Economic Development Policy Update: Community Engagement Summary Report

Economic Development Policy Boards & Commissions Meetings Summary

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NOTE: Meeting Notes highlighted in yellow have not yet been conducted. This report will be updated to include notes as those meetings are completed.
Presentation Goal:
The final phase of stakeholder engagement in response to Resolution No. 20170302-034 invited 22 Boards and Commissions to hear an informational presentation on Chapter 380 Policy from Economic Development staff, followed by a summary of community/stakeholder feedback received with the goal of receiving additional input from the perspective of each unique Board and Commission. Each presentation took the form of a 15-30 minute overview of the current policy, comparing economic conditions during the origination of the policy in the early 2000s against today environment, the focus on equity and affordability and the Chapter 380 authority. Following this overview, commissioners and participants were asked to review the community feedback received so far in order to fill in missing gaps, express concerns, agreement, ask clarifying questions and provide other feedback on the direction of the new policy. The goal of these conversations was to give the commission the opportunity to leave their mark on the feedback and recommend additional community members/stakeholders staff should be engaging with.
Executive Summary:
The conversation with the African American Resource Advisory Commission resulted in the following take-aways:

- There is a need to equalize Chamber partnership contract dollar amounts.
- Paid internships need to be the focus of a Workforce Development.
- The City needs to better define the term “Eastern Crescent”, “Hard-To-Employ”, etc.
- The African American community has been negatively affected by “prosperity-focused” policies and procedures administered by the city.
- This commission is not “the community” and does not represent “the community”, and this presentation is not a “free pass” to say that EDD has “talked to the black community” when EDD reports on this meeting. The commission is just one element of the community.

Commission Questions and Feedback:
- Community values can be achieved by equalizing partnership dollars. Chambers are supposed to be in partnership, one of the pieces of inequity in how they are utilized and the amount of money on the contracts. Proposing to equalizing the dollar amount and not base it upon membership numbers. This reflects badly in terms of inequity.
- Can you tell us a bit more about competitor cities and how they are addressing these equity issues?
- How much workforce funding is geared toward making young people job-ready? Paid internships need to be a strong focus.
- We are focused on black community members getting jobs, but contained within the resolution are terms that are not well-defined, such as “Eastern Crescent”, hard-to-employ, etc. Does this mean black people? Is this council’s way of reaching out to them? It would be helpful to define those terms, and that would help this commission support this effort.
- Please define the boundaries of the Eastern Crescent for us, this isn’t something we should have to go look for.
- African American community quality of life has been negatively affected by policy and procedures.
- This commission is not “the community” and does not represent “the community”, and this presentation is not a “free pass” to say that you’ve “talked to the black community” when you go back to the Mayor and EDD reports on this meeting. The commission is just one element of the community.
- What businesses were included in the initial outreach?
- You should consider engaging state government.

Photos:
Economic Development Policy Update: Community Engagement Report  
Presentation to the Arts Commission, September 18, 2017  
Presenters: David Colligan & Julia Campbell, Economic Development Department

Executive Summary:
The conversation with the Arts Commission resulted in the following take-aways:

- A required piece of incentive agreements could be giving back via investment in smaller community arts organizations.
- Existing, traditional 380 agreements should have paybacks that participate in the arts and culture community.
- Achieving affordability is a lofty goal. Affordability isn’t just cheap rent, it’s about identifying new earning opportunities – we need to make that connection with creative skill set development and workforce development.
- When an office building is built, require the company occupier to buy local art, hire creatives to do creative work, and not bring in pre-fab artwork.

Commission Questions and Feedback:

- Which district did not get a session during the Community Conversations in June?
- What about Chapter 351?
- You waited until 13 minutes into the presentation to mention “Culture”, which is the main economic driver here in Austin. Arts, music, culture, are missing entirely from this presentation.
- Do you have a list of the attendees and profile of attendees – maybe consider posting that online?
- Is this referring to the equity issue? Refers to the institutionalized racism.
- Does Chapter 380 exist at all here?
- Are you considering geography in the development of this new policy? Specifically, in connection to Spirit of East Austin?
- Apple – why did they go on the West side?
- In reference to your data point of 22 incentive agreements: is this the department that manages the compliance piece as well as the negotiation of the contracts?
- Funding for these 380 agreements come from where?
- Has there ever been companies that take more of an investment approach in other organizations in Austin, like Samsung sponsoring arts programs globally (like SXSW)? If small arts companies want VR headsets, would Samsung be able to donate those? What about partnerships that are traditionally hands-off? Can we get local sponsorship directors to do this work? The community needs arts program sponsorships, and is in dire need of sources of income that are not individual donors. Large companies should invest their philanthropy efforts into small and local companies. Small groups make for cultural diversity. A required piece of incentive agreement could be giving back/investment in smaller community arts organizations. This will repay them with the ability to recruit talent to their companies because the community is strong and attractive. A small pool of donors, isn’t enough, we need to incentivize large companies to participate into those pots and pools of funding. Existing, traditional 380 agreements should have paybacks that participate in the arts and culture community.
- Achieving affordability is a lofty goal. Affordability isn’t just cheap rent, it’s about identifying new earning opportunities – we need to make that connection with creative skill set development and workforce development.
- When an office building is built, require the company occupier to buy local art, hire creatives to do creative work, and not bring in pre-fab artwork. However, corporate headquarters make those decisions. Hire local, buy local.
- State law – what other cities have more creative 380 agreements? (Houston, Dallas, etc.)
Executive Summary:
The conversation with the Asian American Quality of Life Advisory Commission resulted in the following take-aways:

- Questions came up regarding the inclusion of refugees and individuals with limited English ability in the “hard to employ” population.
- The Commission was curious about the source of funds to support these new programs, such as grants, current city budget climate, state funding, Enterprise Fund, etc.
- The Commission expressed support for working in a fuller range of tools, a broader vision meaning a healthier community.
- The Commission wondered if stakeholder consultation has been completed, or if feedback was still welcome.

Commission Questions and Feedback:

- Among increased employment among pop who are hard to employ, did they think to include refugee populations? Or limited English ability?
- What is the City’s established living wage?
- How have you engaged the Asian American community in this stakeholder outreach?
- As we look at the expanse of horizon, on the right side is that EDD going to participate? What way do you envision being involved in social enterprise?
- Is it possible to extend them a grant? Does that currently exist?
- Given current budget – you don’t foresee funds being available anytime soon?
- Source of funds would be from where? Is there state funding for this?
- Enterprise Fund is part of this?
- Did you learn lessons from the Asian Chamber?
- Are satellite store ideas included in this?
- It’s great that you’ll be working this full range of tools. That broader vision means a healthier community.
- How do you see linking EDD with Austin Public Health and Social Services? Those departments have a workforce arena as well, so how can they support each other?
- Various interactions with stakeholders so far – are you finished now? Are you still actively engaging with different groups?
- Do you make a distinction between a stakeholder and community engagement person? I would like to see a concerted effort to make them an active partner and document those interactions.
- Have you gone through process of prioritizing the gaps?
- Is part of the scope of the resolution to address the gaps and measure the progress?
Executive Summary:
The conversation with the Commission on Seniors resulted in the following take-aways:

- Access to employment and affordability are among the magnified issues experienced by the gaining population, or seniors seeking opportunities in the workforce.
- Companies seeking public-private partnerships with the City of Austin might benefit from incorporating senior hiring and mentorship programs in their organization to leverage skill sets from this demographic group.
- Coordinate with City’s efforts for tracking and measuring senior data and align priorities with those outlined in the Age-Friendly Action Plan as a part of Imagine Austin.

Commission Questions and Feedback:

- One of the goals of this exercise is to increase employment among those who are hard to employ, and one of those goals this commission has is addressed in the Age-Friendly Action Plan is to help hire older adults. First is to acknowledge in our community that age discrimination exists and there this demographic contains a wealth of skills among older adult population that is currently not being adequately tapped.
- The senior population is not homogeneous. The focus for individuals in this population is being a productive worker (after age 65) who actually struggle to find and secure positions. We know the issues of affordability is particularly challenging for low income seniors who want to remain in their homes, and the senior tax exemption is not enough. They want to go back to work, but do not have the resources to get those positions that you’ve identified. Those employment issues are magnified for low-income seniors. Partner with AARP programs to capture talent.
- A mechanism for addressing those priorities is an incentive agreement between the city and the private party, correct? If so, I would encourage creativity in drafting those agreements to encourage these policies. I haven’t seen agreements that include a percentage of hires guaranteed to older adults, or workforce housing components of developments for multi-generation support, or even senior housing or low-income senior housing component.
- When dealing with businesses looking for ways to improve their image within the community, in doing so I can’t think of a better image-builder for companies than to have an opportunity to showcase developing a workforce of seniors on perhaps a part-time basis where they are showcased for improving skills of the company’s up-and-comers and provide for inter-generation transfer of knowledge.
- How are you going to measure some of these resolutions, specifically the one that refers to increasing employment in groups that are hard to employ? How will you track that?
- The City hasn’t been monitoring or collecting data for age. If we aren’t currently measuring it, we don’t know how to track it.
- How do you define “older adult?”
- We need to encourage the City to collect data on seniors. We are working with the City of Austin’s Equity office to figure out a way to segment senior data.
- Age-Friendly Action Plan as a part of Imagine Austin. Seniors need to be included in this new policy.
- Small Business Incubator for seniors is a cooperative model. Something we would want to make sure any new incentive program could partner with. I can get you the name of that group.
- Large number of companies are started up by seniors.
**Executive Summary:**
The conversation with the Commission on Veterans Affairs resulted in the following take-aways:

- Turn to existing businesses and away from classic recruitment to address middle skill job creation efforts.
- Due to state’s mandate for projects that yield wages higher than $65K in Austin, and since this typically excludes blue collar jobs, this board wants to tell council to develop blue collar jobs to make tangible change to help the veteran community.
- There needs to be more of a conversation to remove some of the silos in the City to promote the larger developments that can promote affordable housing with an employer on site and also secure transportation assets back and forth.

**Commission Questions and Feedback:**
- You talked about a need to bring in blue-collar jobs, but that those projects can’t happen because of challenges or hindrances that occur. Why does this happen? *City policies, regulations, planning, permitting*. Purchasing property is a challenge, East Austin infrastructure challenges, and workforce development connections. We’ve priced out some of those programs. The state won’t help to incentivize anything lower than $65,000 average wage.
- Is there a contingency plan to get this done on our own in Austin?
- Tesla bid brought $55-60K jobs, and veterans can get those jobs, but we need a way to get these jobs here.
- Want to turn to look at existing businesses and away from classic recruitment to address middle skill job creation efforts.
- What’s the timeline on how you are all working on this affordability and equity?
- Come back once you hear from your consultant. Affordability and the veteran community are intertwined. If state won’t give you help for blue collar jobs, this board wants to tell Council to develop blue collar jobs, moving that forward to make tangible change to help the veteran community.
- USAA does a great job.
- Housing – once you get that veteran the job, how can they afford to live here? Rentals under 1500 per month are extremely rare and not all are in central locations with access to bus. Hill country residential under that price are the only options. The City used to provide down payment assistance up to $10K for home had to stay in their house for 7 yrs. Not sure what happened to that type of support. Needs to be more of a conversation to remove some of the silos in the city to promote the larger developments that can access affordable housing with an employer on site and also secures transportation assets back and forth. Those silos exist.
- Invited EDD back mid-part of next year.
- The website for the commission holds a list of companies that hire veterans and veterans with disabilities, could be good for recruitment targets. Check for veteran certification.

*Note: no photos were taken of this commission meeting and presentation*
Executive Summary:
The conversation with the Commission for Women resulted in the following take-aways:

- City funding for small businesses would need to be at a level that is competitive and impactful.
- Consider layering women-focused services into exchange requirements from the company to influence change for issues that disproportionately affect women.

Commission Questions and Feedback:

- How does this presentation connect with the Commission for Women?
- MBE/WBE Compliance: Goals and outreach for engagement with MBE/WBE businesses are not enough to connect. We fall short on the commodity side, most of the focus is on the construction side.
- Would public source of funding be competitive with venture capital? Is there a need that they are not filling that chapter 380 would fill in?
- Small business have a problem accessing capital, are you talking about loans and grants that would be smaller than $100K?
- Is there a focus on infrastructure as well in this program?
- What is the need that is served by this 380 program?
- Equity resolution tasks Commission for Women with:
  - Making recommendation to make Austin a CEDAW [Convention on the Elimination of all forms of Discrimination Against Women] city (small economic impact)
  - Economically incentivize businesses to implement training that helps break down discriminatory biases. Create an education program, register with the City to achieve this level of removal of bias.
  - Address the wage gap: identify it within the City of Austin, then widen to community at large.
  - Support women in the workplace – providing nurseries, stipend for family care, parental leave.
- Office of Greg Casar and others have put forth resolution to support paid sick leave, huge implications for women for any number of things. This commission worked on sexual assault as example of issue that affects women disproportionately and requires victims take time off work to deal with criminal process. Haven’t talked about that very much but would urge city to look at how policy could potentially be incorporated here.
- Issue of safety, even for Austin which is considered to be a progressive city, has businesses like the Alamo Drafthouse (a beloved institution that provides joy and is defined as Austin-centric.) Even in those companies there are real physical safety concerns that have admittedly not been addressed and the commission wants to see policies to ensure 0 tolerance for sexual harassment. Businesses that represent Austin values, but their board leadership doesn’t have women, their policies do not reflect outcomes for women and are therefore disconnected.
- What can you do in terms economic policy on some of these issues?
- What’s your deadline for recommendations to council?

Photos:
Executive Summary:
The conversation with the Communications Technology & Telecomm Commission resulted in the following take-aways:
- The role that the city can play in small business realm depends on expertise.
- Frequency of reevaluation of the policy is a factor.
- The process by which the city of Austin picks winners and losers is an important conversation.
- The commission raised concerns about how this “feedback” is going to be received as anecdotal or data-driven.

Commission Questions and Feedback:
- Is the city going to continue to look to recruit large companies?
- Who are you looking at as far as city that may be a role model and competitor for Austin in the Best Practice Analysis?
- Big fan of the government and is the intention to be a player. Question regarding the chart for community values – training small business – what does city have as far as skill set to train small businesses? What expertise does the city have?
- Three examples of successful projects – what do you define as a project? Making sure Samsung, Domain up and running?
- Community Engagement – Community Values slide: when it comes to these initial findings, is are these descriptions positive/negative?
- Concerned about how you are going to use anecdote to come to conclusions about policy and not raw data.
- Question regarding the evaluation process – how frequently the city should reevaluate these metrics and at what point should it change course or be revised? How do other cities reevaluate similar policies?
- The jobs that have been created by the current Chapter 380 projects – is there any studies or stats that would say how many of those employees live within the city of Austin.
- Any online study of the return on invest of the current Chapter 380.
- Current policy favoring diversity of business – are there certain type of business, how does the COA avoid picking winners and losers?
- Question: regarding the engagement process, for the 6-hour workshop are there plans to have more workshops with the same participants? How do you select them?
- Samsung: lots of anguish about their first phase. Has the Phase 2 been completed despite ran into expansion issues.
- Relating to picking winners and losers – do you have outside consultants to help decide which projects to invest in?

Photo:
Executive Summary:
The conversation with the Community Development Commission in the following take-aways:
- Focus for affordable development should be on workforce housing
- The City should have access to all land to influence transportation development decisions without county involvement.
- CodeNEXT should be integrated into Chapter 380 “Equity” and “Affordability” goals.
- The Commission was curious about fully utilizing the flexible authority of the Chapter 380 language, including grants, loans and other tools to create programs as in other cities.
- Commissioner was focused on getting economic development’s participation in the neighborhood maintenance standards of duplex properties. The Commission’s perspective was that EDD’s 15-year old policy didn’t create any change in the community and therefore wasn’t doing enough or was irrelevant.

Commission Questions and Feedback:
- What part of town did you have these engagement process:
  - We can follow up with that information.
- You say companies feel it’s not affordable to be here in Austin – can you tell me why?
  - Mainly due to land cost and the need for modifying the land, bringing the utilities on to sites, out of date sites, and regulations that are required here that aren’t required elsewhere.
- So, the affordability issue you are referring to, “affordability” is gone in Austin. If you have a 45K house and developer takes that house and remods it, it just became 300-400K so there is not= such thing as affordability in Austin anymore. Workforce homes are what we are looking for. I would like for you to give more info on you engagement process. My name is Commissioner Michael Tolliver and you can send me that information.
- With transportation, some of land is already developed around transportation bus stations and stops, but once you go beyond Airport Blvd and US183, these are the areas that transportation didn’t think would need the infrastructure. I would like the city to get all the land so they can influence transportation decisions without County property. I would like to better understand which part of annexed land Austin is in the county and which part is out.
- Regarding employment anchors, I’m curious about two things: what are some of the mid-skill jobs? For CodeNEXT are we seeing the layout you are asking for?
  - Mid-skill jobs in healthcare, IT and manufacturing and skilled trades within the next 5-7 will come into the market. $35,000-60,000 pay range. Higher density housing would attract healthy food retail into an area. Economic development needs to be a part of those conversations. CodeNEXT is connected with EDD through small business and creative sector focus.
- Besides music venues, what creative spaces are you talking about?
  - Creative spaces, art galleries, etc.
- Is the goal that local businesses making more money?
  - Goal is wealth creation, retention and expansion within the local market.
  - Can we connect companies with economically disadvantaged to assist those left in the 2.9% unemployment pool?
  - Real estate development, permitting, fees, and other ways to play in retail.
- Can you go to the slide where you show us the Chapter 380 language? If I understand it, the tools available are just grants and loans, and so if this language was broader, it would potentially make more tools?
  - We have the ability grant or loan programs. Currently we only have one grant program.
- Language on the prior slide, it reads to me like it allows for more than grants and loans. It says “including” grants and loans but what about other programs? Are there other cities that have these programs?
Yes, if you continue reading through section 380, we have the ability to collect gifts to administer these types of funds, such as land that’s been gifted. Transferring those funds over to economic development corporation, and engage with the private sector without all the city’s limitation.

- What other cities are you looking at?
  - Cities in Texas, competitive cities and aspirational verticals.
- Help me understand how this economic development program partners with the planning department that’s doing the CodeNEXT and zoning issues that will come up when you look at where these opportunities are spread? How will you help renters in existing neighborhoods?
  - We need to address this with CodeNEXT outreach. We would have negotiation ability and be offsetting some of the cost of developments that connect to the values for the city of Austin to look at affordable development. But in the long term, likely need a more strategic approach. We would be dealing with these projects before.
- With regards to neighborhood with duplexes. Owners do not manage their properties well. Economic development should ask them to bring those duplexes back up to standard. Then have all the owners condemn the properties. Can you get me some information on that?
  - In this context, we could hope to partner with housing, our role would be to bring private partner to realize the vision for that area and improve the area.
  - We need to engage in more place-making to address issues like this.
- How long has 380 been around?
  - 15 years
- Therefore, if this has been around for 15 years, than economic development doesn’t know the real conditions.
  - We have been engaged in the east Austin area.
- If you have been engaged in north east Austin, I would have heard a lot of things that have been taken care of and progress would have been made. I don’t see it.
- What’s the timeline for when the final policy?
  - December and then maybe February.
Executive Summary:
The conversation with the Comprehensive Plan Joint Committee resulted in the following take-aways:

- The City of Austin should not be in the business of supporting businesses via incentives. It’s permitting and procedures that have made things difficult for businesses and this Chapter 380 program is a way to solve the problems the City itself has caused.
- The booster on business is not where we need to be focused. We need to tune up the City’s basic functions, which will help the entire marketplace. We help everyone by making things simpler.
- The high cost of land and infrastructure is more to do with market forces, not regulations.
- Companies keep coming here despite those burdensome regulations and Austin is the number one growing city.

Commission Questions and Feedback:
- Is the workforce plan in the resolution the same as the master community workforce plan? Yes, it’s just the name that’s changed.
- What are the major entry barriers to large scale projects? Affordability, infrastructure expense and improvements, etc.
- This needs to focus on small scale projects, not just large scale projects. Small businesses need to have the ability to receive permits easily.
- Fixing things for large scale projects may make the problem worse for the smaller projects.
- We shouldn’t have to be doing incentives at all – we shouldn’t be in the business of supporting businesses. It’s permitting and procedures that have made things difficult and this Chapter 380 is a way to solve the problems the city itself has caused. Attracting businesses to the community is noble, but going out into the community to help try and solve these problems is not worthwhile.
- The high cost of land and infrastructure is more to do with market forces, not regulations.
- But regulations make things expensive and affect affordability issues referred to here.
- Companies keep coming here despite those burdensome regulations and Austin is the number one growing city.
- Regulations are not the problem, all places are going to have codes and zoning issues. The recent planning and permitting study revealed issues, and it can be tuned up a lot which would help facilitate companies getting through the process. It’s too big a part of the issue to stifle growth. Lack of training, the process, procedures, bandwidth, etc. are the core issues.
- Cultural elements of the community keep getting pushed out. The booster on business is not where we need to be focused. We need to tune up the city’s basic functions, which will help the entire marketplace. We help everyone by making things simpler.
- 22 companies chose not to come here because of regulations.

Photos:
Economic Development Policy Update: Community Engagement Report
Presentation to the Downtown Commission, October 18, 2017
Presenters: David Colligan & Julia Campbell, Economic Development Department

Executive Summary:
The conversation with the Downtown Commission resulted in the following take-aways:

- Transportation to and from the jobs created by these programs is a key element of their success.
- Cultural identity and the support of the creative sector is key to the success of any recruitment program.
- Emphasis is needed on driving equitable prosperity in this new policy. Cultural prosperity is being choked by economic prosperity not being accessed by those who create that cultural value here.
- “Equity and Affordability” – lack of housing options is pressing middle income (not middle class) and the minority population out of the city. All walks of life are being pushed out of the city, not just middle income and minority population.

Commission Questions and Feedback:

- Absent commissioner feedback: Agenda Item 5 – Very clear presentation. The Venn diagram was specifically helpful. I do have some questions. What will be the process to determine what programs are funded under Chapter 380?
- Absent commissioner feedback: Agenda Item 5 - How will policies and programs be evaluated for their success?
- Regarding Connectivity items, how does workforce get to the jobs (consider transportation and cost of parking) this program is creating? In framing up place-based work, that would be the area to build that impact into the program.
- Happy to see creative sector had a good place in this presentation, as cultural identity is a huge draw for recruitment. That is threatened by the high cost of living, etc. Please work on marketing this. There is not enough government resources to make the creative sector fly, it must come from the market and the market is pretty blasé, anything you can do to get local Austinite to support cultural scene so that they can care about them as much as San Francisco cares about their waiters. That will make an impact on cultural identity.
- Emphasis on driving equitable prosperity in this new policy. We are crushed by the weight of our own success. Cultural prosperity is being choked by economic prosperity not being accessed by those who create that cultural value here.
- Cultural facilities are being lost at an alarming rate because they can’t afford to make it here. Those are the things that made us great and they are becoming history.
- Can you elaborate on what “Place-Based” development is? [The commissioner thought the phrase was “play space”, and the answer clarified.]
- Is it within your scope include child care and education opportunity with community college, and onsite training?
- The “hard-to-employ” phrase may rub someone the wrong way – can another phrase be used instead?
- On Page 11: under “Equity and Affordability” – these are very sensitive touch points, they are interrelated and also include a lack of housing options pressing middle income (not middle class) and the minority population out of the city. All walks of life are being pushed out of the city, not just middle income and minority population.
- How would the programs get funded?
- What happens if a program isn’t successful?
- What are you looking for from us?
- What about an incentive that doesn’t live up to the minority requirements, is there a penalty?

*Note: no photos were taken of this commission meeting and presentation.*
Executive Summary:
The conversation with the Economic Prosperity Commission resulted in the following take-aways:

- Commissioners inquired on the number of terminated agreements and why.
- Questions arose regarding the potential scope of the policy, including the meaning of “collaboration”. If small businesses are able to access these potential programs, which programs would reflect equitable prosperity and the next steps in the engagement process?

Commission Questions and Feedback:

- Have any agreements been terminated?
- Which requirements have dulled the chapter 380 tool effectiveness?
- Confused by resolution slide – what are revision resolutions?
- Historically, 380 is traditionally been used for large businesses. Is small business base even an option within Chapter 380?
- Any research found demand for that from lenders and stakeholders, but has there been any research into the values in funding and need deserts?
- Are the programs that fall further on the left of the graph, reflect more equitable prosperity than those on the right?
- What do you mean by collaboration as to any given small business? What collaboration are they are looking for?
- Has there been a comparative study done in those 7 areas?
- What’s your new timeline?
- Will you come back to Boards and Commissions before going forward?
- Any possible actions for them to take tonight?
- Amazon HQ2: are we in a position to bid for that before this revision is put forward?
- Extremely impressed with the level of community input you all are seeking so far. Will you address specific issues – MWBE – during this process?
Executive Summary:
The conversation with the Food Policy Board resulted in the following take-aways:

- A place-based perspective on health outcomes and healthy food options is missing from Chapter 380 program.
- Commercial affordability is at the root of for- and non-profit instability, due to real estate market impact on businesses opening and growing and expanding within Austin proper.
- Challenges of recruiting food retail should be considered in revising Chapter 380.
- Priority could be placed on the stabilization of businesses suffering on the East side, for example corner stores that need POS systems to operate.

Commission Questions and Feedback:

- What might be missing from Equity and Affordability as major 380 program gaps? Place-based perspective on health outcomes and healthy food options.
- Engaging with sustainability staff and public outcomes.
- Commercial affordability is at the root of for- and non-profit instability, due to real estate market impact on businesses opening and growing and expanding within Austin proper. Commercial affordability is a huge issue that doesn’t get enough attention.
- The broadening of economic development beyond incentives – there is so much more impact on the community other than incentives.
- How specific could recommendations be for quality of life?

Edwin Marty’s Feedback:

- Can we follow up on the food retail strategy we discussed earlier this year? It would be helpful to know how this fits into the current effort, if at all. We provided specific feedback regarding the challenges of incentivizing food retail that I think is relevant to this current conversation.
- Have you all talked to People Fund? From our conversations with them, they have money waiting to loan to businesses interested in developing healthy food retail. But they aren’t getting any interest. That may be because they aren’t doing the right outreach? Or maybe there’s no interest? Or maybe capital isn’t the actual barrier.
- We know many minority-owned businesses on the east side are going out of business. It sounds like better business management might help stabilize some of these business. We also know many of the corner stores we’re currently working with through our Healthy Corner Store Program have very insufficient point-of-sale software. Our efforts to help them carry healthier food is running into this as a roadblock. Could we look at this and discuss options for support?

*Note: no photographs were taken of this board meeting and presentation.*
**Executive Summary:**
The conversation with the Hispanic / Latino Quality of Life Advisory Commission resulted in the following take-aways:

- There should be a strong relationships with this program and the Equity Office to drive solutions and data-driven results.
- Companies who engage in this program should invest in the creation of education programs to help workforce fill the jobs they create.
- New programs need to be simple and high impact to make change in equity and affordability.

**Commission Questions and Feedback:**

- Were these companies grandfathered in to this new version of the policy? Is it that they drop out after the standards aren’t being met?
- What’s your relationship with the Equity office? Any programs we develop will be tested through them and there will be direct engagement.
- There is clearly a lack of data available – who are the people who are not connecting with these job opportunities? Not enough data to know that information from the companies engaged in contracts right now, but we need to create a baseline, create a mechanism to collect the data as you go to pull those reports in the future and track hiring impact.
- How can we incentivize and ask companies to invest in local education, schools, and community colleges and provide input to design programs that will match the jobs with the people to fill them.
- The creation of work/living environments, transportation, congestion and displacement is a factor of a marriage between the developers with a new sites where people live, work and play to affect displacement.
- Regarding those available loans from HUD – what businesses have taken advantage of those loans? Service, retail, but it doesn’t provide working capital, which is something they need.
- Training – Apple as an example, making the mac towers here: if they could make an apprenticeship or training program and take the people in East Austin to fill those roles – create a bus route, would that work? This creates new opportunities for programs.
- The policies themselves are not attentive to the needs of the community. Do it quicker and offer solutions, make it really simple. The City of Austin Equity office was born out of that need. We look forward to reports from the Equity office. It may be too late to resolve some of those problems, migration out, school’s programs, we haven’t done enough and not at the right speed. Dramatic change is needed.
- Lessons learned here are: 720M mobility bond. Riverside small businesses were displaced. Majority of those were owned by Latino residents. We need a targeted strategy for us to support small businesses in the corridors because if not that will be replicated across all the Austin corridors.

**Photos:**
Executive Summary:
The conversation with the Housing and Planning Committee in the following take-aways:

- The Housing and Planning Committee presentation has not yet been conducted. Notes will be made available once the meeting is conducted.

Commission Questions and Feedback:

- The Housing and Planning Committee presentation has not yet been conducted. Notes will be made available once the meeting is conducted.

Photos:
Executive Summary:
The conversation with the Joint Inclusion Commission resulted in the following take-aways:

- Senior population needs to be on the radar for economic development policy.
- The City should take the lead for equitable inclusion of all demographics, groups and abilities in order for the private sector to follow suit.
- Expand and clarify definition of the Eastern Crescent.
- Bring companies to Austin and provide waivers and tax abatements but ask them to directly participate in our community values in exchange.
- Companies that are being recruited could be directed to economically disadvantaged areas.
- Suggested community group to engage with: AustinUp – Teresa Ferguson.
- The commission requested EDD to come back to them with specific data about who has gotten those jobs in previous agreements, within these segments represented around the table and how we can improve on that.
  - Going forward this is information that we would request be collected as part of the deal that’s made with the companies and it needs to be connected to the community. Goals are inclusion, equity and we can’t know if we’ve achieved it unless we have data. Create a baseline for this data.

Commission Questions and Feedback:

- [Commission members represented: Seniors, People with Disabilities, African American, LGBT, Hispanic]
- Seniors are not lumped in to the Quality of life category although they should be. Council passed an age-friendly action plan for the city as a part of Imagine Austin which addresses employment as an issue for seniors. The Commission works with AARP and AustinUp for senior job fairs, employment training, and services for seniors who want part time employment during retirement to keep active in the community and have skills to share. There are seniors who want up-training for other types of roles or training beyond manual labor they may not be able to perform any more. Seniors need to be on the radar. Issues are magnified for seniors in communities of color. Happy to host a working group or invite EDD into the commission meeting.
- Regarding Disability Commission priorities: A big problem here is that people won’t take the lead unless they see the City taking the lead. A target employment program from federal government is referred to as Schedule A. David Ondich ran a local version of the program in Ft. Worth, and Austin needs a version of this program here in Austin as we have a very large disability population. Even city job announcements asking to see a driver’s license doesn’t make sense for a desk job, an id would make more sense to access disabled applicants. Modifying those things to include disability population could help. City needs to set the pace and take the lead for the private sector to follow suit here.
- We currently have 43,000 jobs open and 43,000 unemployed because of lack of skills. Efforts from our city to fund training programs is there, but we keep subsidizing and we need to be more intentional to be more inclusive of communities of color and communities in need. This should extend and dive deeper into the meaning of “Eastern Crescent”. A language access initiative to create partnerships and mentorships to train English language learners on the job and send them to schools that provide those types of resources could help. Need to commit “X” amount of money to skill our local workforce to take those jobs. Silicon Valley has the affordability crisis, which lead to mass displacement, then a crash, and the homeless population skyrockets, exacerbating the problems that they had before. Now, if we bring companies to Austin and provide waivers and tax abatements, how can we include this in a plan that says this is how much you are going to pay for these programs. Community colleges,
alternative training centers like Goodwill, are we funding them? Are we expanding the training programs? We need language that ties them directly to these programs.

- “Banning the box” initiative, subsidizing these big companies, giving these people the opportunity to showcase what they can provide.
- Companies that are being recruited could be directed to economically disadvantaged areas. There we apply those training programs and high school graduates, and students who can’t afford college, and could be a factor for bringing companies in.
- There have been a number of 380s that have been done already, but I would like to see what they’ve already done, that data would help us understand where the potential is. The only thing that interests us is who is getting these jobs? Please come back to us with who has gotten those jobs in previous agreements, within these segments around the table and how we can improve on that.
  - We are not privy to demographics of hiring data to the city.
- You need to understand the audience that you are talking to, and that we are interested in certain segments of the community. You don’t have that information. Setting the expectation to be able to receive that kind of information is important.
  - Age, gender, race, etc. We don’t collect that information now. We do look for diversity policy, we look to see what they do for diversity programming, provide in practice.
- You are here to check a box to talk about Chapter 380. What is the value of the exercise if you can’t get the data?
  - Can’t get information now, but we can take steps in that direction with a future policy.
- If we are giving them money, we need to be demanding that kind of information.
- You don’t have information but are you getting the message that going forward this is information that we would request be collected as part of the deal that’s made with the companies. Needs to be connected to the community. Goals are inclusion, equity and we can’t know if we’ve achieved it unless we have data. Create a baseline for this data.
- You can ask that of companies that already have deals because it helps them promote their existence within the community, more voluntary in that case to get them to tout their accomplishments in that arena.
- Affordable housing and how that impacts affordability especially in places where these jobs are being located, how does that impact housing in that area? Areas of good property value which may mean pushing out certain populations. What can those companies do to address the displacement of families?
- Or looking at it from the family’s perspective (3 major household costs: rent, food, transportation) and how the city of Austin (food and transportation flip back and forth depending on how many people in the household.) Co-locating companies within areas where these people already live.
- More companies can commit to developing multiuse neighborhoods to incorporate their business and help city create multi-use to create access to housing and other amenities such as food, transportation, have it be part of the plan, not just tax incentives. Overall strategies that can be negotiated with companies. Plays into our place-based strategy.
- What is the timeline on this?

Photos:
Economic Development Policy Update: Community Engagement Report
Presentation to the Joint Sustainability Committee Meeting Notes, November 29, 2017
Presenters: David Colligan & Julia Campbell, Economic Development Department

Executive Summary:
The conversation with the Joint Sustainability Committee in the following take-aways:

- Develop ROI on sustainability metrics that do not only include economic indicators and include environmental and social metrics as well (reflective of the Carbon Impact Statement)
- Invest in projects that does not add to climate issues, but delivers on making improvements. 1) Mitigation: will this investment get us closer to our net zero greenhouse gas emissions goal, and if so, in line with the reductions mandated in the climate plan (25% reduction every ten years), and, getting to zero by 2050. 2) Resilience: will this investment lead to less vulnerability to drought and flooding?

Commission Questions and Feedback:

- In current recruitment, what do you mean by including “sustainability”?
- Do you ask if they have an annual sustainability report?
- Is there a minimum standard for LEED levels?
- All new developments? Any existing developments?
- Would it be possible to come up with Sustainability Score to apply to each project?
- Big companies that relocate and have a large campus on greenfield which are often not connected to transportation solutions – how do you promote infill development and preserve trees and water resources on the property that they build on by reducing impervious garden, etc.
- What about water usage? Samsung’s process is water-intensive but they have a great recycling system. Is water conservation a part of your scope?
- Our Climate Plan had clear matrices and quantitative measures – policy elsewhere tends to lack those real benchmarks. Make sure the policy asks for local workers, how many live within the urban core, mode of transportation breakdown, etc. Tie the measurements in this Incentive Policy directly back to the Climate Plan.
- We need this chapter 380 viewpoint to make positive change for equity and affordability. What are the successes achieved within the last 14 years? At the Domain, specifically, lots of uproar about that – how much did the city gain from giving away 10 years of sales tax? Your report needs to be more bottom-line specific, and answer the question: how did these agreements affect success?
- Include in sustainability matrix: water use, LEED standard workaround – look at having specific standards in the policy such as onsite solar, zero waste composting and recycling, waste-resistant products, packaging plans, transportation proximity to the urban core and support for mass transit are some priorities.) Carbon Impact Statement is a good place to start.
- Greenspace, trees, and recreation spaces are not mentioned. Engage with companies that will add to the community, not just take. For example, the Domain’s relatively small park is an afterthought. Companies should not just meet the minimum standards, they should go above and beyond to provide for the community.
- Blend companies operations with the local concerns.
- What’s your timeline to go to council?
- We would like to see an ROI on sustainability metrics that do not only include economic indicators. Please make sure to add environmental and social metrics as well. We talk about what we call an carbon impact statement.
- Regarding the climate goals, we would like to see economic development that does not add to problems, but delivers on making improvements. For climate change this means:
  - Mitigation: will this investment get us closer to our net zero greenhouse gas emissions goal, and if so, in line with the reductions mandated in the climate plan (25% reduction every ten years), and, getting to zero by 2050. This is important as the investments will lead to changes that last longer than 10 years and will either allow us to reach our goals or build in that we will not. We want to prevent that.
  - Resilience: will this investment lead to less vulnerability to drought and flooding?
Economic Development Policy Update: Community Engagement Report
Presentation to the Lesbian, Gay, Bisexual, Transgender and Queer Quality of Life Advisory Commission, September 19, 2017
Presenters: David Colligan & Julia Campbell, Economic Development Department

Executive Summary:
The conversation with the LGBTQ Quality of Life Advisory Commission resulted in the following take-aways:

- Consider adding Transgender individuals to the definition of the “hard to employ” segment and including LGBTQ into the definition of “equity”.
- Suggested community group to connect with is the Transgendered Education Network of Texas.
- Consider using the Humans Rights Campaign’s Corporate Quality Index as a performance measurement for contract negotiations.
- Consider requiring companies to cover 100% of gender transition costs in health insurance benefits.

Commission Questions and Feedback:

- How do you calculate ROI?
- Is there a correlation between Small and Minority Business Resources department (SMBR) and EDD? How does it influence this program and effort - do city ordinances play a role? What about specific LGBTQ ordinances and resources? This is lacking coordination, but the connection with EDD should be held accountable for uplifting those companies as well.
- What does “major entry barriers for large scale projects” mean?
- Are hard-to-employ groups itemized?
- Add Transgender individual to the definition of the “hard to employ” groups.
- We need to connect with existing business base.
- Business is struggling, what about non-profits?
- Focus on Equity: referring to gender and race. Consider including LGBTQ into the definition of equity. And targeting this community in the minority.
- When a business decides not to come to Austin – what’s the feedback there as it relates to LGBTQ issues?
- Consider utilizing Humans Rights Campaign Corporate Quality Index as a performance measurement.
- City ordinance and values reflect nondiscrimination on the basis of gender identity.
- Corporations should be required to cover 100% of transition costs in health insurance benefits. Large companies already do this and it’s a reasonable request to add in as we negotiate with companies coming in that reflect Austin’s values in this area.
- Some businesses are not aware of existing programs – can you give an example?
- Does the community engagement process have an end-date?
- Are you going in front of the Gay and Lesbian Chamber of Commerce?
- Can there be personnel training in improving work environments for LGBTQ folks?
- There should be a bridge between this commission and EDD to help facilitate services like that. A training could be simple to offer small business support, the city can provide that kind of training to create an inclusive work environment. The Chamber may be a good opportunity to provide that perspective as well. Needs to be a public private partnership not just the city provided training because of the city’s lack of expertise.
- Go beyond Gay and Lesbian Chamber of Commerce, because they are not the standard for being trans-inclusive. TENT (Transgendered Education Network of Texas) would be a good organization to provide support and connection.

Feedback from Charles Loosen:
Boards & Commissions Meetings Summary
• The actual link to the survey is located 'below the fold' at austintexas.gov/investinaustin and a Commissioner indicated that 80% of visitors will not scroll to find content or links.
• Another Commissioner said they have not seen anything about the survey distributed by the AGLCC (this may be the case for other Chambers as well).
• The survey hadn't been distributed on www.reddit.com/r/Austin where there has apparently been robust debate there about incentives. That's an informed audience that may yield a few more survey participants. James Williams, who manages a portion of the City of Austin's social media footprint, may be able to post a direct link to the survey (https://www.surveymonkey.com/r/coaincentivesurvey) if that's something you're interested in. James' email is: JamesD Williams@austintexas.gov
• Finally, I'd like to point you to one of the Commission’s recently-passed recommendations to Council in which it specifically mentions minority-owned businesses. The relevant portion is the first four Whereas clauses: http://www.austintexas.gov/edims/document.cfm?id=282404
• Given the fairly recent history of LGBTQ interests being neglected in the Business Disparity Study and not included in the formal scope of work of the Equity Office, I want to thank you for choosing to proactively engage the Commission to gather feedback and for your patience with their questions and concerns. I hope that you'll circle back in six to twelve months to provide them an update once they've established greater familiarity with their roles and COA processes.

Photos:
Executive Summary:
The conversation with the Mayor’s Committee for People with Disabilities resulted in the following take-aways:

- Creating infrastructure and project elements that provide direct connection for people to access “Places”
- Allow for programs that reward employers who envelope individuals with disabilities, above the regulations, specifically small businesses, music venues, etc.
- Consider connecting with VSA Texas and Easter Seals to include their feedback in this conversation.
- Incentives will go further for disability employment if the focus is on workforce development and paid internships.

Commission Questions and Feedback:

- Disability Employment Awards program
- Connecting “Place” with people to access those “Places”
- Making employers more accountable to disability friendly environments and hiring practices
- Have you selected a consultant yet? TXP
- When are you going forward to Council? February
- Have you been in touch with Texas Workforce Commission with specific regard to their vocational rehabilitation focus? Yes – invited to our workforce conversation and part of the regional master plan and working directly with them.
- Federal government “Schedule A” program for otherwise qualified people with disabilities, Austin does not have a program like it. If essential parts of a job are not eliminated for the applicant with a disability, perhaps the city could develop a program to increase employment in City jobs and decreasing unemployment for people with disabilities.
- Workforce Development: what about paid internships – does any of that translate to permanent jobs? Any concrete plans from TWC to pass along to companies some of those internship track programs?
- Want to see more of push toward small companies in this program.
- Music venues – is difficult to employ people with disabilities, bring in workforce support to help with that.
- Add a slide that illustrates what we did to increase hiring of people with disabilities by X percent with an inclusive chapter 380 program
- Affordable housing that’s accessible.
- Connect with VSA Texas [state organization on Arts and Disability] and Easter Seals
- Prospect search is wonderful, but the challenge is finding businesses that will hire people with disabilities. Incentives to help with internships.
- Focus on meaningful, competitive employment – job growth and advancement is important for people with disabilities.
- Non-profit affordability is needed because they are struggling – impossible to afford rent or buy a building for space.
- Recently passed a resolution on recreating a program for disadvantaged business enterprise. Didn’t go very far, and it is in a whole other area beyond MBE/WBE because that is not included, but could be significant area within entrepreneurship (Housing program is a good model.)
Photos:
**Executive Summary:**
The conversation with the MBE/WBE Small Business Enterprise Procurement Program Advisory resulted in the following take-aways:

- Meet with trade associations, such as Hispanic, African American and Asian Trade Associations to ensure their needs are met with this new policy.
- Look at different sectors and how each sector may be affected or benefitted by this policy differently. For example, a program that benefits high tech would not necessarily favor small businesses.
- Part of Austin’s famous “weirdness” is our focus on small business, and this focus is important to maintain.

**Commission Questions and Feedback:**

- Is this information translated into Spanish?
  - The survey and the potential program descriptions were translated into Spanish.

- Are you planning on translating all of this information into other languages, such as Asian languages?
  - Yes, as we build out more programs. We will be reaching out to other audiences and translating those documents as needed.

- Did you meet with trade associations? Such as the Hispanic, African American, and Asian Trade Associations?
  - Thank you for that suggestion. We will reach out to SMBR to get their contact information and schedule a follow-up.

- Can we send you and email with more feedback since we do not have much time at this meeting?
  - Yes, and you are welcome to contact me via phone as well.

- There is a lack of housing options which is affecting middle class and minorities, what’s the plan in this program to impact that issue?
  - Currently we are prohibited to work within the Real Estate area, but in the future if we can work with developers and negotiate for affordable housing that would impact this challenge.

- Have there been any city contributions, or land matching programs?
  - Currently, the EDD departments doesn’t have the ability to hold land assets, we would have to build that approach. This exercise is focused on financial tools. Other cities have land assets as a tool, but we currently do not.

- You do realize that the city of Austin does own land.
  - Yes, but each department has its own land, and we don’t transfer that property between departments very well or easily.

- The changes to the policy you mentioned could be beneficial to small business. I would remind you to look at different sectors though and how each sector may be affected or benefit differently. For example a program that benefits high tech would not favor small businesses. Please ensure you consider different types of small businesses.

- Part of Austin’s famous “weirdness” is our focus on small business, and this focus is important to maintain. I appreciate that you are looking into this.
Executive Summary:
The conversation with the Music Commission resulted in the following take-aways:

- Course correction needed for economic development policy to solve for affordability, segregation and pressure on creative capital.
- Transportation needs to occur in these contracts to secure transit solutions so that people can access musicians and support the industry.
- Affordable housing is key to retain musicians within the city.
- New York has a new program worth exploring to support workforce development for musician income generation.
- Solidify the music industry connection with the business community to result in networking opportunity that create new business.

Commission Questions and Feedback:

- Can you expand on “supporting Austin’s culture and creative spirit?”
- In regards to economic conditions in 2003: GBE recruited more jobs but now need to “course correct” to account for new issues such as affordability, segregation and pressure on creative capital – is that a fair assessment of this exercise?
- Is the question now how do we structure loans to recruit companies that support music?
- We need rapid transit to occur in these contracts. That is a huge issue for musicians and venues (as members of community at large.) With better transit solutions, people can access musicians and support this industry.
- We need affordable housing as a tool to retain musicians within the city. Current resolution prevents real estate deals, and retail support.
- Workforce development for income generation for musicians is needed. Are there financing grants for that? NY has a new program worth exploring.
- Large amounts of money are needed, small grants are nice (via Black Fret model) but not enough to address the real issues.
- We need to solidify the music industry connection with the business community. They need not only money but real networking opportunities to grow their businesses.
- What about bottom-up support? Example: how can we get next generation to spend money on music? (College students, etc.)
- We need wrap around services beyond gap financing to support musicians.

Photos:
Executive Summary:
The conversation with the Urban Transportation Commission in the following take-aways:
- Balance the request for corporations to support Transportation solutions to benefit the community without sacrificing the competitiveness of the incentive package.
- Chapter 380 agreements can intersect with a variety of other initiatives at the City, such as zoning, real estate development.
- Integrating these projects into the community is an important function of the City agreements, through Transportation, art, culture and local community group partnerships.
- It would be worthwhile to ask companies that elect to terminate their agreements or fail to enter into one if transportation was the determining factor.

Commission Questions and Feedback:
- We are curious to see how this subject connects with Transportation.
- Does this 2017 update seek to undo those resolutions and ordinances made previously that may now prevent a new policy?
- With regards to the Economic Development Department staff, how many people are from Austin? Wouldn’t it be good to have local individuals to make decisions about economic development? You outsource consultants for expertise, but it’s locals that need to be in the EDD.
- Does mixed-use, commercial corridors mean infrastructure and roads? Seems like the problem is that companies don’t want to go somewhere because infrastructure isn’t there, but they don’t want to support the creation of it. Maybe corporations could enhance transportation solutions for their employees.
- Can you elaborate on “employer concerns“?
- So are you trying to incentivize companies to be here, not make it harder? Because there is a balance of asking them to do better for transportation, but then not making it so hard they don’t see the deal as an incentive to locate here.
- Some examples you provided are Apple, Samsung, etc. which are projects that are not location in the core of the city, is there a way to incentivize something closer to the core? How do you balance this with the city’s zoning?
- Concerning the groups that you interacted with – did you include the Chambers in this outreach?
- What is the percentage of deals that fall through because of transportation?
- It would be worth asking that direct question for future agreements.
- Regarding “Activity Centers” – there’s only so much that can fit in the core, are there other Activity Centers or other projects that are in the pipeline?
- Community benefits – do you have sometimes like they have in LA? They would join community groups as a part of the agreement, if the city loses its will to enforce they would still be standing for the community groups. Can you include community groups in these agreements?
- Do you work with Art in Public Places? There is currently no requirement that the artist be from Austin. Is there a way you can work directly with them to support local artists?
- You mentioned Transit Oriented Development or “TOD” – are there other policies that are baked into this policy? Other cities have developments based on transit line station or nexus of two lines.
Economic Development Policy Update: Community Engagement Report
Presentation to the Zero Waste Advisory Commission Meeting Notes, November 8, 2017
Presenter: David Colligan, Economic Development Department. Introduction by Natalie Betts, Austin Resource Recovery & Economic Development Department

Executive Summary:
The conversation with the Zero Waste Advisory Commission in the following take-aways:

- Austin [re]Manufacturing Hub goals remain goals of commissioners, namely, incentivizing companies that can receive and remanufacture waste materials
- Tie economic development conversation into ARR Master Plan update
- Important to look internally to support existing businesses over new business recruitment
- Interested in connections between economic development activity and material types/ material flow throughout region
- [Re]Verse Pitch Competition has helped to support zero waste small businesses
- Interested in future conversations

Commission Questions and Feedback:

- Are you familiar with the proposed, paused Austin [re]Manufacturing Hub?
  Yes. The report on the Hub is one reason EDD is presenting to this commission; it focused on developing incentive programs to support the zero-waste industry base instead of one project. Part of this conversation is how to develop meaningful financial tools to support zero waste.
- Is there a role EDD could play in funding the project? Is it allowed?
  EDD would support any budget requests that ARR would have on that project. EDD is working on other real estate projects with shortfalls that aren’t industry specific. We can understand how challenging funding the project has been. EDD would like to be able to negotiate with real estate and needs the proper partner within the city and outside the city could help remove some of the hurdles. Economic development corporations could assist in bringing those projects to light. The focus tonight is to look at financial tools. We don’t have additional funds within the budget, but could speak to future budgets.
- There is an opportunity to start again from square 1. Consider a future presentation to line up A, B, C, D, 1, 2, 3 to accomplish a future facility on FM 812 property. I would like to see that progress.
- The department is looking more internally instead of bringing in more population from the outside since we’re already so overcrowded here. 
  Looking to expand the policy to look internally for business expansion opportunity instead of looking only to recruit businesses to Austin. Can we make tools available for companies already here?
- Are you still using City money to get businesses that are not here and bringing them in?
  We are, and we don’t propose not recruiting companies.
- So is that [recruiting companies] the priority?
  There would be no priority. There would be a series of tools to work in multiple ways. Would like to focus on small business, business expansion, creative industries in addition to business recruitment.
- How can you do that without financial assistance?
  Not sure that’s possible. We could look at how the organization can assist, such as fee waivers or service assistance, but this exercise is focused on Chapter 380 which looks at gap financing.
- Is there anything you’re working on that has zero waste goals?
  No, but we would like to, and the purpose of tonight’s presentation was to get input on what priorities should be for supporting zero waste businesses.
• This presentation is timely because we are reviewing the master plan in 2018 and this topic is included. Coming back with a set goal and step-by-step process for how to accomplish this or the most efficient, effective way of getting where we want to go would be great.

• Presentation had unique perspective. I would like to see how we can increase materials and marketing around being connected to smaller businesses, Austin’s robust business ecosystem, and value-based processes like zero waste. That would create a smaller business network.

• Can you give examples of social enterprises? *We are observing non-profits adapting a business side that helps to fuel the non-profit side or businesses that have strong social mission. Still creating jobs but focusing more on the community. A small loan or grant could help them do more in the community.*

• Third [Re]Verse Pitch Competition started last night, which has been pretty good at supporting small businesses.

• How did you decide to designate zero waste as a target industry and what does that mean? What resources does that open up? *This is a strong relationship we’ve grown with Austin Resource Recovery. Our target markets break away from the Chamber’s which are focused on recruitment. Target markets are priorities we’ve identified and emerging clusters where we have some competitive advantages but can grow if we invest more. Not specific advantages, but we look to the list to see how new initiatives like this one address our priority industries.*

• [Re]Manufacturing Hub does encompass a lot of what commission would like. Look at business plan for the Hub, we would get 80% of what we want by incentivizing companies who can take materials and remanufacture them.

• Do you want our feedback now or is this more of an update because zero waste is a target market and you’ll be back? *Hope to be here more often. Commissions have made recommendations of other people to talk to, want to make sure certain things are included, some have been very focused on jobs. Open to whatever feedback you have. Tonight is not the only time to give feedback, can email.*

• Suggest a future date, to have more information and time to think about it. History of eco-industrial park that could get meshed into entire goal.

• There was a report a few years ago on economic development from a macro stance where we learned what materials are doing within state and region, how things are moving. Would be interesting to understand the types of materials we should expect to be coming into Austin because of targeted industry growth and how it fits into the matrix of decisions. ZWAC could help assess from a high-level market perspective.

**Photos:**

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**Boards & Commissions Meetings Summary**
Economic Development Policy Update

Briefing Purpose:

- Economic Conditions: 2003 vs 2017
- Chapter 380 Policy Performance
- Overview
- Revision Resolution 20170302-034
- Revision: Potential Scope
- Revision: Engagement Process
- Revision: Program Gaps & Community Values
- Next Steps
- Questions, Discussion & More Information
Economic Conditions: 2003 vs 2017

2003

Economic Conditions:
- Austin vulnerable to dot-com bust
- January 2003 Unemployment Rate: 6.2% (from historic low November 2000 1.8%)
- 17,000 local tech jobs lost
- FY 2002-2003 City Budget General Fund reduced by $31M due to lost sales tax

Chapter 380 Policy:
- Prosperity-Focused
- Attracted leading industries & large, established companies
- Job creation focused on highly-educated/skilled workforce (high wages)

2017

Economic Conditions:
- Austin’s prosperity decreases affordability & equity (rise in poverty)
- August 2017 low Unemployment Rate 3.1%
- Austin ranks high on both “good” and “bad” lists (Good = Best Places to Start a Company, Bad = Worst Traffic)

Future of Chapter 380 Policy:
- Equity-Focused
- Supporting both large and small business, diversity of industries, and enterprises that support local identity/culture.
- Job creation focusing on middle-skill, hard-to-employ, low-income workers

Photo credit: Jay Janner photos / Austin American Statesman, View from ACL Fest: left, October 2004. Right, October 2012
Chapter 380 Policy and Program Performance

- 22 incentive agreements, 4 completed projects
- 9 active agreements
- Projects incentivized since 2010 resulted in estimated 239% ROI for the City of Austin
- Hanger, Visa and HID Global have each invested over 160% of their required investment. Other contracts include:

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<th>Domain</th>
<th>Samsung</th>
<th>Apple</th>
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<td>Incentivized first phase of mixed-use (retail and residential) development on abandoned industrial site</td>
<td>Required investment achieved more than 10 years ahead of schedule</td>
<td>Compliance “dry run” established best practice</td>
</tr>
<tr>
<td>Two subsequent phases developed resulting in significantly increased tax base</td>
<td>Hundreds of smaller businesses engaged with Samsung</td>
<td>Phase 2 completed 8 years ahead of schedule</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Job creation in Year 1 was 123% of requirement</td>
</tr>
</tbody>
</table>
Chapter 380 Policy and Program Overview

Since 2003, the policy has added 15 resolutions and ordinances. Examples include:

- Compliance with MBE/WBE Ordinance for construction and commodity purchases (Resolution 20120112-058)
- Third party verification of EDD’s compliance review (Resolution 20071206-049)
- Incentives not available for mixed-use development projects having a retail component (Ordinance 20090312-005)
- Increase public review time and formalize use of WebLOCI as Cost/Benefit Analysis tool (Ordinance 20091001-011)
- Intent to locate in high transit development and transportation hubs (Resolution 20100311-036)
- Construction worker safety and wage requirements, living wage, health insurance for employees and their dependents, including domestic partners (Resolutions 20080605-047, 20090806-037, and 20131024-056)
- Review and possible adjustment related to property tax protests (Resolution 20141211-221)
Chapter 380 Revision Resolution 20170302-034

Resolution Summary:

- Increased community benefits, including, but not limited to:
  - Community benefits identified in the current policy, including the provision of jobs that pay no less than the city’s adopted living wage or prevailing wage, domestic partnership benefits, and other provisions that promote the well-being of workers;
  - Creation of middle-skill jobs-
    - in targeted occupations identified by the Community Workforce Master Plan,
    - support for job training and paid internships or apprenticeships in targeted occupations,
    - located within Imagine Austin Activity Centers, Job Centers, or Activity Corridors in the Eastern Crescent
  - or providing better employment opportunities for those in the Eastern Crescent.
- Increased employment among populations that are hard to employ;
- Increased access to goods and services in communities that are traditionally underinvested, including, but not limited to, healthy food options in the Eastern Crescent;
- Increased availability of affordable commercial space for local small businesses, including the creative sector;
- Development of vibrant, mixed-use commercial corridors;
- Leverage of public investments to improve positive health outcomes for low-income Austinites;
- Retention of local small business employers struggling to survive and stay in Austin.
Chapter 380 Revision: Potential Scope

LOCAL GOVERNMENT CODE
TITLE 12. PLANNING AND DEVELOPMENT
SUBTITLE A. MUNICIPAL PLANNING AND DEVELOPMENT
CHAPTER 380. MISCELLANEOUS PROVISIONS RELATING TO
MUNICIPAL PLANNING AND DEVELOPMENT

Sec. 380.001. ECONOMIC DEVELOPMENT PROGRAMS. (a) The governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality.
Chapter 380 Revision: Potential Scope

LOANS

- WORKFORCE DEVELOPMENT
- SMALL BUSINESS/ENTREPRENEURS
- REAL ESTATE DEVELOPMENT
- SOCIAL ENTERPRISE
- CREATIVE SECTOR
- BUSINESS EXPANSION
- BUSINESS RECRUITMENT
- SMALL BUSINESS/ENTREPRENEURS

GRANTS

- CURRENT POLICY
- POTENTIAL POLICY
Chapter 380 Revision: Engagement Process

- Council Resolution passed calling for Ch. 380 revision
- Public Community Conversations Conducted
  - 8 Sessions (varying districts)
  - 450 Invitees, 240 total attended, 160 unique attendees
- Stakeholder/Public Survey
  - Translated into Spanish, hard copies available
  - Completion average (to date): ~90%
  - Responses (to date): 82
- Best Practice & Feedback Analysis
- Economic Development Community Leaders Session
  - 32 participants, 6-hour workshop
- Boards & Commissions Presentations
- Consultant Review & Draft Policy Recommendations
- Council Presentation
Chapter 380 Revision: Engagement Process

Resolution

Community Feedback/Input - Values

Value Summary

SME’s Analyze & Prioritize

Survey Results

Consultant

Best Practice Analysis

Policy Recommendations
Chapter 380 Policy and Program Gaps

Equity & Affordability

- Lack of job opportunities for the economically disadvantaged
- Lack of skilled workforce and skillset development programs
- Small, local, creative, cultural and heritage businesses suffer from lack of access to affordable space and financial stability
- Major entry barriers for large-scale projects that could bring middle-skilled jobs
- Lack of housing options pressing middle-class and minority population out of the city
- Lack of connectivity to ensure accessibility to job opportunities
- Inequitable dispersement of quality of life enhancements to all neighborhoods and areas throughout the city
- Reduction of diversity leading to culture of the city being synthesized
Chapter 380 Revision: Community Values

Top Findings From ~2,500 Comments Compiled From All 8 Sessions:

- Unify the Community through Collaboration
- Impact Business Growth
- Incentivize, Support, Staff and Train Small Businesses
- Government Role: Connector, Investor, Path-Clearer
- Train, Recruit and Retain Local Workforce and Talent
- Support Austin’s Culture, Creative Sector and Community Identity
- Build Affordable, Livable, and Accessible Development
- Economic Diversity
- Focus on Equity: Employment Opportunities for All
- Control Affordability
## Chapter 380 Revision: Community Values

### Direct Feedback Summaries from Each Individual Session:

<table>
<thead>
<tr>
<th>Session</th>
<th>High-Level Feedback</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Recruitment</td>
<td>New jobs, government subsidies, competition</td>
<td>265 Comments, 27 Registered, 16 Attended</td>
</tr>
<tr>
<td>Business Expansion</td>
<td>Support existing businesses of all sizes, growth, talent and workforce development, government subsidies</td>
<td>183 Comments, 22 Registered, 13 Attended</td>
</tr>
<tr>
<td>Small Business</td>
<td>Support, resources, communication, collaboration</td>
<td>449 Comments, 39 Registered, 32 Attended</td>
</tr>
<tr>
<td>Creative Sector</td>
<td>Creative and cultural identity support, government subsidies, affordability, equitable economic opportunity</td>
<td>459 Comments, 48 Registered, 39 Attended</td>
</tr>
<tr>
<td>Workforce Development</td>
<td>Developing skills of new and existing workforce, employment opportunities for the underserved community</td>
<td>411 Comments, 30 Registered, 28 Attended</td>
</tr>
<tr>
<td>Real Estate</td>
<td>Access to space for innovation, place-making, socially beneficial and equitable projects, government subsidies</td>
<td>152 Comments, 31 Registered, 7 Attended</td>
</tr>
<tr>
<td>Social Enterprise</td>
<td>Industry cooperation, align with city’s community values, subsidies, funding, resources</td>
<td>395 Comments, 60 Registered, 36 Attended</td>
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</tbody>
</table>
Chapter 380 Revision: Community Values

CHAPTER 380 HORIZON

- EQUITABLE PROSPERITY
- BUSINESS EXPANSION
- WORKFORCE DEVELOPMENT
- SMALL/LOCAL BUSINESS SUPPORT
- CREATIVE SECTOR SUPPORT
- REAL ESTATE SUPPORT
- SOCIAL ENTERPRISE SUPPORT & CONNECTIONS
- COMMUNITY HEALTH & PRESERVATION
- AFFORDABILITY & SOCIAL BENEFIT
Chapter 380 Revision: Community Values
Next Steps
Questions & Discussion

For more information and updates on the process, please visit:

www.austintexas.gov/investinaustin

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