



MEMORANDUM

TO: Mayor and Council

THRU: Stephanie Hayden-Howard, Assistant City Manager
Rodney Gonzales, Assistant City Manager

FROM: Lucia Athens, Chief Sustainability Officer
Adrienne Sturup, Austin Public Health Director
Veronica Briseño, Economic Development Department Director

DATE: September 8, 2021

SUBJECT: Update on Food Resiliency Resolution

Background

On June 10, 2021, City Council passed [Resolution 20210610-039](#) related to Food Resiliency. This resolution requires input from multiple City departments. Over the last two months, City staff have been collaborating with the appropriate departments to provide a comprehensive response. The Office of Sustainability's Food Policy Manager, Edwin Marty, is managing the response for this resolution, assisting with leadership and facilitation. This memo provides an overview of the work completed thus far and proposed next steps for each section of the resolution.

1) Austin Travis County Food System Plan

The Food Resiliency Resolution directed the City Manager to initiate a planning process and multi-lingual engagement strategy for the creation of the Austin Travis County Food System Plan, and return to Council with an engagement strategy, recommendations regarding the formation and membership of the Community Advisory Board, identified stakeholders, and timeline for finalization no later than August 2021.

Lead Department: Office of Sustainability

Supporting Departments: Economic Development, Austin Public Health, Austin Resource Recovery, Housing and Planning, Parks and Recreation, Watershed Protection, Real Estate Services, Homeland Security and Emergency Management, Equity Office. (In addition, Travis County will be a key partner for this effort.)

Progress to Date:

The Office of Sustainability has completed the following tasks regarding the development of a process for the Food System Plan:

- Reviewed national and international best practices of food system planning
- Interviewed food system planning project managers from across the country to gain more insight into the process, use of consultants, and community engagement
- Interviewed City and Travis County staff to assess capacity for involvement in the planning process and alignment of the Food Plan with existing departmental master plans
- Engaged the Austin-Travis County Food Policy Board to advise on what elements of comparable city food plans should be included in the Austin Travis County Plan
- Developed a draft food system planning process and timeline

The proposed plan will be centered on equity and resiliency and include three components: 1) Disaster preparedness, including the development of a Disaster Food and Drinking Water Appendix to the Emergency Operation Plan, 2) Food Supply Chain Vulnerability Analysis, including engagement with supply chain stakeholders and development of recommendations, and 3) Development of a community food vision including specific metrics, goals, strategies, and a dashboard.

The planning process will incorporate relevant existing City and County plans to inform the development of food system metrics and strategies, including the Austin Climate Equity Plan. It will also include multiple opportunities for City, stakeholder, and community engagement:

- The Austin-Travis County Food Policy Board (ATCFPB) will help assess national food plan best practices and provide recommendations for the planning process.
- A Community Advisory Committee composed of members of the ATCFPB and other community stakeholders will be developed to provide leadership for the overall planning process.
- A City of Austin executive-level food resiliency team will be created representing relevant City departments, with an opportunity to incorporate Travis County Departments if appropriate.
- A broad multi-lingual engagement strategy will be developed to incorporate community voices, targeting community members most negatively impacted by the current food system and essential workers from production, distribution, consumption, and waste reduction sectors of the food system.
- Food system organizations from across the region, including the Central Texas Regional Foodshed Collaborative, will provide input on how the planning process could include stakeholders from across the five-county region of Austin's MSA and include regional issues in the plan where appropriate.

Funding:

The planning process will be funded through two sources:

- \$500,000 American Rescue Plan Act funds, as directed by Council
- \$250,000 one-time allocation from the City of Austin Budget Stabilization Fund

Process and Timeline:

- **September - November 2021:** Develop scope of work, solicit, and onboard a contractor to help lead with the food planning process

- **December 2021 - April 2022:** Recruit and onboard Community Advisory Committee, conduct listening sessions, co-develop a vision for the plan, conduct a community food assessment
- **March 2022:** Hold Equity Workshops with all key stakeholders
- **April - October 2022:** Conduct community and stakeholder engagement to develop goals, strategies, and recommended actions
- **October - December 2022:** Identify and define evaluation indicators and determine accountability structures
- **December 2022 - February 2023:** Draft plan and associated deliverables, including a dashboard and web page
- **March 2023:** Solicit and incorporate feedback on the draft plan
- **Summer 2023:** Present final plan to stakeholders

2) Food Access Needs Assessment for the Unhoused

The Food Resiliency Resolution requested the City Manager to conduct or seek a community partner to conduct a needs assessment regarding food insecurity and access in our unsheltered community during times of both non-crisis and crisis.

Lead Department: Austin Public Health – Homeless Services Division

Supporting Departments: Office of Sustainability, Equity Office, Homeland Security and Emergency Management, Downtown Austin Community Court, Parks and Recreation, Austin Travis County EMS

Progress to Date and Timeline:

The Homeless Strategy Division (HSD) will be working with key stakeholders to identify specific needs, gaps, and known resources and opportunities for innovative practices in accessing food. These stakeholders include the Austin Homelessness Advisory Council, service providers, faith-based organizations, and volunteer and community-based groups, including and in addition to individuals with lived experience of homelessness.

In November and December 2021, HSD will be working with a community partner to conduct a comprehensive survey and needs assessment. In addition to the pandemic's public health risks and disruptions, extensive geographic, legal, and service delivery changes across Austin have been in play for people experiencing homelessness. These factors have significantly impacted how, where, and when people living unsheltered source their food, drinking water, and other basic needs items. The assessment will also include considerations during emergencies and disasters. Results of the community inventory and needs assessment will be provided to Council for potential further action, as requested.

3) Financial Resources for the Food System

The resolution requested that the City Manager review and recommend eligible financial resources to support the growth and stabilization of the local food system, including possible funds from the American Rescue Plan, bonds, and Chapter 380 financial incentives. It also requested exploration of the financial vehicles other areas such as New York City and Hawaii have used for such purposes.

Lead department: Economic Development

Supporting departments: Office of Sustainability, Equity Office, Austin Public Health

Progress to Date and Funding:

As part of ongoing efforts to provide financial support to businesses in the local food sector, and in response to this resolution, City staff have conducted research to identify appropriate financial resources that could support the growth and stabilization of the local food system. Identified resources and programs are outlined in the following table.

Funding Program or Type	Description	Suitable Projects or Uses	Austin Context Considerations
American Rescue Plan (ARPA)	Flexible funds within the context of economic recovery that must be allocated by 2024 and spent by 2026. ARPA-funded projects should advance shared interests and promote equitable delivery of government benefits and opportunities to underserved communities, as outlined in Executive Order 13985 .	Currently programmed to support enhanced food resiliency, regional food system planning, and development of a nonprofit or cooperative grocery store in an underserved area.	Council approved an ARPA spending framework via Resolution No. 20210610-077 .
Community Development Block Grants (CDBG)	A U.S. Housing and Urban Development Department that must be used to benefit low- and moderate-income persons, address community development needs, or prevent/eliminate blight. Austin is entitled to a grant every year.	Projects which provide services to residents in a low- or moderate-income area, or projects that employ low- or moderate-income workers.	EDD is working to deploy the <i>Food Equity and Economic Development</i> (FEED) program using CDBG funding. This program will provide funding and technical assistance to scale qualifying food businesses.
Economic Development Administration Grants	The U.S. Economic Development Administration provides grants to public sector and nonprofit grantees to support job creation and leverage additional outside investment.	Suitable for projects that provide benefits to multiple companies (e.g., food sector infrastructure) and have external financing sources.	
Industrial Revenue Bonds (IRBs)	IRBs provide a source of tax-exempt or taxable bond finance for projects that involve significant private activity that promotes new and existing businesses, encourage employment, and expand the tax base of a community.	Food projects with significant capital requirements, long project development timelines, and significant public benefit.	Would require an application to the State of Texas from the Austin Industrial Development Corporation .

New Market Tax Credits (NMTCs)	This program was created to generate additional capital for economic development projects in low-income communities. The Community Development Financial Institutions Fund (CDFI Fund) allocates NMTCs to Community Development Entities (CDEs). The CDE then leverages the allocation of tax credits to raise equity from investors.	Projects in qualifying areas that have significant investor backing. The Portland Mercado is an example of a project that utilized New Market Tax Credits.	
Tax Incentives	Provide a reimbursement for certain kinds of taxes (property and sales are most common) in exchange for creating jobs or providing certain kinds of goods/services in desired areas.	Generally, uses are flexible. The NYC FRESH program uses tax incentives to facilitate food retail expansion in qualifying areas.	The current City of Austin Chapter 380 policy is not particularly tailored to food businesses, many of which struggle to meet the minimum wage requirements.
Tax Increment Financing (TIF)	A mechanism for capturing the future tax revenues of new development or redevelopment to pay for the present cost of the site improvements. All newly-generated tax revenues from developments in the district go toward the increment, which is used to repay the initial project costs.	Most appropriate for district-scale investments, such as market areas. The Dallas Farmers Market utilized a TIF District financing mechanism.	

Process and Timeline:

In the near term, EDD staff is focusing on deploying ARPA funding to support nonprofit or cooperative grocery store development. Staff will provide Mayor and Council with additional details regarding this program in a future memo.

Additionally, EDD staff is planning to use CDBG funding for the FEED program. This new program will catalyze food sector business development in underserved areas by providing funding to projects that will strengthen the food sector, improve food access, and demonstrate the viability of food sector investments for private sector funders. Staff is awaiting HUD approval for this project concept.

4) Addressing Food Access Needs in Priority Neighborhoods

The Food Resiliency Resolution requests the City Manager to estimate costs required to address the needs identified in the Community Engagement and Health Equity Division of UT Dell Medical School survey for the Food Access Task Force and the June 2020 COVID-19 food system response recommendations from the Austin-Travis County Food Policy Board.

Lead department: Office of Sustainability

Supporting Departments: Austin Public Health – Social Service Division, Budget Office, Equity Office

Funding:

In June 2021, Austin City Council approved a spending framework for the American Rescue Plan that included three million dollars for addressing food insecurity. As part of this framework, Austin Public Health will receive two million dollars for specific food access issues related to COVID-19.

Process and Timeline:

The Dell Med Food Access Task Force Report findings will inform the prioritization of where those funds should be spent and what types of programs should be implemented. The four zip codes referenced in the report will be prioritized in contracts developed for food access programs. Transportation challenges will be highlighted as a specific need to be addressed. In September 2021, Austin Public Health will be finalizing the investment strategy for the two million dollars of additional funding, which will likely include expanding current programs to address food insecurity and a solicitation to contract with nonprofit partners.

5) Assessing Food System Needs on City-owned Land

The Food Resiliency Resolution directs the City Manager to create a prioritization matrix that can be used to assess City-owned land for the purposes of strengthening our local and regional food system and promoting equity, diversity, and inclusion in urban farm opportunities. It also directed the City Manager to build upon the City research that has been conducted thus far, such as the analysis of the Williamson Creek Wastewater Treatment Plant and the surplus tracts identified in the 2015 Office of Real Estate Services memo.

Lead Department: Office of Sustainability

Supporting Departments: Real Estate Services, Economic Development, Austin Public Health (Chronic Disease and Injury Prevention, Health Equity and Neighborhood Services), Parks and Recreation, Watershed Protection, Homeland Security and Emergency Management, Equity Office, Travis County

Progress to Date:

In August, City staff met to review the historical work on prioritizing public land use and the existing matrices for evaluating food system land use needs. In addition, a process is being developed by Real Estate Services to provide clarity around the process for developing land use contracts with nonprofit organizations.

Process and Timeline:

A list of surplus properties with potential use within the food system is being developed and will be available for a presentation to the Public Health Committee in September. This list and the internal City staff team will be incorporated into the Food System Planning Process to connect community input on unmet needs with potential properties that could help address those needs.

6) Management of EAT operations

The Food Resiliency Resolution requests the City Manager to engage appropriate nonprofits or other partners who may be interested in funding and managing the EAT operations, and provide sufficient notice to contracted food vendors, community partners, and the public before the end of June.

Lead department: Austin Public Health – Homeless Service Division

Supporting Departments: Office of Sustainability, Equity Office, Homeland Security and Emergency Management

Progress to Date:

The Eating Apart Together (EAT) initiative was created and implemented as part of the public health emergency response to COVID-19. Stay-at-Home orders, changes to food availability, and limited resources during the pandemic resulted in significant food access barriers for people living unhoused. EAT has relied heavily on community partner participation and successfully provided over one million meals to individuals in need of food. The EAT team was also able to distribute drinking water, face coverings, toilet paper, and other basic needs items.

By the end of June 2021, shelf-stable food bag operations ramped down, and prepared meals have continued throughout the summer. An update was provided in a [July 9 memo to Mayor and Council](#), and a [press release](#) highlighting over one million meals served was issued July 16. Results of the Food Access Needs Assessment covered in Section 2 of this memo will help inform how best to invest available resources, support community partners, and connect to larger systems of food sourcing and access for individuals experiencing homelessness.

If you have any questions, please contact Edwin Marty, Food Policy Manager with the Office of Sustainability, at Edwin.Marty@austintexas.gov.

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