

RESOLUTION NO. 20210304-067

WHEREAS, the City Council desires to create a sustainable economic model for the benefit of Black Austinites to address systemic issues in the City's policy decisions; and

WHEREAS, since its inception, Austin, Texas has depended on the agriculture of black slaves and bonded servants, and in nearly 200 years of progress Austin has yet to address or fully commit to allowing Black residents equal opportunities to enjoy this advancement; and

WHEREAS, during the early years of the 20th century, freed slaves occupied settlements in various parts of the City and these communities were located across the city, including places like Clarksville, Masonville, St. Johns, Pleasant Hill, Wheatville, Kincheonville, Garden Springs, Reyna Branch, Mason Town, Robertson Hill, Belle Hill, Burditt's Prairie, Red River Street, West Side, Gregory Town, South Side and Horst's Pasture; and

WHEREAS, the 1928 Master Plan separated Austinites with race as a sole factor, acting as a legalized form of segregation, created a "Negro District," and resulted in the intentional and negatively disproportional restriction of resources for the Black community – the residual effects of which are still experienced today; and

WHEREAS, in 1938, the City seized the land of Emancipation Park, Austin's original Black-owned Juneteenth Parade Ground, through eminent domain to build Rosewood Courts, the first African-American housing project in the United States; and

WHEREAS, the United States Congress passed the Housing Act of 1949 with one of the main elements being to provide federal financing for "slum" clearance programs associated with urban renewal projects in American cities; and

WHEREAS, in 1954 the City Council created the Greater East Austin Development Committee to study the needs of the East Austin community and the housing conditions of the area; and

WHEREAS, on December 5, 1959, the creation of an Urban Renewal Agency to carry out urban renewal project powers in accordance with Chapter 374 of the Texas Local Government Code (Urban Renewal in Municipalities) was approved through a voter referendum; however, few minorities were able to vote in the 1959 referendum; and

WHEREAS, by way of urban renewal projects, minority-owned properties were seized through eminent domain and residents were subjected to forced relocation; and

WHEREAS, congregated segregation followed by concentrated gentrification resulted in mass displacement of Black Austinites from their historic communities in Austin; and

WHEREAS, Black residents have experienced state-sanctioned racism in the form of Jim Crow laws, racially restrictive covenants, and bank redlining in Austin; and

WHEREAS, a 2017 study, funded by the Urban Institute, ranks Austin in the top quarter of the nation's economically segregated areas; and

WHEREAS, the City's collective prosperity depends upon the equitable access to opportunity for every resident regardless of the color of their skin; and

WHEREAS, the City commissioned a disparity study from National Economic Research Associates, Inc. ("NERA") to develop evidence relevant to the City's continuing compelling interest in remedying discrimination and the results of these efforts were presented in the December 2015 report entitled "Race, Sex, and Business Enterprise: Evidence from the City of Austin" ("NERA Report"); and

WHEREAS, based on the evidence from the NERA Report, the City determined that:

- (1) Minorities and women are substantially and significantly less likely to own their own businesses as the result of discrimination than would be expected based upon their observable characteristics, including age, education, geographic location and industry.
- (2) Minorities and women earn substantially and significantly less than their nonminority male counterparts.
- (3) There are large, adverse, and statistically significant disparities between Minority-Owned Business Enterprises/Women-Owned Business Enterprises' (MBE/WBE) share of overall revenues and their share of overall firms in the U.S. as a whole, and in the State of Texas.
- (4) There is evidence of discrimination against MBE/WBEs in the City's market area for the small business credit market.
- (5) Anecdotal evidence from outreach meetings, mail surveys and in-depth personal interviews of MBE/WBE firms and non-MBE/WBE firms revealed numerous forms of discrimination affecting the City's marketplace, including unequal access to bonding, stereotypical attitudes, passive participation in private sector discrimination, predatory business practices, and closed business systems, causing minorities and women to continue to suffer discriminatory barriers to full and fair access to City contracts, as well as other public sector and private sector contracts.
- (6) Despite the City's efforts to create equal opportunities in its marketplace, the evidence continues to indicate that the ongoing effects of marketplace discrimination continue to undermine the utilization of MBE/WBE firms; and

WHEREAS, based on the results of the NERA Report and based on the factual predicate which has been established after careful study and review, the City continues to have a compelling governmental interest in remedying the racial and gender discrimination that exists in the market segments in which the City does business, and

in ensuring that the City is not an active or passive participant in such discrimination, thereby allowing all segments of the Austin community to share in the economic benefits of the City; and

WHEREAS, the City's 2023 Strategic Direction Anchors itself to Equity, Affordability, Innovation, Sustainability and Resiliency, Proactive Prevention, Community Trust and Relationships and Across ALL Outcomes- Values supporting Quality of Life in Austin; and

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is EQUITY, which means to advance equitable outcomes, the City is leading with a lens of racial equity and healing, and understanding that race is the primary predictor of outcomes, therefore it is time to recognize, understand, and address racism at its various levels: personal, institutional, structural, and systemic; and

WHEREAS, equity is the condition when every member of the community has a fair opportunity to live a long, healthy, and meaningful life; equity embedded into Austin's values system means changing hearts and minds, transforming local government from the inside out, eradicating disparities, and ensuring all Austin community members share in the benefits of community progress; and

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is AFFORDABILITY, which means that Austinites deserve to experience the necessities of life as affordable and accessible; this strategic direction lays out strategies to increase economic opportunities and affordable choices across Austin, so that Austinites, families, businesses, City employees, and all generations can thrive; and

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is INNOVATION, which means that, in Austin, we define innovation as any project that is new to you with an uncertain outcome; aimed at addressing pressing challenges that affect our community, human-centered innovation means a new approach to exercising authority and decision-making that starts with the needs, behaviors, and experiences of

our community, and continues through a process of questioning assumptions, engaging with empathy, stewarding divergent thought, reflecting, and learning; and

WHEREAS, innovation is future-oriented around what outcomes could be created together, rather than an analysis of already formed alternatives; and

WHEREAS, one of The City's Strategic Direction 2023 Strategic Anchors is SUSTAINABILITY AND RESILIENCY, which means being a sustainable and resilient community requires proactive steps to protect Austin's quality of life now, and for future generations; a sustainable city finds a balance among three goal areas: (1) prosperity and jobs, (2) conservation and the environment, and (3) community health, equity, and cultural vitality; resiliency is the capacity of individuals, communities, institutions, businesses, and systems to survive, adapt, and grow from difficult times, and in Austin, we bounce back stronger; and

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is PROACTIVE PREVENTION, which means that the City embraces the dual responsibility of being responsive to emerging challenges while also dialing up efforts to prevent problems on the front end; and

WHEREAS, one of the City's Strategic Direction 2023 Strategic Anchors is COMMUNITY TRUST AND RELATIONSHIPS, which means that Austin is a place where leadership comes from the people; and

WHEREAS, it is the City's responsibility to rectify discriminatory City policies and address its institutional racism, including actively engaging all citizens in racial justice work, as evident in the City's Strategic Direction 2023; **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Council of the City of Austin formally apologizes for its participation in the enslavement of Black people, for its active involvement in segregation and systemic discrimination, for exacerbating racial divides through both active and intentional

means, and passive, inadvertent means, and for carrying out multiple “urban renewal” programs that hindered, and often decimated, the progress made by Black communities.

BE IT FURTHER RESOLVED:

The City rejects prejudice and bigotry based on race, religion, gender, sexual orientation, and nation of origin, including the idea that anyone is better than or more deserving of privileges than another based on the above characteristics.

BE IT FURTHER RESOLVED:

The City hereby affirms its commitment to correcting the City’s systemically racist practices and eradicating the effects of the City’s systemically racist past practices.

BE IT FURTHER RESOLVED:

The City calls on Travis County, local school districts, the State of Texas and the federal government to initiate policymaking and provide funding for reconciliation and racial healing at the local, state and national levels.

BE IT FURTHER RESOLVED:

The City Manager is directed to conduct a study and provide a report outlining the economic value of the direct, indirect, intentional, and unintentional harm caused through economic, health, environmental, criminal injustice, and other racial disparities and declination of resources by the City to be developed through the partnership between The University of Texas at Austin LBJ School of Public Affairs and Huston-Tillotson University.

BE IT FURTHER RESOLVED:

The City desires to create a centralized Black resource and cultural center – a Black Embassy - that is geared to the success and cultural promotion of the demographics in need by providing relevant resources, and support for existing and future black-led businesses and organizations, in a central location in East Austin. The City Manager is directed to return to Council with a planning scope, process and funding recommendation for how to accomplish this.

BE IT FURTHER RESOLVED:

The City Manager is directed to provide recommendations of existing City held assets located in Central East Austin that could be used to house a centralized Black resource and cultural center.

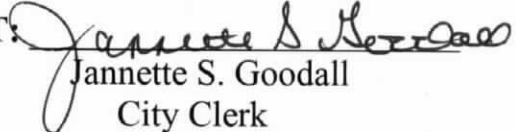
BE IT FURTHER RESOLVED:

The City Manager should include stakeholders in the planning process for creation of the center, including the naming of the center. Stakeholders should include, but not be limited to, a coalition of Black businesses, communities, and Austin residents; and descendants from Austin Freedman Settlements, with support from relevant city departments.

BE IT FURTHER RESOLVED:

The City Manager is directed to report back to Council by August 1, 2021 with the analysis and report requested by this Resolution.

ADOPTED: March 4, 2021

ATTEST: 
Jannette S. Goodall
City Clerk