



## Recommendation for Action

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**File #:** 21-1314, **Agenda Item #:** 26.

3/25/2021

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### **Posting Language**

Approve a resolution appointing the Austin Economic Development Corporation board members and amending its bylaws and articles of incorporation to include administrative details that support an application to the Internal Revenue Service to seek 501(c)(3) status and the creation of the South Central Waterfront Advisory Committee.

### **Lead Department**

Economic Development

### **Fiscal Note**

This item has no fiscal impact

### **Prior Council Action**

Resolution No. 20141211-122 - directed City Manager to deliver a feasibility study and timeline for creating an economic development corporation or similar entity to manage economic development projects;

Resolution No. 20170216-040 - directed City Manager to propose an economic development corporation or similar entity to support the development of affordable housing, redevelopment, revitalization and other projects;

Resolution No. 20180215-082 - directed City Manager to propose steps for collaborating with and supporting Austin Cultural Trust to create spaces to support artists and arts organizations, preserve historic and iconic cultural buildings and spaces for creative and cultural uses and function in a way that provides for cultural assets to exist in all parts of the City;

Resolution No. 20190808-072 - directed City Manager to initiate the necessary processes to authorize the creation of an economic development entity, identify potential funding sources, solicit stakeholder feedback and, if necessary, contract with subject matter experts to develop an implementation plan.

November 14, 2019 - City Council approved Council Item 98, which requested approval of the QBL Contract.

Resolution No. 20200521-095 - directed the City Manager to prepare and take appropriate action to ensure the long-term sustainability of Austin's creative culture, including its arts and music industries.

Resolution No. 202005-21-096 - Approved economic recovery and revitalization associated with the live music ecosystem, including in the Red River Cultural District, and authorizing the City Manager to implement feasible strategies.

Resolution No. 20201001-055 - Created the AEDC as a Local Government Corporation under Subchapter D, Chapter 431, Texas Transportation Code; adopted the corporation's Articles of Incorporation and Bylaws; and appointed the initial Board.

Resolution No. 20201203-010 - Amended the Bylaws of the AEDC to include the approved nominating bodies

of the Board.

**For More Information**

Veronica Briseno, Interim Chief Executive Officer of Austin Economic Development Corporation, 512-974-2156, or David A. Colligan, Acting Chief Operations Officer of Austin Economic Development Corporation, 512-974-6381 and David.Colligan@austintexas.gov.

**Additional Backup Information**

Through Resolution 20201203-010, Council amended Article II from the Bylaws of AEDC to incorporate the approved nominating bodies for the Board. Since being approved, all nominating bodies have officially submitted nominees outlined in the attachment. Staff seeks approval to appoint these remaining nominees to the board for the initial term stated in attached details for each place.

Further, Staff requests to amend Article VII from the Bylaws of AEDC to supplement Committee related details in the following section (c) to include additional language (underlined):

Article VII (c) - A South Central Waterfront Advisory Committee constituted of the existing South Central Waterfront Advisory Board (SCWAB) that may include both AEDC Board members. citizen members - but at no time shall citizen members outnumber the number of Board members on such committee Nominating procedures for the SCWAB will remain the same and the appointment of a Chair to the Committee shall be provided by the President and CEO of AEDC; and

Lastly, staff recommends an addition to Article IV of the Articles of Incorporation to support the application, which is being handled by outside counsel, for exemption from tax under Sec. 501(c)(3) of the Internal Revenue Code. The sentence to be added is:

“Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, as amended, and its regulations as they now exist or as they may hereafter be amended”.

**Strategic Outcome(s):**

Economic Opportunity and Affordability