other design-type work. You know, we certainly want support of the full council on our plan. Certainly we want everyone to be, you know, have their questions answered and be able to position where everyone feels comfortable for us to move forward in the process. >> Troxclair: So it sounds like you do want then a recommendation from the committee if you are trying to get something in front of full council. >> If that's your process. That would be your answer. >> Troxclair: And do you have a time line for that? For when you would -- >> Excuse me? >> Troxclair: There a specific time line or deadline that we're looking at or any other things we need to be aware of as far as your interest in having a presentation or resolution? I'm not clear exactly what you are looking -- >> Thank you, councilmember. Mark Washington, acting assistant city manager. I think the intent today was just to make the committee aware of the update and the plans at this point and once a financial strategy is developed, then the staff would come back and share that briefing with the financial strategy and a more detailed plan with the council for adoption of the master plan. >> Troxclair: Okay. >> There was no ask for the committee of today. It's just an update where we are on the planning process. >> Troxclair: Okay. Do we have -- so with this, I guess if we are going to hear this again and be asked to approve something, do we have -- I saw the increase in jobs and the increase in sales tax revenue and all of the things leading up until now, but if we move forward with some kind of expansion, do we have certain benchmarks we're then looking to meet as far as our goals if we do decide to invest in expansion? >> In either the plan or the -- there's a backup version that has all the

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Numbers behind it I think that show what an expansion would mean to taxes. But we can certainly get that. >> Troxclair: Okay. But I do -- to councilmember Houston's point, I do think that is important for a lot of us that represent districts that aren't in downtown. You know, they see -- sometimes they see the events and not specifically at the convention center but overall, all of the events we continue to have downtown, they think now I have to sit in traffic and I can't get reservations at my restaurant because -- they don't always connect the -- the benefits of tourism as far as how it impacts their daily lives so I think it's important for us to be able to say to them here's the financial benefit and here is the money that's going to be invested back into your community, not necessarily into downtown with the decision. So I would be interested in seeing more about that. >> Okay. >> Troxclair: Moving forward. What else? Do -- I want to clarify the 2-cent tax and when you say, you know, the quote, unquote, venue tax to

voters. I want to be clear this is not a new bond, this is not a property tax increase, the 2-cent tax that we're talking about is not a property tax increase to current Austin residents. >> Correct. Correct. It is a specially assessed hotel occupancy tax that is currently in place we would look to redefine or extend. It would be the same hotel tax bills would see no difference, but nothing as relates to -- >> Troxclair: The continuation needs to be approved by voters or how it's used needs to be approved by voters but it's not a tax increase. >> Correct, correct. >> Troxclair: I wanted to ask about the businesses that are in the current expansion area. I heard you say, you know, that a lot of them would

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potentially have the ability to stay where they are or to open -- to open a new -- a new business in the same location with the expansion with the focus on having street accessibility and things like that. But just knowing that we have -- we just I guess completed a lawsuit over eminent domain issue that happened with the first convention center, I just want to be really clear as to what the situation is with the landowners and the businesses that are in that area that you are looking to expand into. >> Surely. Eminent domain combination is an option for the city. It would not be our preference. None of the area is in the capitol view corridor so we have the ability to go up. So I think the ability to put a, a hotel, and B, have those -- potentially those restaurants could own the space, their own space in the building much like a condo owner owns from the wallpaper in, they very much could own that own space. And again as the uli tap report in our long range plan, I think all the stakeholders have said let's put more retail options and I think that would be a great amenity for our customers to have a restaurant right within walking distance. >> Troxclair: But who actually owns the land? >> There's a number of landowners that own the land right now. And we would either -- I think we would own the land perhaps and then -- and then they would own the part of the building that they physically would own. Again, much like the Hilton concept where there's physically the Hilton part of the hotel and then there's condo owners and the chamber and the chamber owns from the wallpaper in of their building, condos, same. Restaurants would own their space, own it forever and be

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able to put all the capital improvements inside to have a successful restaurant or retail. >> Troxclair: It sounds like we're maybe too early in the process for me to fully understand. I mean I just want to make sure we don't do anything that gets the city into a a long, drawn out expensive process. >> The goal would be to have peaceful negotiations with everyone and find common ground. Councilmember pool. >> Pool: I'm looking at page 14 of your graph. It looks like council would be asked to do another street vacation. Is that right? >> I'm sorry? >> Pool: Am I looking at this correctly, do you have page 14 you could put back up? >> Of the power -- >> Pool: The long-range master plan. >> I do not. >> Pool: Unless I'm reading it rock, wrong -- wrong, it looks like we would be asked to close another segment of -- >> It would be second and third street from Trinity to San Jacinto. >> Pool: So we're shortening the street there. >> Yes. >> Pool: Council will be asked to vacate the streets. >> Yes. But not Trinity. >> Pool: So the north-south access continues, it's the east-west. Thanks. >> Casar: So you can respond to this I'll shoot it to you in an email if this is something you went over before I came out on to the dais, but the funding for acquisition of land that wouldn't just be convention center space but could also be mixed use and include other uses, would you be using revenue from the convention center or is that something we can use hot tax for even if some portions may have a much more clear heads and beds purpose than -- >> I think if we were acquiring land, we could

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certainly use our revenues which we combine for the purchase of the land. >> Casar: We would use revenues but we wouldn't use H.O.T. Tax. >> Everything gets bundled. >> Casar: So land acquisition even though it could result in there being both convention space or hotel or even residential space, the commingled funds, there would be stitched-h-o-t taxes that we could eventually have housing on? >> That situation, we would own the structure of the building and the third party would own the inside of it, if you will, from the wallpaper in. So yeah, we could use hotel occupancy tax to build the structure. >> Casar: To build the structure and they would own the inside and we would still own the land but we would use it to purchase the land. >> The challenges come when there is for-profits just on the taxable and nontaxable bonds. It's more on the financing. >> Casar: I'll follow up with you on it. It's creative and I like that, it's just I have learned to be so constrained the way we use the H.O.T. Tax. >> We do need to get the exact clarification. >> Troxclair: Councilmember Houston. >> Houston: I have a comment on page 12 of the slide. It was indicated that the five criteria that is used to determine whether or not a convention or a show will come to town, and I was surprised people didn't say that congestion was a negative. I'm not sure how that -- that's why I wondered who the stakeholders are because bringing in more and larger

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conventions would just impact the congestion that we're already experiencing in downtown. >> While we do have drive-ins and certainly our Texas state accounts have more drive-ins in relation to the total attendance, but the events that we're primarily getting will be flying into the airport. >> Houston: And not renting cars? >> Generally not, no. They come down and they -- all of our hotel, walkable -- >> Houston: Do we know how many people want cars when they come here? Any way we can get that information when a large convention comes to town? >> They may have that. I can double-check. >> Houston: And then the other question that I have, can you give me the use of the hotel occupancy tax for cultural arts? >> That would be money given to the economic growth department to hand out according to the rules stated with them so I think we could get that from economic -- >> Houston: But is it your understanding those moneys can only be used downtown? >> I'm not the expert on the cultural art side of it. I know we're growing it, but I don't say how it's spent. >> Houston: Okay. And so do you include the short-term rental hotel occupancy tax in the money you are collecting here? >> Yes, if they paid, it would go to tax. >> Houston: And that comes from all over the city. >> Correct. >> Houston: All right. Thank you. >> Troxclair: All right. Thank you so much. Appreciate it. Our next item is, let's see, item number 3, city of Austin economic development department update. I don't think we have any speakers signed up, but let me know if you are here to speak on this issue. And again, we have about an hour left to get through three more items so if we can try to stay on time, that would

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really be great. I know you are already squeezing a lot of information into a short amount of time. >> I'll speak I'm from new York. I'll try and accelerate it. >> Troxclair: Would it be possible for us to set a timer for 20 minutes? No? >> Kevin Johns, the city's senior economic official, director of economic development. In this short update, we'll describe the economy, our Austin challenges and what we're doing to tackle the issues that first want to draw your attention to what we saw today, the U.S. Money report. The Dow Jones industrial saw its biggest drop in four years, tanking 358 points on Thursday and independenting up the whole Dow down over two percent. The NASDAQ tumbled almost three percent. And the comments from the U.S. Today money reporter were fear is starting to rise in the money report. Apple is among the stocks fading fast. Their shares were down 16%. Ken wynnans, a major forecaster,

reported that rapid deterioration in stocks is a big warning. There is still a denial going on. This is what happens in late stages of the bull market, the economy is slowing down. As you know, apple and Samsung and some of the other major industries, cluster industry anchors, are under a tremendous amount of duress. Should there be a melt down in any one of these economic sectors, there would be hundreds of companies that would suffer as well. For example, Samsung supports directly over 200 local companies, including flextronics. Same is true of apple. So the purpose in describing

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this-- us beginning to enter a bear market is we need to diversity the economy. We have to keep our eye on adding new segments of the economy to prepare for when different segments meltdown. And it's -- one is a book entitled revealing Austin's invisible book force, which is available at book people today. It documents a growing trend, a growing and troubling divide between individual citizens. The main point according to Dan sear, the economic reporter for the "Austin american-statesman", is the the result of growing inequality and segregation in Austin is people who are fortunate become increasingly unable to understand the lives or empathize with those people who are having more difficult time. And as a result it's pitting the people who have money against helping people who do not have money. So those are the two big challenges we have. The economy is beginning to turn toward a more bear market. Our high-tech companies that supported us are beginning to become more in duress. We need to diversity the -- diversify the company and we have 150,000 people living in poverty in Austin. And there is a growing amount of people who don't want to help those people develop a strong economy. So the result of that is that because this poverty is growing the city is increasing spending a affordable housing, increasing subsidies for Austin energy, for people unable to pay, increasing welfare, including social services, food stamps, subsidized day care, transportation, medical, increasing the number of police and increasing the criminal justice system, criminal justice system scope proportionate to the increase in poverty. So the economic development

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department is -- has developed a strategy to reduce poverty and to prevent the increase in those subsidies. So using a combination of strong small business expansions, commercial stabilization throughout Austin's council districts, strengthening the creative industries, particularly music, art, which as you Negro 25% during the great recession, and supported the whole economy keeping us the top economy in America, and just going a new incentive for economic service called the Einstein project, which will incentivize all of our companies to mentor or financially support all of the poverty children in Austin for 10 years under the mentorship of the ray Marshall center at the university to measure return on investment, how much taxes are generated, how much wages are earned and how much social service and welfare costs are avoided. And lastly, we are going to walk you through -- I'll walk you through each one of the five creative teams and describe the two top things that each one is doing that has an immediate impact that will come to this committee and to city council. I'll start with redevelopment. As you know, we're arguably the top economic development department in North America because of our successful public-private partnerships. We have two multibillion dollar developments, Seaholm and Mueller, which we hope to replicate by customizing what we've learned in that on a citywide revitalization strategy for each council district. I'd like to queue up a short video that falls within our time frame.

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Through the envision tomorrow software designed with three million dollars from the U.S. Department of housing and urban development, we're going to be able to run return on investment scenarios for each one of the commercial areas stabilized in the city. Before we actually do the work, we're able to say how many jobs are created, how much taxes are created, how much the increased family disposable income will be within a mile circumference of any of the areas. So we'll be able to report before we do any work what you can expect is the return on investment. This is the model. [Video playing]. [Low volume on video]. Community leaders and the city laid out a public-private partnership. The land was department department understand 2000. >> [Indiscernible]. The city listened and brought in planners to work with the community to create a plan, and only then did they find a developer who completely embraced the vision. >> In 2004 the city engaged master developer catellus to help with the community-led

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vision. >> We talked about it being a private-public partnership and today 12 years into the development you have cactus, the center and the neighborhoods still [inaudible]. >> The old airport is being transformed with jobs, services and mobility improvements. Since 2006, 2300 units have completed or are under construction. 25% of the homes are affordable and offered to income-qualified households. More than 4800 jobs have been generated with a range of income levels. The plan includes a vibrant town center, children's hospital, children's museum and a performing arts center. >> We believe it's a fusion of the best of city planning and the best of economic resiliency. >> The American planning association is proud to present the 2015 H.U.D. Secretary's opportunity and empowerment award for the Mueller redevelopment plan and the city of Austin, Texas. >> So this particular public-private partnership did win the nation's top economic award for trying to be a complete analysis. We're hopeful in launching beginning with 12th street, manor road, east Cesar Chavez, outside the central business district and downtown, a citywide stabilization strategy. Not doing it exactly like Mueller, but letting the local businesses, working with the local neighborhoods rebuild the community with their own investment and with their own initiatives. It's called solely Austin. We hope that we can increase family disposable income in the area by as much as 6 to eight thousand dollars per year by developing bicycle trails and walking trails into the community. In addition, the quality of

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life of the local residents in the built environment will be continuously updated with private investment. The second item in redevelopment, we're also supporting an important partner, abia, who will make market -- who will market locally owned businesses in the I-biz districts. That will be a separate presentation here today. But I would like to recognize that together abia and the department won a gold medal award as the best public-private team in America, actually, of any major city in the world with a population over 500,000 people. So I think you will hear a good presentation here a little later. Next is the cultural arts division. In September we'll be vetting and awarding contracts to and estimated 250 creative organizations, which represent a major segment of the \$4.6 billion creative economy, which today employs 49,000 people and generates \$71 million in city taxes. We also -- a second item in cultural arts, with the national grant from mid America arts, our small business program and cultural arts are working together to train at least 10% of all of the cultural arts contractors on how to do business. Artists sometimes trip over how to merchandise themselves and market themselves. And where they have taken these courses, their profits and their revenues have gone up 20%. Next is music and entertainment. Since there's a presentation in a few minutes on the result of the music census, which was initiated by division and funded by the economic development department, I'll only say we'll bring

to council proposals from the recommendations of the Austin music industry and I believe councilmember pool to reprogram the music venue loan programs to provide loans to record companies and other music infrastructure companies

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instead of just the venues and a possible new fte. Four is the global business and expansion division. You will soon be receiving a 60,000-dollar contract to fund the Austin technology council and its 200 technology companies to provide 18,000 hours of service to children in poverty to mentor and educate them. Secondly, you will be receiving Einstein project incentives for economic proposals this fall. The -- this is a new version of the chapter 380 performance based agreements which will incentivize economic service from Austin companies if they agree to use those funds to educate all 40,000 children in poverty over the next 10 years. The Ray Marshall center at the university of Texas will provide a measured monetary return on investment of the project over this 10-year period. The measurements include how much salary the children earn after being mentored or taught by the smartest people in Austin after 10 years, how much taxes they pay, and how much Austin saves on welfare, affordable housing, Austin energy subsidies, new policemen, policemen and women and the currently expanding and vastly expanded criminal justice system as well as medical subsidies, transportation subsidies, human service delivery department costs and related government subsidies. We today estimate this would be a savings of at least \$50,000 per year for each kid that becomes an adult and never goes into poverty. A more complete savings account will be developed by the university of Texas. Basically we see a path to move 40,000 children permanently out of poverty and into jobs that pay at least \$100,000 a year. There's great momentum on this. The chambers of commerce, the workforce organizations, the school system, ACC and stem stakeholders and the university of Texas are all working with this. Last is small business.

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On September 1 and September 2 is a two-day getting connected summit. It's the largest event for small businesses in the city. There would be about 800 businesses. The first day is creative industries, second day is all our small businesses. There will be about 60 lenders and banks that will be there so that -- kind of a shopping fair for lenders. You'll recall this one, the Harvard Ash government award is the best way to connect small businesses to money. Please know that you're invited and we would love to have you come. There will be a panel on the second day led by the Austin independent business alliance discussing what the status is of their recommendations on permitting and other improvements to the system. Lastly in small business, H.U.D. has signed off on the microloan, the family business microloan program that we have set up and two loans have been approved. And they have moved us forward, we can spend another eight million dollars in one and a half percent loans to local businesses if they agree for every \$35,000 borrowed to hire one person. 51% of those hired have to be from the neighborhood and they have to be disadvantaged. So my closing remarks are that I hope you will help us in these successes and building on them. We need your help to work together to make these changes happen. Sometimes it's very hard to pivot when you're the top economy in America. But we have focused entirely on the economy for those people who do not have the resources to get these top jobs and benefit. And we think that the return on investment will be taking 40,000 people out of the queue for affordable housing for all of the level of subsidies. And we have a beginning partnership with the health and human services department who has agreed to work with the parents of the Einstein children to make sure that the parents are supportive and that their

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helped through poverty during this tutoring process. So that concludes my presentation. We have staff here to answer any questions. >> Troxclair: You had I think four minutes to spare, so thank you. Thank you very much. [Laughter] You want to probably utilize those four minutes now. >> My friends at Georgia Tech always say remember the two B's, be brief and be seated. So I'd be happy to answer any questions, but we'll give more time to the music census and abia if that's all right. >> Troxclair: Thanks. Does anybody have any questions. Of course where can I find -- Kevin, where can I find I guess a paper outline or presentation or something that has details about all of the programs that the department offers. We have overlapping benefits. I want one place to see all the programs and what we're doing. >> We've got a very cool website that describes everything I've described. We also have a newsletter, if that would be helpful, so you could get regular updates, although I'll be here every month to do that, but if you wanted to have your staff do a deeper look at some of these, we're very transparent and very engaged with the citizen population. We have I think 18,000 small businesses that we're working with. We've got I think 500 in the cultural arts area. Music industry I think they'll speak for themselves. But it is all on our website. If you have any questions please let me know. >> Troxclair: It would be really great to have -- I don't know if this is on your website, but it would be great to have just a simple format comparing each, like the amount of

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money that the city is putting towards the program, the amount of businesses or people that are being served by the program, what the measurable outcomes are for the program. Just a really simple comparison of -- >> We've just responded to 20 questions from council that I think addressed most of those issues. But if there's any kind of specific, we're very conscious of that return on investment for every single thing we do. So the amount of jobs generated with disposable income, the audience. Whether they in fact have visitors here for cultural tourism. So absolutely this is the top economic development department in North America. We measure all of our outcomes and that is all available. >> Troxclair: Okay. >> I think I've just taken my four minutes up. >> Troxclair: I guess I'm asking for -- I know you have the information available. It's just maybe all not in one place in a very clear and short manner. Or maybe you do have it somewhere. >> We do. It is really -- >> Troxclair: It would be good do me to have a reference when we were talking about all of these programs to understand -- >> We actually do. It is all online. If you don't see it, if it doesn't just jump out at you, please let me know, but we've got very good feedback from our goal to help citizens expand -- citizens to be prosperous, the businesses to be prosperous and the neighborhoods and communities. >> Troxclair: Okay. And you said on the solely Austin program, you said that your goal was to reduce -- to increase the amount of disposable income by six to eight thousand dollars per family annually. Through bike and walking paths. Is that because you are hoping that they can get rid

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of their cars and that would be where the six to eight thousand dollars a year would come from? >> With the new envision tomorrow tool, which was this three-million-dollar software that we've developed with funds from HUD, we're able to develop economic forecasting around developments to estimate what would be the return on investment. So for each one of the areas that we propose to do commercial stabilization, we would wrap it within a one-mile circumference and are working with the public works department to build bicycle trails and walking trails into the commercial area. We also did this for the urban rail system. And what we were able to show was that when it is -- it is very convenient

for people to either walk to work or to carpool or to ride their bikes to within a mile, that they save essentially one full car use, one of the cars, which amounts to between 6 and \$8,000 a year. So we can now forecast that if we build these -- we stabilize these commercial areas and they become employment areas in the city that people in the neighborhoods can walk and use them and their family disposable income will go up six to eight thousand dollars a year. We did that on the urban rail system and wrapped it in the same green trail system and it generated another \$296 million of increased family disposable income in that area. And where do they spend that money? They spend that money in the neighborhood businesses. So that information is all available and we'll be share to the details. I have now absorb somebody else's four minutes. >> Troxclair: That's okay.

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I have budgeted that. >> Houston: Just a quick question. Can you give me the definition of cultural arts? How do you see cultural arts? What does that mean? >> I don't know how to answer that. I can say that historically it has been tied to our city -- the city's philosophy of cultural diversity as an economic strength, so the idea is for the creative industries and the creative cultures in Austin to have an outlet of resources to express themselves through art and gaming and film and division and music. >> Houston: So can those funds be used all over the city or do they just have to be used downtown? >> No, they should be used citywide. They should not be used -- I think the distribution is certainly citywide, but part of our analysis, the cultural arts division is doing this cultural mapping to find out where are the resources, where is the art, where are -- where is the money being spent and where we have gaps to make sure that everybody has access to it. >> Houston: And how long before the cultural asset mapping will be done, completed? >> I think it's a matter of months. I think it's fair to say. >> It should wrap up in January of 2016. We currently have a map that we can send the committee of where our current cultural contracts are located. I think we provided that back in April, but we can send that to you again of where the contracts are. And where we've done outreach because we've doubled our outreach component to. >> Houston: Thank you. >> Thank you very much. >> Troxclair: Thank you. We will then move on to item

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number 5, Austin music census. >> Good morning, I'm don Pitts, program manager. In the spirit of saving some time since we don't have much, I want to introduce Nikki rolling, the titan of the music group who we commissioned to do the census, and we'll be available for if questions afterwards. >> Troxclair: Great. And how long do you think you need for your presentation? >> I'm going to shoot for 20 minutes. >> Troxclair: Okay. Can we go ahead and set the timer? Thanks. >> Good morning and thank you for the opportunity to present some of the key findings of the Austin music census. This will be -- because it's a 20 minute deadline I'm going to go very high level over some key findings. The report itself is pretty extensive, so if there are questions afterwards on something more specific you would like me to go into, of course I'm more than happy to do so. >> Troxclair: Okay. And I want to make sure, if there's -- I don't want to miss important things just because we're on a deadline. I just want us to all be aware of the time and be respectful of the other meetings that the councilmembers might have after this. But certainly if you think there's important information, please share it with us. >> I'm going to do my best to cover as much as we need to and also stay within our time frame. First, I'd like to just start with the context. We know that we are the 11th largest city in the U.S. And the fastest growing of all the top 25 cities in the U.S. And this growth has had significant impact across lots of sectors of the city and the music industry is certainly one of them. The Austin median family income is actually well above the Texas mfi, so it's another sort of data point in context as we look at some of the findings from the census

to keep in mind. So why the music census? There is a fairly big difference between this and an economic impact study, which is a more traditional measurement. Both are useful, but an

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economic impact study tends to take a wide view of what impact an industry has overall for a city. This is a very different approach. It's an attempt to get a more granular view from the citizens it's selves about what is happening economically, financially as well as housing, health insurance and what the needs are to continue growth which allows us to be a bit more prescriptive for looking for salaries and job and industry growth. We did propose some key ks, but I want to be clear that the study does not go into detail about the feasibility for these recommendations and funding. That would be a further piece of work that I believe the economic development department and the music division are working on right now. So let's talk a little bit about this project. It was an eight month process, quite extensive. There were 10 weeks available for the census to be taken online. It was open to absolutely everyone. We did outreach with marketing partners across the entire city. We publicized it through print media as well as social media and made it available to the general public. And had great up take from many sectors. And also partners who are in the non-profit sector across the city helped support this as well as the media. We also started with cross industry focus groups. We did eight of them comprising almost 100

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people. We actually used those focus groups as a way to help design the survey itself to help understand the needs so that we could get enough input ahead of time to try to capture the best information possible. And we did lots of informational interviews as well. So all of that led to a lot of data that needed to be analyzes and this is what we ended up with. Nearly four thousand responders. These are all unique responders to the survey. We also had an additional 1500 write-ins, which means in addition to lengthy survey there was a portion at the end that said did we miss anything, if so tell us here. And we had another 1500 people respond to that. That's really quite significant and it's not typical for a survey. And our read on that is that there's strong interest in the music industry in making their voices heard. And they really wanted to make known their viewpoint and to have some things happen and perhaps change out of that. So this is all of the -- sorry. I'm going to stop there. So this is all of the respondents that we had. I'm going to first tell you some general findings that encompass every group. And then the census itself is broken down into three specific categories that sort of follow along the lines of the needs that each have. So the first is musicians, the second is the music industry and the third is venues. So before we look at those individually I want to look at what are the general findings. And so out of that we have a fairly important one, which is that 60% of our music industry are working multiple jobs. The vast majority of our people work more than one job to compose their income and make ends meet. So that is an important piece of what -- of what we find here. This is another thing that surprised us. We have -- we have a

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tendency to think of the music industry as sort of comprised of musicians and venues and festivals. And what we've learned is that our industry here is actually much more complex than that. It is more appropriate to think of it as an economic ecosystem and an engine. We have occupants in 72 out of 74 subsectors and it includes things that cross what you would think of traditionally as music industry. So we have manufacturing and retail and hospitality and intellectual property and all kinds of -- all kinds of other services that you don't typically think of as music industry. And those are all critical to supporting

and creating the music economy that we have here. The other thing that's important is there is quite a bit of integration with people employed in the music industry that are employed in other industries as well. That's partly to supplement income. It's also because a lot of folks who are married have a spouse that works at Intel or another place here in town. So there's a fairly deep rooted integration with the music economy into the other industries here. Another thing that we have found of a key strength is concentration of the 25 to 39-year-old age demographic. As you all know, many cities are really hot to trot to attract the 25 to to 34-year-old age demographic because they tend to be sort of the foundation of the economy in their prime building years for what's to come. They're also product innovators and leaders and forethought of what's coming down the pike next. So we have almost 50% of our industry is made up of this age group. For the Austin msa as a whole, which is the measurement area that we look at, so it is not just Austin city limits, it is the regional area comprised of the Austin msa, which is pflugerville, Round Rock, Austin, San marcos. And we did that because that is how the U.S. Census

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measures. So we wanted to be able to compare. And in that particular geographic region 17% of the Austin msa is composed of that age group. So we have a concentration of those folks that we would definitely like to hang on to. Some other strong foundational assets that we have here. A diversity of music venues and an ecosystem that creates ways for artists of varying genres and varying sizes to have outlets to perform to improve their craft, to build audiences. That's a critical piece. We have a very wide variety of musical styles and genres. Many cities are sort of known for one particular art form versus another. In this particular census we found representatives from 27 genres who participated. Growing base of music tourism revenue. A lot of the tourism Numbers that we're hearing I believe -- and the economic impact Numbers we're hearing are from 2010 data. And at that time that was before acl expanded to two weekends, before fun fest expanded, before acl -- south by southwest had grown as much as it has today. So this growing base of music tourism revenue is a critical piece for us. And it's important to note that that is not just festival based. Our iconic music venues, local music venues that have established a national reputation also pull in music tourists. Substantial support from the non-profit organizations. Austin is very fortunate. We have the envy of many cities to have the top of non-profit support that we do for our music industry here. And that's an important piece. The maturation and size of music industry sectors I'll show you a bit more about that, but the conventional wisdom here has also been we have a large artist class and no industry to support it. What one of our surprising findings is that that is no longer so much true. We actually have a much

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bigger industry than we thought we did. We also have a lot of new people entering the market, almost 20% have been employed two years or less. So we have lots of new people that are actually entering the market. If we had a prior benchmark, we would know whether that was growing or not, but since this is the benchmark, what we can really say is lots of new people are entering. We don't know if that's more or fewer than had been, but it looks like a good growth sign. We have more event business and that is creating permanent jobs for people. The other thing, and I will talk quite a bit more about this, is venues creating jobs. We know how important that is. 90% of our venues have full-time staff. They're job engines. We'll come back to that. There are also some key challenges that are common to everyone. And so let's talk about those for a second. Living in affordability for all respondents came up as the primary concern. I don't think that's hugely shocking, but there is one particular thing relevant to the music industry that I want to highlight here. The number one concern for every -- across all respondents combined is that-- here's what this line item says that I have circled. I'll read it for you. It says stagnating

pay for musicians makes it difficult to make a viable income. And part of what's interesting about this, this is 81% of people said that this is either an extreme or strong impact on their career. Part of what's interesting about that is this is not just musicians answering this. This is also the music industry and venues and everyone. So these other affordability issues, those dark bars are extreme or strong impact and these are other affordability questions. So this is the top concern. There are others, but this one comes out on top and so I want to highlight it here for you. Here is another concern, changing trends in consumer behavior. Austin has become a top 15 touring market nationally.

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That means we can now host and attract large bands that come touring through. They regularly sell out and they sell at ticket prices ranging from 25 to \$150. At the same time, our local bands here are having a much more difficult time interesting people to pay a five to 10-dollar cover to see a local night of live music. That is a big change from where we were 10 years ago, and it is having a fairly sizeable impact on bands and venues as well. It is just an absolutely vanishing source of revenue. So that's an important challenge that's affecting everyone. Events and festivals are great, but the local venues and musicians are not making up the local revenue loss that we're seeing here. So that's part of the challenge we see here. Next, we have I think because the growth of this industry is much larger than what we thought it was, it is also much more itemized. And we're seeing there's not much awareness of existing resources. So this kind of crosses all city non-profit and private sector. So city resources that currently exist, some people know about them, some people have no idea. Non-profit resources the same. Even in terms of what businesses have moved here because the business side is growing, there's just very little access to that kind of information where people don't know where to look or it's not put together in one place easy to find. So this is an abiding issue that came up again and again both in the survey results as well as in focus groups. So now let's talk about specifically musicians and talk about their issues and what they said and look at it from there. We have nearly 2400 musicians respond to this survey and they represented, as I said, over 27 genres. So we're going to talk about income and revenue with

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musicians. These are the most pressing things aside from affordability, and of course these are two sides of the same coin. What you're looking at is a graph that represents only music industry income. We asked them income questions in several ways. This is one of them. And what this shows is that 79% of those 2400 musicians are making \$15,000 or less annually from music income, and that is a pretax number. So I think if you had asked musicians if they believed this, they were absolutely supportive of saying yes, that is my life. There were a lot of other people that were rather shocked when this number came out. The next thing that we asked them was okay, 56% of you are working other jobs, so let's look at all of your revenue combined. What does that look like? And by the way, out of that 2400, we only have 22% who said that they're full time professional musicians supporting themselves only from music. So really about 80% of our people are having to do something else to support themselves. So this is what that number looks like. All income sources. One-third are making \$15,000 or less from all of their income sources combined. So that is still a rather disturbing number. 56% have jobs in other industries. And 75%, actually 74%, have been living and working in this industry for 10 years and are still making \$15,000 or less. So that 15,000 collars seems to be an abiding barrier. And what we hear, particularly in focus groups and then in the write-ins, is it's getting more difficult rather than less difficult to make this music income and to make ends meet. And what we're going to look at next will sort of demonstrate that. I realize this is difficult to read, so don't bother to try. I will walk you through it. We asked musicians about what types of income they make and how they make it from music. And we set up 12

different

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categories of ways that you can make money from music and we asked them, tell us does this particular type contribute a lot of income, some a little, or not at all. And we asked each of them, please tell us. So I'll tell you briefly what the categories are. There's live performance in Austin, live performance outside of Austin. Royalties, song writing for hire, licensing, studio work, teaching music lessons, producer fees, physical recorded sales, these type of things. What you're seeing here is those Orange bars are the ones that someone has said it represents no income at all for me. It contributes absolutely none. The dark green bars or dark grey blue bars are the ones that says contributes a lot of income. So really this graph is backward from where we said we would like it to be. The top one circled is the only income category that breached a threshold of contributing where 25% -- more than 25% of our respondents said this contributes a lot. That one category is live performance in Austin. The ones that have arrows, those are the ones that 50% of our respondents said this category contributes zero income. I want to put this in context briefly for you. Some of what you're seeing here in some of these issues are also happening nationally. Austin is not alone in experiencing these things. We're just the first to measure it and measure it accurately. I believe we're the first to say let's look under the hood of our economic impact and understand what is happening at the level of the citizen who is working in this industry. The music industry is in some ways in global free fall from an economic standpoint. It is reorganizing and it is not yet clear how the creators are going to make up the income. So that is some of what you're seeing here. But the problem still persists and certainly if

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we're going to try to find a solution to keep and retain the musicians given the affordability issues we have, these are things we need to understand. So in context with our musicians, the most recent data available that I was able to find was 2013 Austin msa data for poverty level, Austin regional area includes about 14 percent of people in poverty. So we know that more than 20% of musicians are in poverty. That is a disturbing statistic. At least 50% would qualify for section 8 housing and three-quarters are below -- or they're making less than the Austin area mean annual wage. And part of why I showed you the -- we brought up the point about the Austin mfa versus Texas mfi and Austin is higher, because what's happening is the musicians are not participating in that prosperity so it is happening around them, but not with them. So key issues for musicians in particular, stagnating pay. Affordable housing is already happening. We have an attrition problem problem that has already started. We heard people talking about there could be an attrition problem and what we heard is there is an attrition problem. It is happening now. So some of the key policy considerations that we proposed in the census, a need for a city level long-term industry development strategy for musician retention. A long-term strategy is not something that we have been able to put in place because we didn't understand the issues well enough and the census allows us some insight into some ways to do that. Dedicated affordable housing for musicians is one of the recommendations we proposed. I understand that at the state level there are some difficulties with that. But I will say we also present some other cities that are looking at best practices and doing things, New York and Nashville and there are others that are doing this.

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Understanding that the creative class does bring economic development for the city as a whole and is

worth that investment. The other thing that we're looking at is ways to enact and stimulate music revenue creation. And city staff may have more to say about that, but one of the first things that we say is to continue the viability of local music venues that support local musicians because it is one of the few sources right now where they're making money and it is a critical part of the Austin music infrastructure. Austin arts loyalty program is another thing that we're looking at and some ideas to -- [buzzer sounds] Oh, is that my 20 minutes? It sure is, sorry. I will go faster. So there are some other things that we can come back and talk about, but tourism funding is one of the things that we could look at. We have already a fantastic asset for the city, and if there are ways that we can use even small pieces of that to invest in the retention of musicians and increasing some of the revenue flow through incentive programs or other ways that that would be something to look at. So I'm going to attempt to go faster here. Music industry survey responses. We had 1400 people respond to this survey and one of the things that is fantastic about that is over 500 of them are actually entrepreneurs. The rest are employees, but we have lots and lots of small businesses. As a matter of fact, while we think of this as sort of a city hosted by the major anchors, which are, you know, acl festival and south by southwest and transmission and that's great, reality is most of our industry is comprised of small business. Most of them are either sole proprietor operators that operate, you know, out of a home office or may have an intern or a part-time employee, but that zero to five employees is 90% of what we have here. So the great thing about that is I think we in Austin know sort of what to do with that. 49% have been in business five years or

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less, which is great. That means half of these businesses are new. Those are people who have either moved here recently and are trying to start an industry business here or they have been -- pardon me. They've been trying, I guess, you know, before that and have just sort of gotten to this point where they're calling themselves an actual entrepreneur. So this five years or less business is a good sign of growth. We're going to -- I'm going to skip over to key industry issues. So for this particular sector entrepreneurs are widespread. They're underserved and a key -- >> Troxclair: Hold on one second. >> Sorry? >> Troxclair: Is this working? Councilmember pool? >> Pool: Do you think you would be able to sum up and then you could send us the report? We have other folks that we need to talk with today. >> Certainly. I will go to this. This is key issue -- sorry. This. Key policy considerations for the industry support, cluster development, intentional cluster development, the creation of a music industry hub with affordable co-working space, creation of formal and codified entertainment districts are all things we think are critical. A I'll skip over the venue section and I'll just say this: There are both market forces and regulatory issues that are affecting the viability of venues. They operate on very thin margins as it is. And they are facing a number of problems. They are sort of the elephant where everyone has got a hand on one place and does not really understand the whole picture of what it is to be that operator. We attempted to measure that and gauge that. So there's quite an extensive section in here as well on those venues and some of the ideas we think could be helpful for them. So I will leave it there and stop this presentation so that you guys could ask questions if you like or move on if that's what you would like to do. >> Troxclair: Okay. Thank you so much. I probably do have a

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couple of questions. I don't know if it's for you or for our city staff. I see later in your presentation you talk about city on the venues, regulatory issues, permits and other issues. Do you feel that's one of the issues that they face, do you feel like that is being addressed in some of the -- or will be addressed in the codenext and the -- all of the overhauls that we're seeing and remains that we're seeing in >> I couldn't

answer about codenext. I'm not sure how much integration there is with that. I do know that the city staff has responded to a request from I believe previous council about the creation of an entertainment license which would eliminate some of the repetitive yearly reupping that they have to do in order to get recertified. I don't know if that will address all of those issues, but it's certainly a good step forward. There are -- I would say this. One of the key recommendations that we made out of that is the creation of live music retention legislation, which is something they have just done in San Francisco. And it's a bit of a landmark thing. Because of that they will be able to keep a number of their sort of treasured venues in a downtown space so they're not creeping in the neighborhood or disappearing altogether. >> Troxclair: And how are they doing that? >> It would probably be a longer conversation, but it took them nine months to come up with that ordinance, but they did it. And I do believe we have some access to some of that information if you would care to receive that. >> Troxclair: Yeah. I would like to talk more about that. So maybe we can schedule a meeting or you can send me the information. >> Certainly, absolutely. >> Troxclair: And I have a question for our city staff, I guess. Mr. Pitts? Did you have any kind of presentation or prepared remarks? >> No, ma'am. >> Troxclair: You're just ready to answer questions. Can you speak to the -- it seems like if -- so this information is all very helpful and I think, you know, then I want to know what the next steps are, how do

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we -- it's great to identify the problems, but then I want to make sure that we are doing what we can to follow through with some of the solutions in the most effective ways possible, I guess. When I hear not wanting to pay cover fees or not wanting to pay for music in general is kind of a nationwide, an industry-wide trend. That's not something that I think oh, we're going to solve that. We're going to pass a resolution or an ordinance in Austin and we're going to solve a nationwide trend of people not wanting to pay for music. So I want to look at what we can do -- you know, I guess the lowest hanging fruit. What are the easiest things we can do to address some of the problems as quickly as possible. And for me one of the most -- clearest examples that doesn't lead to any kind of increase in funding or tax increases is just making sure that our permitting processes are aligned with the needs of the music industry and the venues that we have here because I know -- when she's talking about attrition, I know that that is happening right now and we need to do everything that we can to maintain those venues in Austin. But I also know that our -- the timeline, I guess, of some of the permitting revisions might not happen as quickly as we need them to. What can we do in the meantime to make sure that existing venues and new venues are not fighting the city when on the other hand the city is fighting to retain the music venues? >> That's a good point. What we proposed in response to the resolutions from last year in modeling it after Chicago to bundle the permits for a venue and being a former venue owner in another city I can tell you there's about nine or 10 city

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permits that are required for these venues and often times we already serve as kind of an ombudsman to the venues dealing with the city. So -- but most of our time is dedicated to conflicting information from the same department that have multiple inspectors that go out to the venues. So I think just contingent with the entertainment license concept and mindset and use it more as bundling the other permits would help tremendously. >> Troxclair: So are you communicating that information with our planning and development review department and Rodney Gonzalez and all the people who could be involved in making that happen? Are you making sure that y'all are on the same page and have clear communication? >> Absolutely. We have been -- Rodney has been very helpful in other mechanisms internally with the city, sharing the same database that we historically haven't had access to. But

Rodney is giving us more usage in that software so we can speed up the process as well. >> Troxclair: So do we have a date that we expect that to be created or addressed or does that take council action? I want to know what can we do to help you. >> The entertainment license concept would actually take -- would require council action. There's a lot of stuff that we're doing internally as far as just the general administrative process part that we're making improvements on. And then should roll out by November or December of this year. >> Troxclair: I would like to talk to you more about the entertainment license issue. And I want to see -- is the report and the summaries that are detailed in this report the end product or are you putting together like a detailed action plan of things that you're doing with the resources that you have right now to address some of the issues? >> We're dealing with --

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we're putting together an action plan with what we have now. Obviously we're -- we do need resources. And then the census is going to be an ongoing -- we'll be rolling out an industry development plan next year in fy 2016. >> Troxclair: Okay. Well, I know that I have proposed adding funding in our budget cycle for two new ftes to help you implement the findings of the music census. Is that your highest priority? I just -- I don't want to miss the opportunity that we have right now. You know, we have this report that's saying this is an urgent issue that people that we have in the city. And so I don't want to pass the budget cycle or, you know, then come up with a plan two years from now and say here's what we're going to do to fix that. I want to make sure that you have the information and the resources that you need, especially in light of us going through the budget cycle right now to do the things that you need to do to address some of the issues. So is that -- is that what you need? Do you need two ftes? What do you need? >> We submitted a restructuring plan to our department, and I can ask Kevin if he wants to speak more, but as far as our process we submitted a restructuring plan to our director and we'll wait and see how that goes. It would include additional staff, yes. >> Troxclair: Okay. I mean, yeah, I want you to tell us -- I want you to tell us what you need in order to address the issues. So if we don't know what you need or how to give you those resources, then it's going to be more difficult for all of us. So just let us know, let us know what you need. Okay, thanks. Does anybody else have any questions? >> Casar: I have the same question. >> Houston: I have a short quick one. And this is not to you, Mr. Pitts, because I don't know you, but this is just to city staff in general. It would be so

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refreshing to come up and say we missed so many genres. We did not do enough community engagement to be able to reach tejano music, hip hop. There were so many people in my community that did not participate in that survey, and so just to say it would be refreshing just to acknowledge that we had some gaps there, we didn't get all of the demographic groups that we should have tried to get as far as music venues and musicians. So that's all I needed to say. >> Okay, thank you. >> May I add something to that if I could? I just wanted to say I do agree with you. I also will say that given the time and resources that we had we tried very hard to be very inclusive in our outreach. We did work with non-profit groups on the east side with the African-American community. We also reached out to the tejano association, the Latino music association and others. Some chose to participate and some did not. We did absolutely try to be as inclusive as we could given the scope of what we had. I would very much love to see those communities participate more fully, and certainly 27 genres is a lot. I do think we have a good scope, but the more we are able to hear those voices, the more we're able to represent the need. >> Casar: Sure. May I ask a follow-up on that office. I had a similar question. Considering, though, that we just -- just looking at the demographic data on the musician is side at least it seems to me that we definitely missed the mark as far as the proportion of people that participated. Is there -- >> Go

ahead. >> Casar: Or perhaps I'm wrong, but it seems like a 10% Latino participation of musicians and almost a 40% Latino city, that I imagine that there's a gap in participation as far as proportion goes. So do you have any

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reflections, not -- I've heard your reflection about how we wish we could have had more folks participate, but if folks had, would you have come to any other conclusions or do you have conclusions you could draw based on what African-American and Latino musicians had to say? >> Well, I would say a couple of things to that. The first is that keeping in mind that the demographic scope is inclusive of whole Austin msa, which includes pflugerville, Round Rock and San marcos, which are of course perhaps not -- in fact, we know from the census are not quite as diverse as Austin. So that's one. Secondly, we don't have any past measurement of what the -- of what the music industry is comprised of. That goes for gender, it goes for age, it goes for income and race and ethnicity and a number of things. So this is a first attempt to gather a benchmark. As far as different findings, I don't know that we would have found anything radically different. I can tell you that we have run -- I'd be happy to provide this to you all. We did look at income by ethnicity. We looked at -- then we looked at that for musicians as well as for the industry. And there is a higher participation of African-American musics than in other -- than industry side. Everybody else is fairly much the same across the board. I don't think we would have found much different. What we find is that the musician classes is really struggling. They are spread throughout the city. As part of this there's actually a map that shows where participation came from so that you can see at least by zip code where that is. So I don't know that we would have found anything different. We did include many African-Americans, people of hispanic origin as well as Asians and others, and across gender lines in our focus groups. We were very careful to do that. >> To address your main question, we're actually doing sample testing right now. >> Casar: Great. Thank you.

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>>>> Houston: There are more African-Americans in pflugerville than there are in Austin so I'm not sure why you would make that statement. We'll keep working on trying to be more inclusive to getting the word out to more musicians regardless of what it appears to be because they need their voices heard as well. >> Absolutely. >> Thank you so much. Appreciate it. That leads us to our last item, actually before we -- just in case anybody needs to leave, can we go ahead and approve the minutes from last meeting? >> Houston: So moved. >> Troxclair: Okay. Moved by councilmember Houston, seconded by councilmember Casar. All in favor of approving the minutes please raise your hands. Minutes are approved unanimously with councilmember pool off the dais. Item 6, last but not least. Thank you for being here today. I tried my best to keep us on time. >> Thank you for extending this meeting and allowing us to be heard. I'm going to take my 20 minutes and try to make it as close to 30 seconds as I can get it. Most of you know about the local business conference, the work that we do, how we pull together 70 local business members. What can we do to make Austin a more thriving community for local business. Initially aiba embarked on this, this year the city joined in partnership and we expanded it to 11 business organizations including the chambers and four community lenders who invited their members as well. So we had a pretty diverse group going into this. As you can imagine, we received about 300 answers. The second part of the conference though is for the business owners to narrow down our ties, what items they thought most important.

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And this is a crucial difference between what we do and anything else that's been done is that the businesses decided the priority. Not me, the city -- [inaudible]. And from the conference we formed what we call a leadership circle which includes 15 business owners who went through the conference. I was able to manage to get four of them here with me today. It's a hard time to get business owners in in the middle of the day, but I would like to take just a second and introduce them since they've taken the time to come here. Steve burque, if you want to stand up, CEO of book people and one of the owners. Denise reed is owner of Mercury permits. And then on this side we have Hoover Alexander, owns Hoover's cooking and Natalie Mckey owns jump gymnastics. They have met looking at the goals the larger group set. I think you all have this document before that outlines our goals. What the job of the leadership circle is to do is to come up with ideas and plans and policies to help achieve these goals. I would really like to point out one thing is that in the conference it's not just about pointing out problems, although that's a large part of what is contained in those answers, it's also about pointing out opportunities and ideas of what we could do to make our community more thriving for local business. This group has worked, the leadership circle has worked since last October to come up with ideas for these goals. The first goal was for me a pretty amazing one that the businesses felt like they can't control their own destiny until they have the opportunity to own their property. But small business needs small

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spaces so how can we do that. That's an affordability issue, there's an availability issue so the leadership circle came up with several ideas. One was retail condos, which I think we have only a tiny smidgeon of in Austin right now. We have residential condos, medical condos, office condos, but no retail condos. So looking at how can we work with the development industry to say what can we do to create retail condos in existing or new spaces. So we have some issues according to that. The other issue is an affordability one. How can we perhaps model after the Mueller affordable housing policy and look at how can we apply that to small business so that they can do lease to purchase, that perhaps we can do something where there is a nonprofit that purchases the space with them but allows them to enter that property ownership category. So these are the sorts of ideas that I'm bringing forward to you today. I don't know how much time I have since your meeting officially ended, but -- but I do want to look at we also discussed job creation and employees. What does a small business owner need, what would really help them in this vein. It was a pretty surprising conversation. One of the things that came up is we always talk about the underserved or underprivileged category, how can we embrace young adults and train them and bring them in to having jobs. You heard Kevin Johns speak about this earlier. But when we were talking about it, we were talking about how do we address the social issues of that. What prevents this person from being an employee now, what stops them. Sometimes it's transportation,

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sometimes it's family issues, it's other things that have to be addressed that a small business owner is real ill equipped to deal with those kinds of things, but how can we address that. So we were coming up with solutions for that, of classes, of support. And one person in the leadership circle brought it up, said, well, in fact it was Natalie Mckey who is with us today, I hire college students. These are middle class educated young students, but no idea what's expected of them in the workplace. And they walk into a workplace and they don't know the rules so how can we teach them these things. How can we make them better employees so that a small local business is able to employ them. So those are some of the types of things that we address in this. Goal number 3 is communication of city resources. This one sounds simple, but I think it's actually quite complex, of looking at for a small business owner, finding

information from the city is really difficult. It's in what feels like a thousand different departments in a thousand different places, how do I weed through all this to find what is of interest to me from transportation, from code, from permitting, from all these different areas. If we could somehow pull that together with a filter for small local business so that they had a one-stop shop, so to speak, that they had one site that they could go to on the city's website that said, here, small local business, here are things you may be interested in, although they originate in multiple departments -- or -- originate in smaller departments. >> Troxclair: I have a question. On that idea is that something you would envision being pulled together by the economic development department? >> We were discussing whether it's economic development or public information. >> Troxclair: Okay. >> Since public information

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currently is the conduit for so much of that, that might be the proper place. But it would require an employee who understands what is -- what is needed by local business. And so would be able to filter the things coming in to say this is of interest to small business, this is not. So I don't think it's something we can determine at a department level. I think it's going to have to be a central level to determine that. Whether that is in public information or economic development, it's up for discussion. >> Troxclair: Seems to me like the economic development stuff would be the ones from a person who knows what small business needs, they are the ones working with small businesses so I think they would be the appropriate filter. But it seems like that's -- I don't know, I can ask our staff later, but seems like that is something we could do. >> I think it's -- it would be so helpful to so many businesses. And all these things we're looking at, while property ownership isn't for everyone, a lot of the things that have come out of the conference and the leadership circle will affect almost every business in town and I think personally that's pretty thrilling when we can do something that's a policy or program that affects so many local businesses and not just one or not just a small group. Sustainability, of course, is a big issue with everyone and it is with local business as well. There's several things that we've come up with and ideas. The biggest challenges facing business is our healthy local economy. Things are growing so fast. When their leases are coming up, they are not going up by 10, 20%, they are doubling and quadrupling. Business is good but it's not that good that they can afford to pay this. We're looking at some ideas of how can we create an environment that makes it attractive for a landowner to support their local business. Whether it's through tax incentives, through other kinds of incentives, there are

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things that we can do to promote that landowner to keep those local businesses in. It's not just about a local business, it's about the local business community. Another idea that we had that I think would be pretty amazing if we could do it, it's that what does almost every business need when they open? They need a sign of some sort. So one of the problems is that small business owners come into the system, they don't really know what they are supposed to be doing, they don't know the pathways, it's where economic development helps them out tremendously. But if we could -- there are some visiting classes already in the small business realm and if we could move those and set up a specific one for this. So a local business owner goes to the class and they get an incentive for their sign. So they get whether it's \$500 or \$1,000 we could put forth toward the cost of their sign. This idea came about after a long discussion about incentives for big business. And I'm always quick to explain and again and again sometimes to the local business community that we really don't do that many incentives. I think we have, what, seven or eight or nine out right now. That half of the senate itself we ever do for big business aren't fulfilled but the business chooses to walk away from it. But nonetheless we have a perception problem and the perception is the city rolls out the red carpet for big business and doesn't

do anything for small business. Here is one small action that could make a big difference. If we coupled this with the art division and said if you use local artists to design and manufacture your sign, we benefit in so many ways. If there is -- I know that the arts community already has or the arts division already has some grants that are under \$2,000.

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So if we apply those to this kind of a program, business owner could walk away with, say, \$3,000 towards their sign. Local artist gets employment from it, and we have a much more interesting and diverse visual community in all of these art signs that are all over town. So those are the types of things that we're looking at. And what I'm here asking for today is yes, we brought some identification to some problems and issues. We also brought some opportunities, but the main thing we're bringing today are some solutions to these is for the committee to just accept these solutions and work with us and taking these ideas into policy and how that might happen and ultimately to the council as a whole. >> Troxclair: Thank you. >> Is that quick enough? >> Troxclair: Thank you for your work on this and for bringing the policy ideas forward. I appreciate you being a resource for us. Do you have any questions, councilmember? Okay. I'm sorry I forgot to ask, I didn't see anybody signed up for this issue or the issue before us. Was there anybody here who wanted to speak? Okay. Well, thank you. And to the small business owners who are here today, we appreciate your input too. It's -- we do our job better because you give us the feedback that we need to make doing business in Austin easier for you so I appreciate your involvement. I know it does take a lot for you to be away from your businesses and spend time here with us. So thank you for doing that. >> Houston: I also appreciate the being here because couple of time live end of the pact that you have is a list of everyone who is on the leadership circle. What their business is. Their originating organization. So as I said, we worked with 11 organizations, so what organizations sent them to the conference as well at what district they live in and what district their business is in. >> Troxclair: Thanks for

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providing that for us. >> Thank you. >> Troxclair: Well, that brings us to the conclusion of our meeting. I just wanted to note that our next meeting is scheduled for September 14th which is a much quicker turn-around time than we normally have because of the scheduling difficulties with the budget this month. So if there are any items you are want to go see on the September agenda, let me know asap since we're already trying to finalize that agenda. Okay. Then this meeting of the economic opportunity committee is adjourned at 12:13. Thank you so much.