

AUSTIN ECONOMIC DEVELOPMENT CORPORATION

MEMORANDUM

TO: South Central Waterfront Advisory Board

FROM: Veronica Briseño, Interim Chief Executive Officer
Austin Economic Development Corporation

DATE: March 2, 2021

SUBJECT: **February Update from Austin Economic Development Corporation**

As directed through [Resolution 20190808-072](#) and [Resolution 20201001-055](#), the Austin Economic Development Corporation (AEDC) assumed a lead role coordinating due diligence needed to support the request for a potential Council-approved financing mechanism(s), specifically a Tax Increment Reinvestment Zone (TIRZ) to achieve the vision plan of the South Central Waterfront (SCW). Since the organization was created by Council in October of 2020, AEDC's leadership has taken three principal forms:

- 1) Administratively establishing the organization for long-term support to SCW and other projects;
- 2) Completing the technical analysis required to support the TIRZ ordinance; and
- 3) Engaging with City staff to progress the request(s) and stakeholders to receive continued guidance.

On the technical side, AEDC is already contributing resources to work with legal counsel for drafting an Ordinance, Project Plan, and Preliminary Financing Plan that the organization intends to provide the City in support of its evaluation of the request for the City Council's designation of a TIRZ. As part of this process, AEDC has compiled previous work conducted by ECONorthwest, CMR, and the City that estimate the potential costs and revenues associated with the SCW Vision Plan. In addition, AEDC has retained Winstead PC to advise on legal aspects of the TIRZ formation and ECONorthwest to draft a memo summarizing its prior findings. Further, AEDC has engaged the City's Housing and Planning Department, Economic Development Department and Financial Services Department staff through weekly meetings and workshops on the project that also support regular briefings with Council offices.

Monthly Updates and On-going Coordination

To support on-going coordination of communications for transparency, feedback and guidance, AEDC has committed to providing a monthly written update to the South Central Waterfront Advisory Board (SCWAB). If there is a pressing issue or need, AEDC staff will attend the SCWAB meeting to seek input. David Colligan, AEDC Interim COO, will be the key contact for the SCWAB.

Upcoming Discussions and Council Action

Understanding that a number of priorities and timelines are shifting due to the City closure and emergency response efforts attributed to weather conditions during the week of February 14, 2021, AEDC intends to join the next SCWAB monthly meeting to present an update and request guidance from the Board. More specifically, AEDC will be seeking feedback on potential TIRZ infrastructure funding components anticipated in the SCW Vision Plan and to discuss TIRZ governance structures. The presentation will also include information on the key components of the Austin TIF policy, and will provide national and local examples of successful TIF districts to support awareness of best practices for future governance support. In addition, AEDC staff and consultants will look to clarify key questions on previously presented analysis of infrastructure funding scenarios and financial "gap" that cannot be supported by market rate development. This information is intended to support advancement of TIRZ analysis in alignment with community infrastructure/housing priorities to share with City Council for approval of a Preliminary Financing Plan.

Staff anticipates bringing a slate of items in request of Council approval during the March 25, 2021, Austin City Council Meeting. One of the items in this slate is the existing request to approve the modifications to the governance structure of the organization, including the creation of a SCW Committee under the auspice of AEDC (formerly Item 13 on the February 18th Austin City Council Agenda). As previously discussed, the SCWAB will continue to exist under the auspice of the City of Austin and all Council approved members of the SCWAB are invited to participate on the AEDC SCW Committee. As to not have a conflict of interest between the two bodies and to support proper communication between the AEDC SCW Committee and AEDC Board, the AEDC SCW Committee will be Chaired by a member of the AEDC Board and potentially supplemented with additional members of the AEDC Board that have interest in the development of SCW Vision Plan.

Should you have any questions or interest in discussing any of the attached information before staff reaches out to your office to set an appointment, please contact myself or David Colligan at 512-974-6381 or david.colligan@austintexas.gov.

CC J. Rodney Gonzales, Assistant City Manager, Economic Opportunity and Affordability, City of Austin
Sylvia Holt-Rabb, Acting Director of Economic Development, City of Austin
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