

## Economic Opportunity Committee Meeting Transcript – 08/08/2016

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>> Troxclair: Hello. Welcome to the August meeting of the economic opportunity committee. We have a quorum, so we will get started. Is there a motion on item number 1 to approve the minutes from the may 9th meeting? >> Houston: So move. >> Troxclair: It's moved and seconded. All those in favor? All right. Minutes pass unanimously with councilmember Casar off the dais. And we will move into citizens communication, agenda item number 2. We have two citizens signed up to speak. The first one is Austin Oliveras. And Carol, you will be right after him if you want to come up to the other podium. Sorry treatment minutes each. -- Three minutes each. Thanks. >> Good afternoon, councilmembers. I'm with the minority contractors association and the minority trade line. I wanted to make some comments regarding the third-party agreement, the 380 agreement that the city of Austin has. And perhaps ask that this item be brought up in the future for discussion because we're very distressed in the community about the progress of the chapter 3 agreements. They're not working for us. It was meant to be low hanging fruit, something but the conclusions are just

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that it's a big failure. So I'm trying to grasp the right words on here, and we worked so much on this, not so much I, but my colleagues and some community members, Mr. Paul Saldana and [indiscernible], they worked on this agreement several years, perhaps two to three years. And it just seems like it's been a big waste of our time. The goals are not met. There's provision for compliance but it's not enforced. So there's a string of projects that you can look at and some of them may apply, some of them may not. But the bottom line is that there's no compliance. So the message to anybody -- to any company signing a 380 agreement with the city is that they don't have to comply. They can just try, create some paper, facts, emails, and that's it. There's no -- there's no consequences, there's no accountability, I suppose. In my opinion it just needs to be enforced, you know, a lot better and more effectively. And if that includes or if that involves coming back to council and perhaps working on it for minority and women owned businesses, that's that's where we need to go. And I would implore you to stop and think about it, perhaps use it as a future agenda item very soon because we really need to look at this. And my colleagues and staff can tell you a little bit more about it. Thank you.

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>> Good afternoon. My name is Carol Hattan and I'm with the Austin area black contractors association and also a member of the minority trade association with the hispanic contractors and the Asian. My issue is about the third-party agreement. This program is a failure, a complete failure. For the past three

years it was adopted and amended to make sure that we could increase participation for minority and women-owned business, but this has certainly not happened. There's a lack of monitoring, lack of tracking, and the developers involved in these projects absolutely do what they want to do about it because the departments that are involved in monitoring and making sure that their in compliance are not doing their job. So therefore our taxpayers dollars as citizens would just give them a gift with no rate of return, as well as we ask not only for contracting opportunities, we ask for employment as well. To see what kind of employment was generated in our respective communities or as the city at large. And we have yet to get that information. So we're asking that a moratorium be placed on a third-party agreement until such time the council and staff can work out the issues here because absolutely we can't continue to hear -- you know, as one of the members that you keep doing the same thing over and over again the same results, it's a sign of insanity. This is insane. So we need to do better. Thank you. >> Thank you.

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>> Troxclair: Our next item on the agenda is number 3, discussion and possible action relating to draft ordinance in relation to high capacity venues. I think we have a staff presentation on this issue. And just so that you will know, we're going to take up item number 6 after that and then we'll continue through the rest of the agenda in order. >> Good afternoon, councilmembers. I'm govern durr, Austin transportation department. Bill mano is the special events manager and cease out of town, so he asked me to present to you what eve done to this point and what we intend to do as we move forward. So back in 2012 there was a resolution from council that asked staff to look at what we could do to better go through the process of permitting for special events. From that staff worked and prepared a draft ordinance. We then took that to boards and commissions. We brought it forward to council and they did a first reading, and then things didn't go very far from there. So I think you'll hear from some of the folks who participated in that process that are here today about some ways we can move forward, but basically this is an update and kind of bring you up to speed on that since y'all have never had the opportunity to talk about this particular ordinance and I know councilmember Houston lives to talk about this kind of stuff. So the resolution in may of 2012 raised a number of concerns that there was no single point of contact for special vents. There were multiple requirements found in multiple sections of city code and there was no scalability of

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permits. So there was direction to the city manager that created a special events team that has created. The Austin city for events. Identified any budgetary staffing which has been done over the past few years to staff up. So in September of 2012 a number of organizations were brought together on the 10th floor for the Austin center center events. Center for events. And I think you will hear from several people. Hopefully you will hear it's been successful in moving forward in a number of areas related to that. Basically every Tuesday there's a two-hour block where special events come in. All the city departments, capital metro if the department of public safety has an interest in an event, they're invited. Everyone sits down with the event promoter early on to hip them understand what the requirements would be and what the returns are, and I think we do a very good job of work through those issues so that we can move forward with the events to make them successful. So that processes has been put in place. There's also work on a comprehensive online application which is in place, a better system to track vent through the process. A volume dated website that has all the requirements and everything so someone can learn in and learn what to do to do a special event. I asked someone what generated rss feeds are. I hear it's good, but I'm not sure exactly what it is. And we created a

special events guidebook -- >> Houston: Could someone tell us what rss is? Since nobody seems to know? >> It's real, something,

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something, I'm sure. So again, back in 2012 an ordinance was drafted. Now, subsequent feedback on the ordinance, some of the things I'm going to go through here have changed from that initial -- the ordinance that was presented for first reading. But these were the basics of the ordinance itself and we have the city attorney's office here if you have particular questions related to the ordinance. It codified the Austin center for events. It did a new chapter on special events. It got rid of some of the -- >> Just wanted to tell you that it's realtime streaming services over the internet. >> The realtime -- there was a definition. So it repealed a section related to temporary use of street events. Added requirements for temporary food handlers, helped departments and regular participants in the event, initiated a code investment for special event signs which subsequently the council took action on that particular element. We -- in the fall of 2013 we went through boards and commissions and presented the ordinance to them. We made it through the process. In October the council approved the first draft on -- the draft ordinance on first reading. At the subsequent meeting November they took action to set up a subcommittee which was subsequently withdrawn. And in February of 2014 adopted a special event related to signs of special events. So that's kind of what's happened during that time period. It's been lying kind of

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dormant. Now, recently the parks task force, parks use task force -- parks event task force has been discussing a number of issues related to this and it's probably good if the two things were synced up as we move forward to the end. What the ordinance does is it defined a special event as having more than 100 people, impacts the city right-of-way, temporary use. Includes in it temporary structure, sound equipment or food or alcohol. One of the things we felt was important is to make tiers of events with the third tier being the default tier, but one could have a tier 1 event where there was no alcohol and a small footprint, which would -- I'll go through time frames in a minute. Shorter time frame could be done easier. Tier 2 would be a maximum of 2500 people attending, closing two blocks of right-of-way. As I said, tier 3 is default and tier 4 would involve two or more city facilities, plus right-of-way use, and requires at least \$100,000 in city services, staff time and equipment. And most of our big events kind of fall into that. South by southwest, a/c, marathon. So again, we tried to then scale the -- when you had to submit and when you would get your approval based on the size of those particular events. So tier 3 would be 120 days before you would have to apply. You would get a preliminary recommendation with 10 business days and have your approval at least 30 days before the event. One of the complaints we had was the fact that

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there's big international events where people are advertising around the world, and they wouldn't get their permit until basically in some cases a few hours before the event itself. So there was some -- there was a desire to have a known earlier in the process. And tier 4, which is what we typically do now, which is require permitting 180 days out. So the special event permit, as drafted, would take care of the sound permit and temporary use permits, which had been separate permits previously. It would not have satisfied some of the other permittings, which include food handlers, tents if they're having pier row tech nicks, -- pyrotechnics, those would be a separate process, but in run in parallel with the special

event permit. One of the things in the ordinance says that all costs of the city would have to be paid by the event promoter. The exception would be for city -- the cost of city personnel, if there was a need to protect attendees from protesters or other folks. The other exception is for city co--sponsored event, those would be meeting as a part of the city -- would be negotiated as a part of the city co-sponsorship. Special event impact area was defined in the ordinance that we could set up an area around a special event and have greater controls than we would normally to not have events impacting. At that time we had south by southwest and there were other events going on in parking lots. Of course, we have fewer parking lots we used to,

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in some cases they would conflict and this was an attempt to try to provide greater control so that we could look at the cumulative impact of those events together. The process in the ordinance set up an appeals team, which would be the department directors from the departments that were directly involved, fire, E.M.S., police, transportation. Citizen appeal board. So that if the ace team rejected a permit they could appeal that. Again, the draft ordinance set up some requirements which hadn't been previously put in place except by separate ordinance. One, for example, was a waste management plan for the event. A sustainability plan which shows it for tiers 2 to 4 under the current ordinance it's just tier 4 that would require a sustainability plan, waste management, waste reduction, emission reduction, bicycle parking. And all -- it would set up, all of them would require an A.D.A. Compliance plan when A.D.A. Facilities were compromised setting up the event. So the public safety plan, which would be police, fire, E.M.S., traffic control, private security, would -- in the original draft ordinance was set up for all the tiers and I think it's now just tier 4. It's all 4s. But again it would be scaled to the requirements for the different sizes of events. Initially there was high capacity venues was a separate category. That's subsequently been removed. Enforcement of criminal service to violate the requirements of the chapter or the requirement of a permit, and could be permit revocation.

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Subsequent to the first reading, there was a call for folks to provide feedback, there were modifications made to the draft ordinance. Some applications -- some application requirements would be included in the there would be a separate set of administrative rules that would fit and fill ordinance. Tied approval to the application instead of to the permit itself. Allow for legacy events, which is defined as events that have been going on in substantially the same way for the last 20 years, to basically lock down for the five years going forward their dates so it would be first in and have priority. Limit the sustainability plan requirement to tier 4 events. Redraft chapter 14-8 to include -- to include neighborhood block parties, so that would be separate from this ordinance. And remove high capacity venues from ordinance. And that's basically an outline of how we got to where we're at today. >> Troxclair: Thanks for that overview. Members, do you have any questions? Councilmember pool? >> Pool: Thanks, govern, for coming and filling in for Mr. Mano. That's great. You mentioned the parkland events task force. Do you know if bill mano or staff was able to make a presentation or discuss the elements of ace, as you've outlined them, with the residents who are part of the parkland events task force? >> My understanding is there has been a presentation. I understand, I was not there, that there was quite a bit of discussion, so it

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doesn't sound like it was finalized, but we have folks here from parks if you would like to ask Jason any additional questions related to that. >> Pool: That would be great. Hi, Jason. >> Hello. Good afternoon,

councilmember. Yes, Mr. Mano did come and make a presentation, a couple to the parkland events task force. They're on meeting 24 now over the course of the last year, so they've been diligently absorbing all of the information. There were some questions related to the tiers and there does seem to be a little bit of overlap in some of the work and perhaps in some of the potential policy recommendations. >> Pool: Okay. Just so you know, today I just got a request to extend the amount of time for the parkland events task force to finish up their work, and as you mentioned, they've been meeting regularly and they are really diligent and digging in. So we'll be looking at trying to give them another couple of months so they can finish the report. So if there's any of the conversation going on here with ace that you think maybe needs a little bit more time to develop, or not,, there's a little bit more time that I think will be coming the way of that task force. >> We look forward to that and certainly support the task force as well. >> Pool: Thank you. >> Houston: Chair? I have a question, Mr. Durr, about the tiers. It seems like tier 1 is anything up to 2500 people. Is that correct? Or less than 2500? Am I reading that correctly? >> Let me look through. Frances harddrove with our office -- >> You could look at it

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in that regard, up to 2500. It's really designed to be a much smaller impact type of event, depending on where it's taking place. In a block, I guess as a come and go, five-hour event, you could have 2500 people, but it's also designed to be -- we get a lot of requests for park is spaces, for some sidewalk activations and that's really where the tier 1 is designed to incorporate those type of events. >> Houston: There are no slide numbers on it. It says no alcohol in a small for the print, but when you get over to the page that says public safety plan is required for all, so if you were going to have a wedding and it was less than 2500 people and you don't need to have -- you don't need to block off that particular street or you have it in your yard and you don't block off the street, would they need a public safety plan together -- they're not serving alcohol. Because some of our churches do these kinds of things and I'm trying to make sure that the public safety man syncs up with the small footprint, no alcohol or events? >> I think that would be part of the review and we would determine as the ace team whether what level of security plan we would require. So if it was something small like a church event or a school event, especially if they are in the right-of-way, we would to make sure that they are providing the adequate safety as far as traffic alcohol, and that could be part of the safety plan. And having officers at barricades or things of that nature. Is that answering your question? >> Houston: That helps. And the other thing is what is the cost of the service? For the people to make

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an application for a special event. >> We haven't gotten as far as the B's right now. Right now any application is \$250. So our hope would be that we would scale it so the smaller events weren't paying such a large application fee, but we have not determined all the fees yet. >> Houston: Thank you. >> Troxclair: I had a couple of questions as well. So for the tier 1 events, the requirement is to submit at least three business days before the event and approve within at least one business day of the event. But if they apply earlier than that will they expect to receive a response sooner than one day before the event? >> They should. I think we typically -- once we can move through the process we want to give them as early an assurance as possible. This dealt more with what's the last day because that's usually where people have the most questions. >> So I start having little heart palpitations about that three-day when I reviewed it again after a couple of years. The intent of that was if they came in and they had all of the requirements already finished, they had already talked to all their numbers, they had their insurance, they have all of that, then we should be able to turn something around very quickly in that regard. So -- but they could certainly apply sooner. Sooner is always better. And then we would just go

through the process that way. >> Troxclair: Okay. And -- >> I believe that we had set it up so they could apply up to a year ahead. Again, the legacy events, south by southwest, they could give us the next five and give us the dates. That helps us to fit in the smaller events around that. >> Troxclair: Okay. And I guess to follow up on councilmember

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Houston's question about the public safety plan, is it possible -- I understand the need for staff flexibility to evaluate different events, especially when you're talking about a range between -- it sounds like tier 1 is between 100 and 2500 people. So that is quite a range. But is there any level of specificity for the smaller events that they wouldn't -- that -- I'm trying to say when some of the smaller events apply it would be nice to know that a public safety plan wouldn't be required or that it's minimal cost. So that it's not a deterrent to holding the event or even applying. >> Well, I think there's a couple of things. One, the block party has a separate ordinance of its own and it does have lesser requirements. Quite a bit lesser requirements. But I think in the case of if they want to use a public right-of-way we need to make sure it's safe and we'll usually work with the police department to figure out whether we need officers there at the location. So as you said, there's a wide variety of those events or what they could look like, so we really wanted them to come down and sit down and talk to us with the entire team and that will help them to identify what the needs are and what we need to do to make the event work for them. >> Troxclair: Okay. And the tier 3 being the default tier, I guess what does that mean? Is it that you have to prove that you're not in tier 3 or what is -- what does default tier mean? >> Again, if they have enough people to kick into tier 4, that should be pretty apparent. Again, if they're a small event, come in, we'll say you're a tier 1 or a tier 2. Hopefully then everybody says oh, well, I'm going to go in at least 120

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days out based on tier 3. So by default we would like to see any applications, but they could come in and say last year we were tier 1 and the last year we were tier one. So we would like to apply as tier 1 and if they're substantially the same, that's where they would be at. >> Troxclair: Okay. So what is the purpose of having a default tier then? >> Because we didn't want to spell out everything again. >> Troxclair: Okay. >> We just did the triggers to go bigger and smaller. >> Troxclair: Okay. Well, I appreciate y'all's work on this. I know that there have been several events in my district in particular that are smaller neighborhood events like a 5k run that's completely confined within a neighborhood and they've had trouble navigating the current requirements and expense of the current requirements. So I appreciate the streamlining and I want to make sure that we do make it easier for those kind of more local neighborhood events to happen and we don't lump them in with something like south by southwest. So yeah, I appreciate y'all's comments. >> In light of that I think we can look at the different tier and for example what you're talking about for the marathon it cost a certain amount per block to use the street, we can set that up by tiers so that it reasonably responds to the level of activity that needs to occur. >> Troxclair: Great. Councilmember Houston? >> Houston: I've got two additional questions. One, under the public safety, it says -- I think I've lost it again now -- that people can use private security. >> Internal to their event they can use private security. >> Houston: So they have to use A.P.D. To barricade the streets. >> Or a group that A.P.D. Approves.

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There are some law enforcement agencies within the region that A.P.D. Feels confident -- >> Houston: But people are given that option because A.P.D. Costs so much. So they could do a constable or

something? Oh, there's an A.P.D. Officer right there. >> He's not expensive, but the rest of them -- >> Councilmember, according to our ordinances -- Tim Pruitt, commander of special events and mounted unit. There is an ordinance that any time we secure the streets to be able to direct traffic in the city of Austin, unless the chief of police approves it, it has to be the city of Austin that does the street closures. But the chief of police can approve under their agency doing it. >> Houston: And again, I'm thinking about those small groups where they just -- there's going to be a marathon around the block and whatever they're running for would be all eaten up in police costs, but they could get a constable or Travis county sheriff -- >> Sure. We do that by each event. And if the promoter wants to try to use somebody else, then it would have to be approved by the chief. >> Houston: And you all tell them that or do you just tell them they have to use A.P.D.? >> No, we tell them that. >> Houston: Okay. And thank you so much for being here. The last question is -- >> Troxclair: Can I ask a follow-up before he leaves? >> Houston: Sure. >> Troxclair: It didn't sound like that has happened very often D it happen very often? >> It doesn't happen very often. >> Troxclair: Does it ever happen? >> I think it has a couple of times, but it's very seldom. I think we've used them, you know, on the -- it more of street closures

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lane closures for traffic. Not for a run. I can't remember the last time we've used a different agency for a run like that. But it's definitely -- definitely possible. >> Troxclair: And it sounds like it's just up to the discretion of the chief. There's not necessarily a protocol that if it's under this many people and if it's -- >> Correct. >> Troxclair: This many lanes, then you may be able to have something else. Because the events that I'm talking about are all biting some kind of charity or something and the cost setup. And I'm sure the police department too wants to make sure that those events can be safe, but successful and profitable for the charities that they're trying to support. >> Sure. >> Troxclair: So could we -- I guess should we just follow up with you another time about how we could -- how we could talk more about what options those kinds of events would have within the police permit? >> Sure. One of the things we're concerned about is some of these smaller agencies may not know the streets and the way we do - the turns and that kind of stuff. For example, Riverside and south first street is a tickky innerter action, but for a smaller event in the neighborhoods, absolutely. >> Troxclair: Okay. Great. >> It's a smaller concern. >> Troxclair: Do you mind following up with maybe my office and councilmember Houston's office and we can schedule another meeting to go over it in more details? >> Absolutely. >> Troxclair: Thanks. >> Houston: And my last question is how did you determine that 20 years was the definition of a legacy elephant. >> I think we looked at the current events and most of the events we have acl is not quite 20, south-by 20. Marathon. So there's a pretty big gap between the events that are pretty iconic here and some of the newer events that have occurred. But certainly it's something we could look at -- >> Houston: My concern is that some of the

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newer events like the urban music festival, will never be a legacy event in my lifetime because it started February years ago and some of the cultural events we had -- and they've already been captured by other groups. So I just wondered -- you just kind of looked at the range of what we have now and did you consider other things that go on that are more recent? >> I think we just primarily looked at the 20, but certainly I think there's an opportunity to look at city co-sponsored events and maybe set up a category for them there's some vents of thattype that -- some events of that type that you give a 24 or three year window. That's something we would look at as part of the rules and not particularly the ordinance itself. Maybe we set it up in the ordinance, but have a separate process to determine how we would set up for these legacy events. >> I would think that would be something that should be looked

at. I would encourage you all to look at that because we will be by default putting in a lot of things that as Austin grows there are many different other kind of events and we will be excluding if they want to wait 20 years to get that kind of priority. So thank you. >> Troxclair: Councilmember pool? >> Pool: I wanted to follow up. I'm not sure exactly where that conversation was going. Are we saying that in order to become a legacy you have to be around for 20 years? Are you just saying that those that had achieved a certain track record in the city were at the front end determined to be legacy so that they could continue to offer what after nearly a generation people in Austin kind of expected

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would continue and that those organizations had built their business plan around some predictability. >> Correct. So I forget the marathon always goes off on memorial -- >> Pool: Can you be on mic? >> The marathon is always done the weekend where we have the Monday off for president's day. So they were concerned that somebody might come in because maybe they were 365 days out versus 364 days out. So they wanted a way that they could lock in those things throughout the year. That they wanted to make sure, again, they advertise nationally. They needed to set that down as a particular date. >> And about how many of those organizations do you have in the legacy category? Or events? Like pecan street festival is probably considered one, right? >> Yeah, I'm sorry, I don't know off the top of my head. I know there's a lot of them. So we were looking at again giving some of these events that happen year after year the ability to schedule them five years in advance so they would always be on the calendar. And the other events can certainly apply and we will work with them to find a place on the calendar for them as well like we do right now. A lot of times there's a lot of juggling around to make sure everybody gets a chance to have their event. It's something we can look at. >> Something we're looking for on the parkland events task force is to shift some of the expected and long-term, legacy events and new ones to various parts of the city so we're not always sending them to auditorium shores or to zilker park because there are a number of other venues

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in the city that would be -- that would welcome having a festival, for example. And so I think that's something that ace would definitely want to coordinate with the parkland events folks to show the variety that's out there and -- and I think councilmember Houston has even talked about having events at [indiscernible] Lake. And I think that's what they're trying to do is build in a door for other locations so we're not seeming to exclude. And I don't think that's your intention at all. >> It's not our intention. In addition, we put a moratorium on new events coming in to the downtown area. And that's been a place for two years now. And we're about to renew that for another two years. So that -- >> Pool: The moratorium? >> The moratorium on new events downtown. We haven't seen a big increase in events. We've allowed a few one-time events to occur within that area, but we have not allowed any ongoing year to year events to come into the area in the last two years. >> Pool: I guess the point I wanted to leave anybody who may be watching is that the city is not doing anything institutionally to prohibit or discourage or to keep out new events that the city might find interesting and fun and would welcome. That we are a welcoming city and more than just -- in more than just one or two days. >> Houston: I want to respond to that. Where I was going with that is that those, quote, legacy events, have some special perks that non-legacy events don't have. So that does put restrictions on when and how often you can have an event. Because they have the dates they want and then

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you do a workaround for everybody else. I just want you to look at the 20 years. I understand those big ones, pecan street and south by southwest and Austin city limits, I understand those. But 20 years is a long time and as I said, urban music festival may not be around that long or I may not be around that long for them to get that preferential treatment, but just take a look at that. >> We can certainly look at what would be in that legacy list. Thank you. >> So since we have passed this on -- this Orange is already passed on first reading and y'all are looking -- I assume it would make sense to me to maybe vote a recommendation out of this committee so they can put it on a council agenda? Does anybody have -- >> Are they ready to do that? >> Pool: I wouldn't be prepared to write that from the dais, but we could work on it. >> Troxclair: Do you think you have changes that you might want to make to this? >> Houston: Are you all ready to have it go to council? I thought you were still working on it. Is it ready? >> Patricia link with the city attorney's office. >> Patricia link, assistant city attorney. Sorry, kind of loud. The draft ordinance, it's been updated for second and third reading. It is ready to go to council when the staff or the committee is ready for it to go. >> Pool: The only thing that I would say is that, again, with the parkland events task force, there are elements that are overlapping and that need to be aligned or discussed if there are any misalignments and it should be worked out. I know the report from the events task force won't be submitted for a couple more months. I wouldn't want to hold this up, but maybe have some conversations with

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the writers of that document to see if you can early identify some areas. If that would be possible. >> We can do that. >> And that wouldn't necessarily hold this up, if you would check that out. And if there were some things that we needed to be aware of, if you could let my office know for sure and of course the parkland events folks would be aware. >> Certainly. And you probably have some speakers that will speak to some of those issues. >> Pool: Okay. That works for me. >> Troxclair: Sounds good. Do we want to go ahead and pass it out of this committee pending any feedback from the parkland events task force? >> Pool: I will move to accept this -- these changes and pass them along to council for action. >> Troxclair: Okay. It's been moved and seconded. All those in favor? All right. It passes unanimously with councilmember Casar off the dais. Thank you. All right. We'll move on to item number 6. And then like I said, go back and take up 4, 5 and 7 altogether the. Item number 6 is briefing by the chamber of commerce regarding an affordability agenda to improve Austin's overall affordability, innovation, job opportunities and shared prosperity. I don't think we have any speakers signed up. >> Hi. >> Troxclair: Hello. >> I'm with the Austin chamber of commerce. Thank you for having our coalition join you. Thank you, councilmembers troxclair and Houston for helping to bring this to the council. And councilmember pool for your leadership.

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So this has been -- affordability has been on the minds of austinites with increased urgency. So we've been having a series of communications with some of the most important organizations in Austin, the Austin Asian American chamber of commerce, Austin black chamber, real estate council, the 85 organizations of one voice central Texas, and Joe Katherine and Ann Howard are here with goodwill under Jerry Davis' leadership and Dewayne street is here. Downtown Austin, the Austin board of realtors, the downtown Austin alliance, home builders association, Jeffrey chihuahua is here. The apartment association, general contractors, arma, etc. The point being that we've been having a pretty fair ranking conversation about -- ranging conversation about how we can put together a set of related strategies to help make Austin a more affordable place to live. Some of that means ways to help build higher wages and higher levels of skills. Some are to mitigate some of the housing costs and to be able

to share activity and prosperity more broadly. So -- so the first is related to property taxes and to recommend maintaining an effective m&o tax rate. We know that y'all are pretty far along, but that in the fy2016 budget the mayor and the council deserve a lot of credit for a budget that was -- that largely maintained the effective tax rate. Then a related set of strategies and one of those tied to local innovation. This is a startup considered one of the two best

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communities in the country for [lapse in audio] >> Houston: Excuse me she but there are people who are watching or listening and when you use city m&o they may not know what you mean so if you would not use acronyms I would appreciate it. Tell them what that means. >> Thank you for reminding me. The maintenance and operations tax rate and effective tax rate meaning taxpayers individually would be paying [lapse in audio] In the previous tax year. As we have more taxpayers as people move into town, as companies expand, that will call for the city revenue to be greater, but the individual taxpayers would not pay more, and I apologize, I will self-police better. So [lapse in audio] And it states the small, high growth companies in Austin, they are companies like retail me not or home away that the country at large have accounted for nearly all the net new job growth since [lapse in audio] Though in an economy Austin we rely heavily on high growth companies to power the next generation job creation here in Austin. What we've been seeing over the last three and a half years has been that there are greater number of small companies that are getting funded [lapse in audio] But that the number of companies being funded has shrunk. And also, maybe number 2, silicon valley has 60% of the [lapse in audio] Funding in the United States. Austin represents roughly one

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and a half. So we have a long way to go and improve the infrastructure. And so this is really a long-term investment. What we're proposing is that the city of Austin has a retirement fund that [lapse in audio] By deliberately trying to build to help California startup. And that's one of the reason that silicon valley has been such a significant player in venture capital. And the thing that represents the biggest call for families every month is housing. And so we are recommending to approve the construction of at least 12,500 housing units per year. And this number, to give you a sense of it, we did a poll last December and 62% of austinites agree there's not enough supply to meet demand. We looked at San Francisco and there have was many studies of it. -- Been many studies of it. Their median price is now overlaps lapse. Over the last five years the bay area added 65 new jobs and 5,000 -- supply and demand in 2015 show Austin employers added 38,000 jobs and they added 13,000 new units

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regionwide, about 3500 city of Austin. So we're functionally five times where we need to be and one of the things we have -- >> Troxclair: Is this 2015? >> 2015. This is 12,500 housing units, but midway through the year and we're nowhere close, we probably need to rise upward to as much as 15,000 housing units per year within the city limits every year for the next ten years. As I'm sure you know, we're asking community benefit in the name of affordability and every -- going into the price families need to pay for new housing. Smart growth clearly part of this. As we grow significantly every year we're going to have to find ways that will lead to denser housing. Austin is one of the least dense United States cities. Codenext, its process initiated in December [lapse in audio] And it is supposed -- the city council is supposed to adopt codenext by January of 2018, in 17 months. And we need to be able to densify, we need to be able to [lapse in audio] We're going to have to -- if we're going to add 125, 150,000 new

housing units in the city of Austin over the next ten years we're going to have to make some things that will help be able to protect our value, but also make sure that [lapse in audio] On city hall.

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Amount of work in the current year's budget, you all made a significant investment in adding to the number of people in business permitting. 58% of Austin voters leave that the city rules are unnecessarily increasing the cost of housing. 64% of Austin voters believe a fair predictable and simple development in permitting process would help reduce the cost of housing. So we're recommending that you -- you have -- we hear from many different people in the development industry that it can take two, three, four, five times as long to develop in Austin as it does in other places. Places we consider our peers, places that are suburbs of Austin, but you need one tie breaker. If you have eight different people who can say no to a project and they disagree, it just stops the decision making. We encourage you to adopt a person who can be the tie breaker within these eight different departments. We would encourage that there be money in the budget, in the 2018 budget to train your new permittees on codenext and to create a strike team who can help immediately cut through red tape on high priority projects. You all have -- have done some significant work on mobility. We've estimated roughly \$7 billion in transportation investments have been either recently completed or are underway currently, and that's not counting the November bond in front of voters. We also have been one of the most congested cities. We have certainly in Texas and also within the U.S. Received

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quite notariety for our congestion so thank you for your work on that in November. And then in front of you also energy is a significant cost for families. And so we have -- we have asked that you all by the end of the month when you do your Austin energy rates look at the affordability policy adopted by the city that would puttys in the bottom half of Texas ratepayers. This is something we look forward to in helping families with costs. Now, wages are clearly a way to help make Austin more affordable. And so Jerry Davis, who is the head of good will and has been on the chamber executive committee, has been extremely vocal and active in working with us to improve earnings for underkilled and underemployed. In June metro Austin employ ears had created roughly about 38,000 jobs over the last 12 months. So 4% job growth is extremely robust. It put us as the best in Texas. We represent a quarter of Texas' job growth over the last year and we're fourth among the top 50 U.S. Metros. This was also the first time we had more than a million people employed in central Texas. The other good news was that we had 10,000 fewer people on unemployment, which is also great over that 12-month period. The areas that we're growing significantly, the number one business and professional services added about 8,000 jobs. And then the fastest growing were in construction, natural resources, whole sale trade, those are all primarily middle school jobs. Those are good to help people moving into higher level and higher paying jobs, but we still have roughly about

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30,000 of our friends and neighbors who are unemployed. And there are approximately 100,000 people out of a million who are underemployed. They may be working in areas that don't require the level of education that they've attained. We have approximately 150,000 out of that million who have some college but have not completed college and could benefit from doing so. So if you look at those who are under employed -- excuse me, who are unemployed, approximately two-thirds do not yet have an associate's degree. So we have been working together with good will, with the new and very dynamic

executive director of workforce solutions, Tamara Atkins, the city of Austin, Austin community college, Travis county and look forward to bringing to you a plan here in the next several months that can transition up to 12,000 people into million dollars skill jobs each year for the next five years. To do that we're going to need to have a more diverse set of jobs created here. So with all of this, you know, why do we need and why are we proposing a new economic development incentive policy? Well, when the previous council created an additional set of requirements on the economic development policy, it was warned that these would discourage companies, especially those that were providing middle school jobs from looking at Austin. There were so many requirements in the Austin policy relative to other parts of the state and country and the world that we would get far fewer companies interested. Since the policy has changed, we have brought no company prospects to you since that change. So why is that a problem? We have 4% job growth, you

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know, we're the fourth among the top 50 metros. We really want to make sure and one of the things we hold ourselves accountable for in opportunity Austin is the poverty rate. So we are creating a lot of low-end jobs, low-wage jobs, and we have a lot of people who need higher level skills. We also want to be able to recruit manufacturers and those who have a career ladder, those who hire people that have been ex-offenders, and to be able to do that in a high property tax state like Texas, we need to be able to have competitive incentives. And so our recommendation to you is that we transition from a one size fits all economic development program to one that allows for incenting different kinds of investment companies are looking for. The first is basically tying to good paying jobs. This is what the previous economic development policy put the most incentive toward. This is something that can partner with the states, Texas enterprise funding the deal controlling fund. These tend to pay 50, 65 thousand dollars a year or above and many pay much more than that, and this is tied to if a company wants to provide these kinds of good paying jobs, then we will incent them. One of the things that's kept us from being competitive every job has to pay no more than \$13.03 an hour. Seems like a small deal but it can change the economics of a deal significantly. And so we're recommending you look at something similar to what San Marcos did roughly about eight months ago and it incent every job that is paying above \$13 and it doesn't incent any of the jobs paying below it. The second is you can receive

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a second -- >> Pool: Can you tell me what you mean by incent? >> Meaning that -- and you'll see here when the city's economic policy will say if you create a job that pays more than X amount, then you are eligible for a \$200 incentive. That continues that language but it doesn't exclude companies that may have one or more jobs that pay less than that amount of money. >> Pool: Do you think we really need to pay to bring the jobs to Austin? I think that is kind of a foundational question this council has and a lot of the folks in the city who may not be as intimately involved in the work as you guys are at the chamber. >> And again, what I'm strongly encouraging you -- we are focused on helping to build more middle school jobs. That is where the under employment in the economy is. That is where the unemployment in the economy is. And these are the things we are least competitive on because functionally our incentive policy is not -- is not active. If we have a company that says, hey, I'm considering five, six, seven different cities and I would like to bring scads of \$100,000 a year jobs to Austin, do we want to say no? And that is, it's a foundational question. We're encouraging you to say yes, I think you should. >> Pool: Because I think maybe it would -- at least to people from the outside looking in, they might be willing to support shifting the incentives to encouraging the lower level, which is now 13.03, although council is looking --

and nationwide looking at raising that, but maybe shifting them from the higher paying jobs. So do we pay the 200 for the \$200 per job per year for

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those upper level salaried positions and not the lower level salaried positions? >> No, no -- >> Pool: It goes to all of them. >> Good paying jobs for the economically advantaged. These may be companies that are looking to create a career ladder where you may have positions that people who do not have a high school diploma or who may have a school diploma but no work history or who may be ex-offenders can move into a program that's got a scale of training that can move them up to 40, 50, 60 thousand dollars a year. We have not been recently as able to compete. Part of it for manufacturers is we're a high property tax state. So unless it's a major capital investment, we tend not to be considered as frequently as we were in the past. So this is recommending that there be an additional incentive for companies that are looking into that kind of employment here in Austin. >> Pool: Thank you. >> These also tend to have some of the better economic multipliers, you tend to have more secondary and tertiary jobs that come as a result. >> Troxclair: Are you talking specifically about the city chapter 380 agreements? >> Correct. >> Troxclair: There's not any additional programs you are talking about here -- okay, thanks. >> So the third is to invest in what the state has called distressed areas. May not be the term that we would use, but these are companies that are looking at the Texas enterprise zone, and they may have only one area that they are looking either to hire from or that they are looking to locate in. And these are ones where the city can work in partnership with the state, again, to

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focus on those that may be under employed or areas that may have fewer investments and more investments and this would allow for an additional competitive incentive so we can attract those types of projects into Austin. The intent of this is that a company can pick and choose between these. The fourth is just a capital investment. And this is for companies who are looking to -- and the best example here locally is Samsung, which has invested nearly \$15 billion and is by far the largest taxpayer in the area, has a huge impact on purchasing equipment in the area, has a huge impact on your freight services out of the airport and revenue derived therein. Because we're such a high property tax state and because some of these wage issues for what's primarily a capital investment tend to make it complicated, our recommendation is that for a -- what's called at the state level a 313 agreement, but is basically a way to lower property taxes for companies that everyone in the world wants, this is to make it as simple as possible for them to do that in Austin. And the last component is investing in training people. And this is something we're hoping we can bring back within a broader workforce program, but the intent of it is that we can have state incentives and local incentives work with companies to train people that are under employed and unemployed and have it as an easier to use mechanism. We've had substantial conversations and it's our hope that we can use this as an incentive for companies to train their talent base. So the final element on this is to put people first, and

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our coalition has been supportive of investment in our primary, public and social services, and we know that we have a number of challenges in front of our families and we want to make sure that we're making an investment that can help meet some of the social needs as well as some of the talent based and other cost based. I have people who are far smarter than I am who will likely talk far less than I would who can make comments or answer technical questions that you may have, but I want to thank

you for your time. >> Troxclair: Thank you for that presentation. Councilmember Houston. >> Houston: Thank you so much for your presentation this afternoon. When we talk about housing. >> Yes. >> Houston: Has it ever -- has the chamber ever considered that part of the problem with the lack of housing stock is because the university of Texas doesn't contribute anything to that? So we're competing with the 50,000 students at the university of Texas for housing stock. So has anybody ever thought about having a conversation with U.T. About adding density to graduate student housing or building more -- I think the last housing -- they have about 7,000 housing units in the city of Austin and I don't think they've built any since, like, 2009. They've got some units on the books for about 720 to help with the Dell medical school. So has anybody ever had that conversation with university of Texas about how they can get some skin in the game about creating some housing? >> Thank you for that question, councilmember. Jeffrey with the home builders association. I'm not aware of any particular conversation that's happened with the university.

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I do know just in general university housing has become a bit more expensive not just in Austin but everywhere to do and so it's become a lot more of a mix of public-private partnerships, but I would be more than happy to visit with my counterpart with the Austin housing association and we can have those conversations and possibly consider adding that to part of our agenda and plan. >> Houston: Because when we talk about -- I'm talking about U.T., yeah, but you said the apartment association. >> Yes, but because it's multi-family, it's not necessarily individual housing so the apartment -- what you're seeing happen is there are actually private apartment developments that are specific to campus-type housing and they are sort of answering the solution of the lack of housing at U.T. As well as at so I think bringing him into the mix would be something we'll be happy to do and report back to you. >> Houston: I just think it's really interesting we never talk about that and when 50,000 students come in every year and 50 or not that many go out, many of them stay here, but the competing interest there, we've got those people who live here that can't afford to live here that are getting pushed out and yet, you know, we've got this small town every year that's competing with those people for housing and yet you are saying we need to build 12,500 houses. Is that to house U.T. Students? I suspect so because the university is not accommodating the housing needs. So it's just something that I've been kicking around in my head. I'd appreciate you having a conversation with them. >> Of course. We'll report back to you. >> Houston: Thank you. And I have a question about the -- do we have some speakers signed up toker this? >> Troxclair: When we started the presentation we didn't have any speakers signed up. Let me know if you've signed up since then. >> Houston: Were you here when the citizens communication, the people spoke? >> I was. >> Houston: I'm sorry, you were? >> Yes. >> Houston: So you heard

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some of the concerns about the 380 agreement and the lack of monitoring and lack of accountability. I guess I need to not ask you that, but I need to ask staff that. >> Certainly. And my only point on that is that we have not had any new 380 agreements since there were substantial changes in 2013. There has been a lot of focus on the process. Not necessarily on the outcome, and we would certainly love to welcome that conversation about the outcomes for these agreements. >> Houston: Right, I think that's what their concerns are about the outcomes and that's what I think, speaking just for the people in my district, we were concerned about is that we were giving them and we weren't seeing the results that we were promised. >> Okay. >> Houston: So that's a conversation that we'll have. >> Sure. >> Houston: Thank you. >> Troxclair: Do you want to -- I'll ask him a couple questions unless -- if that's okay. So I am so excited to see that the chamber is advocating for the effective tax rate. >> Yes. >> Troxclair: I mean

are you -- is that an official chamber policy? >> We have brought this before our chamber several times. So it's something we've discussed on multiple occasions. So we didn't see a budget until a few days ago and our board meets at the end of the -- August 25th. So formally have that discussion. >> Troxclair: Because the current proposed budget for this year is -- well, I mean last year we were really close to the the rollback rate and I would be interested in any suggestions that the chamber has in order to get us closer to the effective tax rate because that's certainly something I support as well. We have to get the tax rate under control if we're going to address affordability. >> That is definitely part of the equation. >> Troxclair: Do you -- I'm not sure I'm understanding on

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the next page where you are talking about local innovation and the retirement fund. I'm not sure I'm fully understanding what you are suggesting to do there. >> So in the tech industry it's something called the fund to fund. So basically your retirement funds -- most taxpayer retirement funds have between 12 and 20% that are in things called alternative investments. In California what they will do is they will put a little thumb on the scale and say for those that are going to be investing in California, they will get a slightly better preference than those that are just looking at, you know, any investment in any location. What we're encouraging is that the city create a small -- .005% of the fund that is -- that is basically putting money into hands of money managers that are looking at Austin, small high-growth companies. This is such a small amount of money, to give you a sense, in 2015 Austin had \$911 million worth of venture capital investments. So this would be 11 -- my sum shun is the first thing you are going to want to do is make sure this doesn't have back scratching, it doesn't have insider deals so we're recommending a very small amount just to figure how to do this where you are letting the private sector take the loss, take the failure, if it happens at all, and you are starting to look at how we can do things that are going to help deepen the venture capital industry. Austin ventures helped build the modern venture industry and last year they exited the small high growth market. This is an absence that has been felt, so that's -- that's what we're hoping you'll consider through policy. And then all these together

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might become sort of a interrelated group of policy recommendations to tackle one of our biggest challenges. >> Troxclair: You are not recommending taking money out of the existing fund, money reinvested -- it's already being invested in other funds that you are saying we should invest in Austin. I guess -- well, I mean I guess I would have a lot of times the feedback that we do hear from small businesses, especially in their frustration toward some of the 380 agreements is that government picking winners and losers and I think that would be a really difficult thing to -- I like the yesterday of it, but I -- idea of it but I think it would be a difficult thing to navigate when you are talking about taking taxpayer money and investing it in venture capital. And I understand there might be a void, but I don't know that it's the city government's place to -- >> Excellent point. You are investing in venture capital today. So, you know, you are investing in and clearly you are picking winners and losers with any investment in anything through retirement funds. So this is -- this is saying that when you are doing those investments that you are putting a priority on austin-based. Investments for a very small amount. You want to look at this, you want to be very careful with it, you want to look at it over time. The venture capital industry in California was built over decades. So this is looking again at trying to broaden the number of shots on goal that you get. >> Troxclair: Do you have a question? >> Pool: Yeah, I am the trustee representing the council on the city of Austin retirement system and what I would say to you is that the allocations are very carefully weighed and deliberated on and

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the decisions that are made by the investment committee, which is separate and independent of the city council, are done very carefully and with much advice from the experts in these matters. And that they do tend to be more on the conservative side, which when you are considering that we are in the long-term business of providing a secure retirement income for our employees, that's part of the contract for a lower salary overall that any public sector worker earns. It is always on the basis of the entire package which generally does include a reasonable level of pension when you do retire. And there are a lot of strings and requirements attached to that and not all is based on what your income is, what your salary is over a serious, sometimes 30 years. >> Yes. >> Pool: So I appreciate the thought about larger investments in venture capital especially in Austin and what I would say is maybe talk about that with the employee retirement system board of trustees, but then also acknowledge that they have carefully put their portfolios together and carefully and very seriously review and base their decisions on some fairly [lapse in audio] Precepts. >> Good. Again, we wouldn't be proposing anything of significant risk and I appreciate carefully thought out as it should be for us to invest on behalf of the retirement. So [lapse in audio] Continue a diverse portfolio and also help to build the economy in Austin.

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Advice well taken. >> Pool: Thank you. >> Troxclair: You talked about a tie breaker or final decision maker. Do you feel like that is a suggestion that is -- that the city -- that the department is working towards? >> That's a -- I'm not sure that -- here we go. >> Hello, councilmember, Jeffrey with the home builders association. It is our understanding that that is not something that's necessarily in the works. It was a proposal that we actually offered last year as part of the budgetary process because part of the problem is that when a permit arrives at development services, while development services may be maintains control of about 60% of it when we run into issues is when it goes to Austin water or Austin fire, and perhaps because of the inflexibility of the city code and there's no way for us to sort of mitigate where they are running into each other and there's not really a tie breaker or anyone who sort of says based on city council's policies and directives, this is what, you know, I feel is the thing. So we end up in sort of this limbo mode three or four months where we end up having delays that cost thousands of dollars. One of the things we thought would be a help to development services is have someone to do these tie breakers between the different departments. >> Troxclair: I agree that it's a serious problem when that happens so I support the concept. I'm just wondering, so you suggested it during the budget. I mean would it require -- it doesn't seem like it would require an additional financial commitment. It's just restructuring or -- yeah, restructuring of the decision tree, I guess. >> Correct. >> Troxclair: Within the department. Okay. Well, I'm happy to follow up with them about that. And then my last comment I was

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just going to make about the 380 agreements, I don't know if you all have seen the -- what is it called, the poll that the financial staff just did where they went around Austin and -- >> I did. >> Troxclair: -- And talked about where they would want to see increases or decrease and how that would affect their bill. Pretty consistently the one area that I think in almost all the districts was the top couple of things people wanted to see decreased was -- were the chapter 380 agreements. So -- and I -- and I understand that when people are faced with the kind of cost of living increases that we're seeing in Austin and the kind of budget pulls that council is being asked to weigh that to then turn around and say, you know, here's a big company that we're going to give this -- you're going to pay even more so that we can have

the money to give to a company to bring jobs here, I'm not sure that any benefits related to that are translating to the feeling of the community about it. So I think that it's going to be -- I understand the chamber's position and I can certainly understand both sides of the argument, but I think that it's going to be an uphill battle and until and unless you can get the support of the community because I think it's really -- it's something that people are clearly having trouble supporting right now. >> I think you'll be pleased to know that when you poll, when you do a representative sample poll of citizens you will see a very different set of responses from the sentiments expressed in that, what, 12, 1300 response, partially self-selected set of responses. So a far broader group of people in Austin who know that

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we're growing and know that we need to plan for growth and know that we need to make sure that there are deliberate decisions as we have grown every year for 100 years, deliberative decisions we need to make. And we're happy to share those with you off line so you can see some of that. Clearly a lot of nuance thinking happen to be very savvy. >> Troxclair: Councilmember Houston. >> Houston: I appreciate that. We've had this conversation in the past that sometimes the sample size is skewed, but a lot of people are in a bubble in this environment and this the chamber's environment, and so when you get out among the regular people, the ordinary people, they are not where you are. And so I'm not sure who you all are polling, but some of the most nonsavvy people say we've got to stop giving BIGS businesses money to come here. So I think they get it and I don't think -- you know, I would not be supportive of doing another 380 agreement unless it's very specifically targeted to jobs in parts of the city where there are no jobs. And then I'm going to just segue to another point is there's some people that have stopped looking for jobs, they don't go to the workforce commission, they don't check in with anybody, they've just stopped looking so they are not included in any of the counts you give when you talk about the number of people unemployed because they are just not there. They come out of the prison system and they don't do anything. >> Well, and two points. The first is one of the difficult -- the most difficult part in knowing the impact of policy and economic development is you don't know who isn't calling you.

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And so what we found is that we have fewer people calling us on potential economic development because they look at the policy and they just move on. And so it's harder for us to get the kind of prospect that you are talking about -- prospect that you are talking about that may be providing jobs or investment in a certain part of town if they never call. And so that's one of the reasons we're criminal justicing you to -- encouraging you to revisit the economic development policy to start a conversation with a number of companies that haven't called us. They can look at our property tax climate and say, you know, manufacturing or they look at the energy costs and say it's just too difficult for us to do business, we won't even bother. So part of revisiting this policy is to be able to revisit conversations with exactly the type of prospects that you are thinking of and that's partially what worry -- >> Houston: The people that are coming anyway, regardless of whether we give them an incentive or not, they are coming. >> There are a number of companies that are doing that. >> Houston: Oh, yeah, we see them come in all the time. So the chamber doesn't have conversations with those companies about what the needs of the city are as far as employment and opportunity and training, so when or Cal comes in and guise -- buys up all of the south shore we don't have those conversations with those companies because they are not getting 380 agreement. >> They are not, and the decision-making process for some companies, I'm not saying specific to Oracle, high end, highly paid talent with very precise skill sets is so important this them that they will go against any other competing concerns. We certainly have to be

within the ballpark on cost of service, but for those who have -- who see themselves with broader set of options and you could look at it in the manufacturing space that everybody is going after that

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are employing middle school, some with high school diplomas, some with technical certificates, there's a ton of opportunities for them and we're just not getting the looks that we were prior to this policy change. >> Houston: And so we weren't getting when we had the other policy. >> We did though. There were several really great companies that came here, hid global, U.S. -- >> Houston: Let's stop with U.S. Farathame. It's so far south the people who need the jobs can't get there. So I'm just saying yes, you did bring them here, but the people who need the jobs can't get there because the transit doesn't go that far out so that doesn't help anybody in Austin. May have pflugerville, Round Rock, but it doesn't help Austin. I guess we need to have those conversations again. >> I welcome that. My hope is this overall will help us pull together a related set of policies that we could help to address affordability. And I feel confident that we will not agree on every component of everything. My hope is that we can find something that a lot of us think is going to make a major impact and I think that's one of the real powers with working with one voice central Texas and with business community and with good will is that we bring a lot of different viewpoints together and probably are finding things that are not everybody's highest priority, we just want to be able to ask ourselves at the end of it if we do these sets of things is this going to make a significant impact on one of our biggest challenges, which is the affordability in the city. >> Troxclair: Councilmember pool. >> Pool: When we met a couple months ago and I think it was in the meeting I talked with you all about helping to match up people who live here now with the kinds of jobs that we're talking about on the -- on the screen, and we

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talked about ACC and aid and pflugerville, the schools preparing the workers in advance, and I might have missed it in your presentation, where do you have that conversation on the work and the collaboration that's underway with the chamber of commerce with our institutes of both higher kegs and our public schools -- education and our public schools to make sure the students who are coming out and graduating at age 18 and maybe going to community college, that they have the skill set ready to go so that they can move into the jobs, but we don't necessarily have to -- if we're bringing new business into Austin, if they can hire from our existing pool of employees, that's what I really want to see. I know we have less than 4% inemployment rate here, still the people who don't havist job at the paying level that's going to allow them to continue to live in Austin, the stuff that I worry most about, specifically in my district where we have a lot of working class people in district 7, with middle class or lower middle class incomes. This is not a wealthy part of town,entral and north Austin, and a lot of retirees on fixed incomes. They can't afford to stay in their home. And so the students who are coming out of the schools and maybe they just did get a ged or they are graduating but they don't plan to go on to college, what work are we doing with our intact institutions here in Austin to prepare them to keep those jobs here in Austin and to employ our existing workforce? >> So a big question. So I would -- I would say a couple things. One is in may, June, excuse me, we released with Austin community college a report on how ACC is meeting certain skill talent needs in central Texas. So our largest one is in computer I.T., roughly about

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20% of the jobs are in that space. ACC has scaled up its training in several of those areas for network administrators, the folks that make this screen and the computers work together. They've increased employment -- excuse me, enrollment and employment. They've been working with exiting veterans, they have been working with folks within the Austin community, done an exemplary job on it. We worked in depth on where the health care openings are, about 11%, and we went through some of the policy barriers as the industry has been shifting toward bachelor's, registered nurses, it has been distorting the existing enrollment, and then we have published where the job openings are every month for the last several years and sent those to all of the school districts. So as an example we met last week with the mayor superintendent and provided here are the in demand, hard skilled, here are the most in demand certifications, several of whom have put together learning labs within their school districts. So we try and push a lot of information into -- into the superintendents and into the career and technical education hands, undergirding it is an effort to help the direct college enrollment is still significantly below the national average which is 70%. Our region is roughly about 61, 62%. So we need more of our students to be directly enrolling in higher Ed. Dozens of financial aid events, several of you have promoted those in your newsletter. We've hosted significant amount of help on career counseling and informing that

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and provided hundreds of thousands of dollars in free I.T. Help to help pull information for high school counselors to help guide students through very complex effort. So there's a number of those things that we're attempting to do to reduce those mismatches, but this is not a town with a lot of headquartered companies. And so, you know, if you looked at a Cincinnati or a Chicago or a San Diego, a Denver, they have a lot more larger company headquarters where you can hire young, bright liberal arts graduates and they have the means to skill them up. If you've got a satellite office, there's just a lot less of that that happens. And so one of the reasons that we really go after headquartered companies is so that, say, Apple's center for the Americas, they hire young bright and train up liberal arts graduates, associate degree graduates and skill them up. That's something branch offices are less financially able to do and small companies very interesting to do. >> Pool: That's a very interesting point and I haven't given any thought to that so that's helpful. Last question for you, what about folks in skilled labor areas? I read something recently, I don't remember if it was in the Statesman or maybe Texas Monthly or somewhere, "New York Times," that we are looking at a shortage of skilled -- skilled worker-type people ready to go into -- to be electricians or plumbers or welders, construction trades, and this speaks to what I think our friends Carol and Aletta also look at every day trying to find folks who are able to take the work if they get the contract. Is there anything that the chamber of commerce has done or could do to help us with that? >> So we're really pleased to follow leadership that Tamara

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Atkinson has been doing with the city and county at workforce solutions and we're looking forward to the plan they are going to bring back. We're working on it very closely with them, we're keenly interested in it. I think you will see what we're hoping will be answers to your questions about the skilled trades. We think that the bond that we supported that ACC passed has land banked in southeast Austin and that they have helped improve and modernize their facilities in the skill trades and so they added a lot of swing space that's under construction at the high land campus. I think there have been some important investments that are made, but you can still see in the building I don't opening numbers -- job opening numbers, 150, 200 openings for auto mechanics. Great area we're hoping will lift up in the upcoming plan. There are areas that you can see in that skilled trade area that we hope to bring forth

with our partners for specific outcomes. >> Pool: Great. Thank you. >> You bet. >> Troxclair: Thank you, I appreciate it. And I hope the chamber and the home builders will keep an eye on the budget concept menu and provide us with feedback on different ideas to help us get us closer to the effective tax rate and any other things you are -- >> I did want to see, Duane has been actively involved in helping build this coalition through good will with one voice and just want to see if you had a few words you want to share. >> Between street, vice president workforce advancement, good will central Texas. Very pleased to be part of this initiative to move the community forward. Middle skills job is something at good will that we're firmly focused on. It provides a person with a career as opposed to a job. A career is the best opportunity a person has to reach what I call escape

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velocity in terms of marginalization. Make more money, your children can attend better schools, health outcomes are improved, it's all part of this canopy approach, business, social services. So on behalf of our CEO Jerry Davis we are very happy to be a part of this. >> Troxclair: Thank you so much for the work that you do for our community. I appreciate it. >> Houston: And sir, before you leave, I actually like the way you said that, we're recreating a canopy rather than a safety net. That has a very different visual to it. It's a canopy of support, not a safety net. >> And the people underneath will benefit from all of us working together, one community. >> Houston: And Mr. Davis does a great job. >> Thank you, ma'am. I'll share that with him. >> Troxclair: Thanks so much. Really appreciate it. >> [Inaudible] >> Troxclair: On this item? Can people sign up during -- after the item is taken up? Okay. >> Pool: Would you like to come down? >> Troxclair: So we have two speakers who have signed up to speak on this item now. First John Woodyly and second Margie aciaga. We'll hear from you next and three minutes each. >> Hello. I'm John Woodyly. I'm an advocate disability. I did not see during this presentation a discussion about people with disabilities or seniors, even though you all did talk about some retirement thing. I'll just want to make sure that people with disabilities are not being paid below

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minimum wage when they come to Austin. The report from the Texas governor's office, there are people with disabilities making pennies an hour. So I know good will has been a part of that process and I want to say they are not doing that in the Austin area. A lot of the people that are working below the [inaudible] Of job, making around minimum wage do not have access to the public transportation system that Mrs. Houston mentioned. A lot of the transportation -- people who work these type of jobs do not work 9:00 to 5:00 jobs. They work -- they may get off at mid night and then they have no access to get home from their job. They are always having to find alternate forms of transportation because capital metro is not running at those times. And the bulk of capital metro when they do the night owl only run in the central part of Austin. And so we need to expand the transportation options, make these transportation options accessible with sidewalks and other. Thank you. >> Troxclair: Thank you very much. >> Good afternoon, I'm marriage gee aciaga and I wanted to speak towards a third party agreement and coming off the board of the

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mbe, WBE commission we will be bringing forth a recommendation to this committee. Basically what we're dealing with is there's a lack of accountability. That's why I'm speaking right now. One of the great components that makes it difficult, we don't have accountability when they don't fulfill the agreement. It's not just strong measures in place and we need to do that better. The other is things that have

contributed to being able to meet some of these agreements. It's been brought up repeatedly the lack of vocational education. So we really need to be looking at this with -- when we're making decisions about third-party agreements to work with our schools, to work with transportation so that those are more in line before making those kinds of agreements to see if we even have the workforce that could even meet those expectations. It's one thing for a company to stand up here and say they can do something, it's another to determine whether those expectations could even be fulfilled at all. And if they can, what is the process going to be to reaching out to them and making sure that it's met and it's reasonable. The other is fulfilling -- my understanding is that since 2003 more than a third -- and chamber of commerce would be able to answer better, a third of them, most of the companies have bailed on those incentives -- incentives so a lot of it is lack of understanding within the community about what those incentives really are and how many companies actually get to take full credit by the end of whatever they've set up, those parameters. So I think we need to do a better job of informing our citizens about why these agreements are being put into place and what are we going to do to make sure that they are

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fulfilled. And we'll try to bring you a better recommendation, more specific recommendation from our commission because we are seeing the lack of accountability and we don't want big companies coming in here and pushing forward with projects and then not doing what they said they are going to do in the beginning. That's just not fair and it's not right to our citizens. So for myself I'd like to see knowing that we have a legislative process, an arm to the city council, that there be more put into place to really push towards our local independent school districts up to the state to have more vocational training within our schools. And that's how we'll be able to meet our workforce requirements. The problem is right now is we have all these companies that want to come -- [buzzer sounding] -- But we don't have a workforce, we don't have something in place for these companies to come in that could meet who is not employable or, you know, not access to employment. Thank you. >> Troxclair: Thank you. Councilmember Houston, did you want to follow up with staff on -- about that question? >> Houston: Yes, please. I think I've for gotten what the question is going to be. I think it's about accountability and monitoring tracking, I think that was it, what's in place. >> Troxclair: With the 380 agreement? Is there someone that can speak generally to the issues raised by the speaker so far? >> David Collins, economic development. Just to clarify, there's two different parts of compliance for our agreements. And we've got a partner here with the -- our sister department, which is small business resources, who helps us to look at the smbr or mbe WBE ordinance and make sure that it does apply to the project and how it actually

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applies for compliance. The economic development office will follow up on compliance for job creation and investment and any of the other specific deliverables that are mentioned in any of the chapter 380 agreements. But as far as the construction monitoring, we rely on smbr to provide that type of compliance reporting. >> Good afternoon, director of the small minority business resources department. We are responsible for enforcing the third-party resolution which really puts into play the mbe WBE program in our third-party agreements that monitoring happens with -- we have one senior level staff person that's responsible for our third-party agreements. She receives monthly updates or monthly reports for the most part from each of our third-party agreements. And the reason why I say for the most part, some of our earlier agreements required quarterly. That report includes all the activity they did for the month, whether or not they are meeting their goals and if they are not meeting the goals,

then evidence of their good faith so she is monitoring the good faith efforts and whether or not they're meeting the goals. >> So the 380 agreements, how long are they? Is there a time limit -- time period on them? >> They range. I'd say the average agreement is 10 years. >> Houston: 10 years. So any of the incentives that are provided, are they provided upfront or are they provided after the fact? >> All are performance based, which means that all of our companies have to go through that annual or year-long compliance process and then once we've confirmed that they have complied with the agreement from both different departments -- and that's been approved by our third-party

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auditor, then we will actually pay them out from the economic development department. >> Houston: How many 380 agreements do we have in the city at this point? >> I think we have seven active agreements. >> Houston: Seven active agreements. And they're still in the time period? >> Variety of stages. Some are wrapping up construction. Some have constructed and are within their business. It just depends. >> Houston: So some people know which ones are 380 agreements. Was the domain one? >> Yes, ma'am, the domain was a chapter 380 agreement. >> Houston: And it's still in process. >> Still in construction. We only incentivize the one phase of that agreement, which I believe is completed construction to date. It's just a matter of follow-up with compliance. >> Houston: So then we have to look at how many people they employ or what jobs. It's a job component to these 380 agreements as well. So are we tracking the jobs that they produce? >> In that agreement I'd have to go back and check the terms. It's a little different when we look at the domain and how we actually incentivize that project. And actually, it was stated by council that we would not look to incentivize those types of projects in the future. And so currently we do look at incentivizing projects that will provide a certain number of jobs, that will bring a certain amount or level of investment into the city, and then we've got some other things that we would typically look to include. It just depends what the project and the scope of the project is bringing in to the city. We actually undergo the process of grading each one of these projects, and through the course of that we see room for

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adding bonus criteria for each one of our incentives for some of the special factors that these projects usher into the city of Austin. For a long time that had to do with some of the benefits that were associated with the jobs and some of the different targets that these projects helps us to meet to feel different economic -- fill different economic voids in the city. >> Houston: So does all of that mean that when we talk about affordability and we talk about the people who are underemployed or not employed at all, are those parts of those contracts where they need to hire so many kind of demographic label, those that are underemployed or people who have come out of the criminal justice system? Is that included in the 380 agreement? >> It's included in the scoring of the project. We are looking for projects that fill economic voids in the city. So when we're looking at the scope of the project we're looking for those opportunities, especially now because if you were to look at our -- if you look at individuals who are hard to employ or have some type of economic disadvantage. So we've looked at what is the cost of living here, what is a quality job and how does that connect with the residents here within the city through the projects that we are looking to recruit here. So we would look to score the project as part of the process, to bring to counsel. And within that scoring mechanism we are looking for any economic voids, and this would be one of those clearer economic voids. >> Houston: So did apple get a 380 agreement? >> Yes, they did. >> Houston: So they've been here for, I don't know -- >> They actually just completed construction of the facility. They are moving in to

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some of the different facilities that are under construction and have been creating jobs, yes. >> Houston: So that's another example, apple is here. They're constructing. There's no bus that gets to apple, so it really doesn't look at the demographic, even for construction jobs. It doesn't work for some people. So hopefully that transit and the opportunity for people who really need the jobs to be connected to the jobs will at some point become some of your scoring criteria because apple is building, but it's people who need the job can't ride the bus and then get off and walk. >> And I will tell you that -- and the chamber may echo this sentiment. They work with more of the prospects than we actually get to see on a regular basis, but a lot of these companies would love to alternative transportation routes adjacent to the site their choosing, but it's a matter of limitation of resources we have as a city, but we do within that scoring mechanism provide a better score for the companies that are locating closer to or within proximity of a bus stop or alternative transportation. >> Houston: This is a personal story, but I suspect that it's true in the business world and commercial real estate as well. When I moved here when IBM opened in the 60's and I was looking for a house, my husband and I were looking for a house, and they kept pushing us toward one part of town. I said no, we want east Austin. I grew up in east Austin. No, they are not good schools there. There's crime there. The IBM family lives over on this part of town and we really want -- so we had to, because we knew Austin, really force the real estate agent to look for us a place in university hills. And I suspect with commercial businesses the same kind of thing happens because when you look at the disbursement

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of the new industries that come into town, they're not necessarily being told, well, you know, district 1 has a whole lot of vacant land that you can buy and it probably is cheaper -- in the next couple of years it will be more expensive. But I suspect that same kind of thing. How do we keep that from happening where rather than directing people where -- and showing people property, we tend to show them the property where we think they would be comfortable. >> Sure. Unfortunately within our process we are not able to favor one side over another at this current side. >> Houston: It's not favor. It's telling people where opportunities are and where the need is, and showing them an option -- giving them options. I'm not sure that you understood, we were being pushed away from a site. If we hadn't grown up in Austin, we never would have been in east Austin. >> . >> Houston: Because that's not what our realtor was saying to us. >> I apologize. I meant from the incentive process itself when we were looking at potentially incentivizing a project, we are looking to make sure that it fits within the city of Austin and it will help us to fill whatever specific void within the economy. We do work closely in the chamber in looking at the different locations that are available throughout the city and I know that if we've got a competitive location on any side of the city or any part of the city, we are going to be sure to show that to any active prospect that's looking for a site here. >> Houston: Okay. >> Troxclair: Sounds like you could use a new realtor. >> Houston: No. I happen to know a young man that used to work in the state incentive office and he said he had never seen anyone come through the state system that they had shown them any property east of I-35. And he thought that was

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interesting. I got that tidbit from him. >> Troxclair: Thanks. Okay. That will bring us to agenda item number 4. Update on the status of the minority women and veteran-owned business enterprise disparity study. >> Good afternoon, councilmembers. Director of the small minority business resources department. I want to give you a brief update on the disparity study. We -- as you're aware we received

the disparity study from our consultant who performed it a few months ago. We have been working with our outside attorney to take that study and make recommended revisions to the ordinance, to the mbe, westbound ordinance. -- Westbound ordinance. Once we work with that we'll incorporate them and bring them back to the draft, first to the mbe/wbe advisory committee, to yourself and finally to full council. To give you an update on this process, this revised ordinance will include the new goals that resulted from the disparity study and an extension of our sunset date, which would extend it for another five years, which would extend the program to December 2021. There were much more substantive recommendations in the disparity study, and we unfortunately because of our timeline we're unable to include those at this time. Those discussions are also going on and we plan to bring back a comprehensive update to the ordinance as soon as we have that drafted and those changes drafted into the ordinance as soon as possible. We're planning on bringing the draft to the mbe/wbe advisory committee to September, to this body in October and to the full council in October. I also wanted to provide you an update on the proposed veterans program. As y'all recall, the disparity study -- yes, ma'am? >> Houston: You were going kind of fast there. So you're going to bring it to the minority committee -- >> The minority business enterprise and women business enterprise

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advisory committee. >> Houston: In October. >> In September. >> Houston: And then you will bring it to -- >> To the economic opportunity committee in October and then the full council also in October ideally. And the reason for that timeline as you all our ordinance is currently set to sunset at the end of the year. So it's currently set to sunset in December 2016. We wanted to give ourselves enough time to give it to council in case there's additional conversations that need to take place and so forth. So we need to make sure we have the extension of the sunset date. >> Houston: I want to make sure we don't do that all in the same week. >> Absolutely. I agree. My thoughts were we'd bring it to your October meeting which is at the beginning of the month and to full council at the end of October. Absolutely. As you recall, the disparity study also included discussion of a potential veterans program. The veterans commission I wanted to make you aware is recommending that the city adopt a veterans program and put in to our budget for the 2017 year a potential program. They have informed us that they will be communicating with your offices. They may have already to -- to give you their support, but that will be a continuing budget discussion for council as you consider your budget, your upcoming budget. That concludes my update. Are there any more questions? >> Troxclair: So you said that there were a couple of things that were still in the process. Are those things going to be included in the update in September? >> Those things are -- those programmatic changes are more comprehensive, so we're having those discussions now, but they won't be in the draft ordinance in September. We plan to bring another revised ordinance to you in 2017 that will include those more comprehensive changes. >> Troxclair: Okay. Well, thank you. Thanks for that update.

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Agenda item number 5 is quarterly update from the mbe/wbe and small enterprise procurement program advisory committee related to local preference contracting. >> Good afternoon, councilmember troxclair and Houston. Thank you again for having us. I'm speaking on behalf of Reginald worlds who is our vice-chair of the mbe/wbe small business enterprise procurement program advisory committee. He had an unexpected emergency, so I'll be putting forth the recommendation for us. Currently we feel like there's a need for a more defined definition of what local preference mean, which would include the five counties of bastrop, Caldwell, hays, Travis and Williamson. Before creating this recommendation we had a number of presentations given to us, so we looked at other cities in the state

of Texas and at what they were doing. So our recommendation is to have the five-county area, not just be limited to the city of Austin for local preference, and that this be taken to the full council. It is desired of this committee to increase contracting opportunities for small business within the local area. Again, local area being hays, Caldwell, bastrop, Travis and Williamson. And it is not the desire of the committee to violate state statute so it would still be within the guidelines of the state. And for this consideration we would like the Austin city council to consider an amendment to the procurement process to add a local preference component where the city consider a bidders' local presence when the bidder is, one, located within the local area

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and two, will provide a competitive contract price and economic development impact including employment of residents located within the local city and/or increased tax revenue, and/or providing commodities or services within the local area. In addition, I'd like to state that we will be bringing forth a recommendation -- due to a little glitch, we weren't able to do that today, but it is something that you all could do from your advisory council and we will follow up for sure with a recommendation on our part. The state law currently has a cap of \$100,000 on local preference when it comes to construction, which has not been changed in over 10 years. So it clearly has not taken into consideration the economic impact of the market. So we would be bringing that recommendation, but in the interim it could come from your council to go ahead and push that towards the legislative process. Do you have any questions? >> Troxclair: When you say a cap of \$100,000, what -- what do you mean,? And if staff is better able to answer that question, that's fine. >> Good afternoon, counsel. Renaldo Fernandez for the contracting office. Local government statute 271 dictates the parameter in terms of the amount of bidding, scope or dollar amount that the city can consider awarding to the local preference -- local option rather than the bidder that's not from the local area. So they set the capacity venues cap at \$100,000. If it receives they cap we with can't use that option.

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If in that situation the local bidder, which is the seconded bier, was within a five percent gap from the first bidder, which would be considered a non-local bidder. So in order for us to consider this program we cannot do it for anything above the 100,000-dollar range. So that's the gap that we have right now. That's the cap, excuse me. >> Troxclair: Okay. I guess I'm still confused because the -- I remember always talking in the past about the five percent. So it's five percent difference up to \$100,000? >> That's correct. Yes. We can't consider that five percent difference from a non-local bidder to a local bidder unless the project is within \$100,000, the scope of the work. >> Troxclair: Unless it's within \$100,000? >> Correct: If that bidding amount is greater than that \$100,000, then we can't consider it. If it's less than that, then we can consider that, that option. >> Troxclair: The differences in the bid amounts? >> Correct. >> Troxclair: Okay. And her -- the group's discussion about the five-county area, is that something that has -- expanding the local preference benefit to entities that are within a five-county region rather than just within the city limits, is that something that is restricted by state law? >> I don't think that is. Right now we currently consider it to be the Austin corporate city limits as our defined space a, but we can definitely look at law in changing that to the five-county region that was provided as a recommendation. >> Troxclair: I think that the council in the past talked about potentially expanding it to like the etj and possibly the county, but this is the first time I think I've heard of the five-county region. And I'm guessing -- it seems like the benefit -- if you're going to give a benefit to a local business, if they're within the city of Austin they're paying property taxes.

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So they're contributing to the city in some way. And so the city feels probably more justified in turning around and allowing them some kind of benefit in their contracting. >> Correct. That's part of the criteria that we looked at in terms of making the argument that there is a reason, there's a justification, a benefit the city will gain when it awards a contract to the second lowest bidder that's local preference because you can envision that there's a benefit in return for that position to be made, right? So if you consider that to expand it outside the city of Austin to the other counties, that's different argument to be made, so we'll have to look at that in terms of what is the benefit by going that route. >> Would you like me to expand upon it. >> Troxclair: Sure. >> We obviously vetted it out at the committee level. Did talk about clearly the etjs being included, but when we looked at it and you look at where so much of the construction the companies would come from, then we felt like we needed to expand it. A lot of them benefit from the city of Austin. You know, they put money into the city of Austin. And still, to keep our businesses local, the preference local and the projects local, is to not lose out to somebody that, you know, might be able to do it because they're in bastrop, to somebody from Columbus, Ohio. Just because the bidding was, you know, 500,000-dollar difference. So we're -- it's an effort to keep our jobs local and the projects local, those that work on it. And we also looked at apparently, if I get this right, Houston currently does that, where it's several counties, like within it. They know that the greater Houston area, San Antonio, the greater San Antonio area. So we felt like we need to look at that for Austin too. Also when we have the

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affordability issue, the people that can do the jobs often live outside of Austin. So often times they're businesses will be considered at an address outside of Austin. So in order to be true local preference we needed to expand to the counties. >> Troxclair: Councilmember Houston? >> Houston: And I can certainly understand that. My concern, as councilmember troxclair said, is that we were trying to keep things Austin, etj, Travis county. So I'm wondering if there's a possibility to do a tiered system so that if somebody is in the Austin area, etj or Travis county, then they get, you know, a point and then after that we expand outward to that, those five county others -- is it five counties that you're talking about? >> Yes. >> Houston: Five counties. My understanding of local when we had this conversation in the past is that it was local to Austin for the city limits and then we did talk about the extra territorial jurisdiction. >> And it would only come into play with the cap under \$500,000 when the non-local bidder and the bidder are within the five percent gap. And then after that you consider that based on the local bidder being within the Austin corporate city limits. Anything outside of that it kind of lessens the argument that we have in terms of awarding to that local bidder. There is a benefit to the city by doing that. So if we start looking at expanding that to the five-county area, it's a policy decision, it's a decision that can be looked at and studied, but again the argument right now is does it weaken the argument that the city gains about the contractor residing within the Austin corporate city limits? >> Houston: I would area be if there's no one inside the Austin corporate city limits or within the etj, I would rather it go is on to

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somebody in the region than to somebody in Columbus, Ohio. And can we tier it in such a way that that would be an option for people? >> Yeah, that would be a question for legal. >> I'm Rosie truelove, I'm the interim director of neighborhood housing and community development. I'm still here as the former capital contracting officer. We worked on this issue extensively with the advisory committee and we appreciate them bringing this forward. We can certainly look at a potential tiered system to look at

different percentages for folks that are within the corporate city limits versus folks in the five-county area. And when Mr. Fernandez is talking about the 100,000-dollar cap, that's specific to construction projects. So when you look at contracts that purchasing may be bringing forward to goods and services, they have other rules that apply to them. So it's -- what we're talking about here is the local preference policy in general so we could look at whether or not there's a possibility to do a tiered system for when we can use local preference under the different scenarios that we're able to use local preference for, if that makes sense. >> Troxclair: Thanks for that clarification. Appreciate it. Thank you for that update and for the suggestions. >> Houston: And thank you for bringing us updates on a quarterly basis, quarterly basis. Thank you. >> Troxclair: Okay. We have one item left on our agenda, the briefing by the minority trade association regarding their operations, activities and available services. It looks like we have two citizens signed up to speak. I don't know if y'all want to speak first, and if you have a presentation planned? >> [Inaudible]. >> Troxclair: Sure.

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>> Councilmember troxclair, councilmember Houston, thank you so much for inviting us today to present to you. So I've prepared a powerpoint presentation just to give you an overview of what we do and also our services, available services to our members and also to the public. So this is a non-profit organization, Asian contractor association. And the association was founded in 2001 and our main mission is to help increase the utilization of Asian city vendors in the city's minority procurement program through our outreach efforts, education and advocacy. And our board members, we have five board members and our chairman mahesh naik is involved in the Indian community. And our vice-chair Lili are involved in the Asian communities. And Mr. Sung Cho is involved in the Korean community and Mr. Vo in the other Asian communities. This is a website where we post a lot of useful information for the public and also our members to access, including upcoming events, project opportunities, in a number of publications. And they're very easy to download and access 24 hours a day. And our publications include our quarterly newsletter, technical reference guide, and we have translations in Chinese and Vietnamese so far. And we also have an Asian vendor directory. And of course, we publish a weekly bid update and we also have event training opportunities we post and project opportunities as well.

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For our publications we also have the technical reference guide, and since 2013 -- for the last year and a half we were given a project to produce these reference guide books so the topics include things like understanding the city's procurement process, understanding contract laws and also city of Austin contract documents. And we also have paperwork on construction designing and building processes and also construction process and cost estimating and osha requirements. And we will continue to produce more publications in the future. And we also work with the newspapers to put out translations, to publish them in those papers. Also we have a lot of community outreach events and these are just some highlights and photos. So four available services we have a number of them. And so I've listed them over here. We have business and technical consultation and also Asian subcontractor subconsultant, referral services, plan room services, plan rating, rating consultation, bid and event notifications, and also the -- regarding their certification application renewal and profile change process, if they have any questions. And also if they have questions about proposal writing and bid submission we can help answer those questions as well. Also the city has bid compliance rules and regulations and contract rules and regulations and our members need to learn more about those

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before they participate. And when those issues come up, especially about nonpayment or other disputes with prime contractors we can help them mediate working with the city. Also a lot of us -- a lot of members are still not so familiar with the ordinance in the compliance plan and so if they need us to have an. >>, That service is available as well to go over the ordinances. And also the city has a great vendor connection website and that has a lot of information and bid opportunities. So we help them navigate the website, which is -- which has a wealth of information, sometimes it's hard to find where the information is, but the information is there. And also we have translations and a lot of times our vendors don't know who to contact in different city departments for different questions so we serve as the liaison to help them get connected. Also sometimes we ask those questions on behalf of them. Because the city knows what we do and they-- we're a familiar face to them so we can get the answers maybe faster for them. And also if they have any bid or project related issues we can also help them resolve. And they also sometimes ask us to research current and past solicitations or winning proposals and we help them do that. And it's just collective presentation of Asian vendors who are just interested in being utilized by the city. And we help them to promote their services and also individualized services upon request. And our future goals, we hope that in the future we have opportunity to help our vendors to clean up their commodity codes, just to mirror those that are being used by the city. A lot of times they fall off the list because either they are not certified for the commodity codes, that they are cable for

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providing, or their commodity codes are listed incorrectly. So it's good to help them clean that up. Sometimes they list too many of them. That really kind of make them more distracting than anything. Also help review city solicitations and just to identify more opportunities for our vendors based on the trade summaries. And also we like to cuss mom eyes and individual lies the bid solicitations from contractors. Sometimes they just send out an invitation and it's very broad. And if we can pinpoint exactly what the commodity code or trace summaries that they are doing, that would really help them to respond to the invitations. And also the education department I know they have a -- the solicitation department has a big backlog because of the shortage of manpower so maybe we can help them clean up the contact information. Sometimes they're not updated or not being updated so that can maybe speed up or make the recommendation R. Communication more efficient. And also like a lot of times our vendors are buried under the second or third their subcontractors level, so it would be helpful to find out who the first tier contractors are so they can contact them. So I think there's a big gap between the prime and the first tier and then the following R. Following tiers. Yeah. So -- and lastly is, you know, we would really like to see data being automated and we have data available and transparent from that department to the public. I know that the city is leading the -- has the leading technology department that has won a lot of awards, so maybe we can share some of that benefits just to help the data

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automation. In that department so that the staff members are not bogged down with all the paperwork. Right now it's still a very manual process and I think they're just too -- they're very burdened by the manual paperwork. So we can make it more efficient if we can. And that concludes my presentation. Thank you so much for the opportunity. >> If you have any questions? >> Troxclair: Thank you for that presentation. It's good to know what kind of resources are available for our constituents. And others who are looking for that kind of help. I appreciate the services that you all provide. >> Thank you. >>

Troxclair: No problem. >> Good afternoon. Carol Hadnot, the program manager consultant for the Austin area black contractors association. Oh, I guess I have to push the little button. There it is, the next slide. Okay. The abc was founded back in March 25th, 1988 and the founds member were Mr. Harper, Mr. Washington, Mr. Hudspeth and Mr. Smith. And the reason why is because, number one, we could not afford to belong to the other trade association because nobody had 13 to \$1,500 for membership dues. So we set up the association where it could be affordable for the African-American contractors to have an association to talk about their issues and try to get some sort of resolution. And our whole purpose, our mission is to

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promote, assist and develop African-American contractors in obtaining management and technical skills to aid in competing and be successful in the construction industry. We have a contract with the city of Austin through smbr. And our main focus on that -- well, before we go there I just talk about our organization. We don't have a board of directors because we thought that was a little too stiff. So we have what we call an executive committee where they meet with all of the members opportunity and they talk about the issue or whatever the subject matter is. And we have a reds, vice-president, secretary, treasurer, spokesperson and government liaison is cotile Davis Haynes, and we have lots of volunteers to come in and help us because we don't have enough money for paid staff. With our contract with the city of Austin the whole concept was to increase African-American contractors' participation in city construction procurement. At one time we had over 400 something black contractors in the system, but today I would say it's dismal. We have very few. Many of them are deceased. Others are no longer in business, and the ones that we have left we're trying to train the next generation of contractors. And the whole reason is we need to train them to increase their competitiveness in the construction marketplace. Our program key elements is marketing outreach. We do a lot of identification of African-American contractors in the five-county areas of bastrop, Caldwell, hays, Travis and Williamson, to get certified or to

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recertify with the city of Austin. We're having difficulty getting the recertify because over a period of time they're never participating on any given contract and they have no interest in being certified. So we still have a few that are participating. One of the key things that we do is we customize company profile resumes. You're asking about apple and all of those companies in the 380 programs. We customize company profiles for everyone who is interested in participating not only on a third-party agreement, but a on city projects as well. And we pass those out to those developers and those prime contractors to see if they would solicit our companies to participate we also help them with a marketing plan because if you don't know where to go and you don't have a map to show you how to get there it's going to be very difficult in the construction industry. It's no longer about the brawn of being able to do the work, but you need the brain to be able to manage the work. And some of the interactive toolbox training that we have, I have to say we had -- a couple of months ago the contracting -- I always mess it up. Help me, Rosie. The capital contracting office, they provided an excellent workshop on the construction delivery methods because that's where you're going to, joc's and design-build. And there was no dumb questions. They answered all of our questions, the consultants from her department was excellent. They were good. And anybody appreciated that workshop so we want to publicly say on mic

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that we appreciate what the capital contracting office provided us. We also had workshops on 25 common mistakes that contractors make when negotiating contracts and agreements. They get a contract and they're so happy about having that contract, but they haven't read it. So they get into trouble about when is payment due? When is the phasing of the work. All kinds of things about the labor. Osha certification, all those kinds of things. So we have that mapped out to them. We produce what we call a contractors tool tip guide and this tool tip guide will direct them on everything they need to do, how to do their company profile resume. We even have an estimating sheet in there where they can practice on doing cost estimating. And the marketing plan checklist is in here with the worksheet. We have safety tips, how to protect yourself against identity theft. So we just have all the different kinds of software you can use to do cost estimating. So this is in this little book right here. And we produce this ourselves. On the computer. One of the workshops we had was how to perfect a mechanic lien. We have to get our money. We work on these projects and then the contractors don't want to pay us so we have to educate our contractors on how do they perfect a lien so they can get paid. We were here about four months ago talking to you about the financial enhancement programs that the city of Austin has proposed that we work with contract management office -- yeah, I know. Smbr, the law department, public works, and we were very grateful for their assistance in helping us

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get those financial enhancement programs together so that our contractors would be able to be paid timely, that they would be able to have mobilization money. That they know what to do to get retainage. So Wednesday, Veronica -- I mean, Ms. Lara, and Ms. Truelove, will be doing the workshop. We call it the financial enhancement interactive round table. But I think Rolando is going to take Ms. Truelove's place in doing this. So if you look at this we don't have a picture of Rolando because we just found out this morning that he would be replacing Ms. Truelove because of her promotion as the interim director of the housing department. We also published by briefs every week. Every week we published by briefs online. We send it out to 780 some-odd contractors, minority, women, crime, whomever that's in the business. We do this online. We upload it on a Friday evening, Monday morning at 8:00 they have it on their desk. So they know all the opportunities that the city of Austin is offering or ACC, aid, Travis county. And especially the airport projects so you can go on that bid list and you can find out. And you can also see the trade summary so you can find out exactly if you can fit in that solicitation. We also publish newsletters on a quarterly basis. >> Councilmember troxclair Ms. Houston? Mount if you would send it to me I would post

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it. >> On August the 10th -- >> Houston: We'll go ahead and post it. >> We have limited seating and we have an rsvp because we have limited seating because we have it at the holiday inn learning city. And then we have to buy food. And then we have limited budget for food. You can help us with that and maybe we can accept that. >> Houston: Let me tell you that there's another group that's planning to come in here at 5:00. >> So you need me to and I wind up. -- To wind up. Okay. That's what she was telling me. I didn't catch the hint. I got it now. But anyway, I got one more thing to say. We celebrate black history every year. And we have this luncheon with all of our contractors to acknowledge them. Because minority contractors get no acknowledgment, you know. If they are, they are pretty hand selected ones. We know the ones that are really out there doing it. So we have this every year for them. So I will conclude my presentation because we have run out of time. >> Troxclair: Thank you. >> Houston: Thank you so much. And I won't try to come on Wednesday because you have limited seating and you already have rsvp's and I wasn't invited. >> Ms. Houston, you can come, Ms. Troxclair and all

the other councilmembers who would love to come, we will make seats available for you, but we just had a seating capacity. >> Houston: We'll still be here Wednesday night too. We will not have left. [Laughter]. >> Troxclair: Hi. >> It's Juan Oliveras with the hispanic minority contractors association. Our association was founded in 1994, 25 years ago. We provide the same --

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symptom type of mission that the other associations have. One -- a pretty valuable tool that I use is something that we called by letters and these are bid -- bid letters and these are bid notices that I get from general contractors. So I focus only on general contractors that are looking for subs. That's what my little publication is all about. And I'm going to talk more about that regarding that handout that I sent you. We also maintain a plan room. We have a community use of computer and a printer. It's like a dollar a page for these large 24 by 36 plans. We have a conference room for meetings and contractors. We do a quarterly newsletter. We do a service that -- in Spanish that published -- publicizes the resources that are available in the community in Spanish. We distribute that as well. We do an osha 10 free Spanish training and our next one is coming up next month. We do referrals as well and technical assistance, of course and a company profile of Austin companies so that's a benefit that the companies have when I do a profile. It a one pager, eight by 10, and we've got photographs and information and contact info to help them market their own companies. I thought I would do something a little bit different. And just focus on a typical month. And that's what I handed out to you. This is just for the month of July. I received 64 separate project notices, 64 different bids, 64 different projects, from

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52 separate prime contractors, general contractors. And then, of course, I also gave notices from -- get notices from government agencies. So I gave you the list of the prime contractors that we have, and within that month the company's changed because there are other general contractors that are sending me their notices. 40 to 60% of these projects could be city at any one time because even though send me a bid notice, it could also mean that it's the same project. It varies from month to month. This is a typical snapshot of what we're doing. To be honest T keeps me quite busy getting the notices out to the membership and the Austin certified companies. It keeps us quite busy. I have seen as many as 80 to 100 in one month. And so that averages out to at least 800 in project notices and project -- 800 projects per year. And so so that concludes my presentation. I just wanted to show you what a typical month looks like for me. And I think that we're -- we're doing a service to the general contractor as well as to the subs because I started this bid notice system with only half a dozen general contractors, and it's grown to a database of over 150 prime contractors that I have that send me notices regularly within the year. Thank you. That's it.

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>> Troxclair: Thank you. Councilmember Houston? >> Houston: At some point, probably not today because they're already gathering for the 5:00 meeting, what it was posted for. It would be interesting for me to find out, of the notices that you send, how many of your contractors are primes or secondary or ever get hired on? Am I saying that right? >> So results? >> Houston: The results of sending the notices out. >> Thank you, I will. >> Troxclair: Thank y'all for being here today. We really appreciate your time and your patience, sitting through the other presentations. Next time we'll -- next time we'll make sure to get you first so you don't feel rushed at the end. Okay. Unless there is anything else, we will go ahead and adjourn the meeting of the economic opportunity committee. All right.