



MEMORANDUM

TO: Mayor and City Council

FROM: Sylnovia Holt-Rabb, Acting Director
Economic Development Department *SHR*

DATE: January 6, 2022

SUBJECT: Clarification and Response Memo on Economic Development
Department's Economic District Policy Framework Solicitation

The purpose of this memo is to provide responses to City Council questions related to the Economic Development Department's (EDD) Economic District Policy Framework Solicitation.

Identified Need and Impact

A comprehensive Economic District Policy Framework was recommended by staff to address the needs identified below in question #3. These needs were identified through existing District initiative, both Council and Community-led. Creating an Economic District Policy Framework would provide recommendations for City Council consideration. Importantly the framework would serve as the foundation to ensure the City is equitably serving a variety of districts geographically dispersed around the City and its community members with adequate tools and resources.

Work Session Questions:

1. What is the relationship between the Economic District Policy Framework and the Thriving in Place Report?

[Thriving in Place](#) will be a foundational resource to the creation of an Economic District Policy Framework that will address the needs identified in question #3. Completed in 2018, the Thriving in Place Report provided recommendations regarding policy interventions, programs, and tools that would help preserve and enhance cultural spaces. Specifically, the Thriving in Place work recommended the following:

- Adopt a place-based economic development policy framework
- Organize City resources and adopt organizational structure to execute the policy

- Empower staff skilled in structuring the policy tools to address the creative space needs of the district
- Formally engage on a community-by community basis and adopt community-led and market-informed district strategies
- Deploy a range of tools and interventions available to address the policy, along with a municipal led support strategy that allows for long term stewardship of the desired outcomes through changing economic and political circumstances

The report was not adopted by City Council as a policy directive nor were financial or other resources allocated to its implementation. The Economic District Policy Framework will follow through on the above recommendations by bringing back to Council the above referenced deliverables for Council consideration for adoption. The Framework will operationalize the recommendations into a coherent policy involving the range of economic districts and a range of policy interventions current to Austin's current market and cultural context.

2. What is the opportunity to continue work with the previous contractor (Matt Kwatinetz/QBL)?

The National Endowment of the Arts (NEA) Grant funded \$20,000 for the Cultural Asset Map Project for which the Thriving in Place report was a deliverable. CT 5500 16121500139 was issued to Matthew Kwatinetz/QBL Partners via a Certificate of Exemption for the related work and deliverables. The deliverables were completed in January 2018.

In support of the Economic Development Department, the Purchasing Office conducted a competitive solicitation for the consultant for the Economic District Policy Framework. QBL Partners did receive the solicitation as a registered vendor for three of the four commodity codes underpinning the solicitation; however, this vendor did not submit a proposal for the work. With City Council approval, the recommended consultant, Sabre, will carry out the scope of work that calls for the engagement of internal and external stakeholders specifically to explore how they aspire or use districts. The scope will also explore best practices and research on successful models cities have deployed for districts. During the analysis period, staff and the contractor will leverage existing work products and relationships including an invitation to Matt Kwatinetz/QBL Partners and other stakeholders to inform the scope of work. Doing so will ensure continuity between the Thriving in Place work and this expanded Policy Framework.

3. What is the justification for developing a city-wide district policy framework versus working with individual/case-by-case district designation?

The Mayor and City Council memorandum dated December 3, 2021 provides the detailed justification underpinning the need for scope of work called for in solicitation 5500 AVB 3001. As stated in the memo and in response to [Resolution No. 20190523-029](#), EDD recommended the completion of best practice research on guidelines and criteria of local designation of cultural districts and other types of districts ([Appendix A – CIUR Response 2160](#)). EDD made this recommendation to ensure an equitable and informed approach to the area of interest, the Mexican American Heritage Corridor, as well as other identified cultural and heritage and other types of districts, could be achieved. Best practice community research overall concluded that

district place-based strategies combine a variety of approaches, tools, and policies. Communities surveyed shared that a single local designation process through a formalized City Council approval or programmatic approach, may not independently meet the needs of addressing the goals or vision of a district. Themes from the research included the need for a robust set of regulatory, programmatic, and financial tools and resources, the need to understand the economic market of the geographic areas, and importantly community-based leadership.

In addition to this best practice research, EDD pioneered successful district formation through the **Souly Austin Program**. [Souly Austin Program](#) provides dedicated technical assistance offering community organizing support, assistance with forming an organizational entity, identifying district needs and minimal place-enhancing support. The six- year Program history clearly evidences that activities and place-enhancing projects vary by the needs of a specific district and their community. Work on districts to date has explored vast partnerships with other City departments towards the goal of implementation. This work has demonstrated large gaps in process and programs to implement these directives. Absent these processes and programs, desires of the community and fulfillment of Council directives cannot be executed successfully, consistently and equitably across districts. Currently the program lacks the essential tools necessary to offer regulatory, programmatic, or financial support needed in creating and supporting districts.

Additionally, this scope of work builds upon and takes action on key recommendations in the Thriving In Place Report. The [Thriving in Place](#) Report, explored resources that would catalyze the development of cultural spaces through the formation of Cultural Districts. Specifically, Thriving in Place Report recommended the following:

- Adopt a place-based economic development policy framework
- Organize City resources and adopt organizational structure to execute the policy
- Empower staff skilled in structuring the policy tools to address the creative space needs of the district
- Formally engage on a community-by community basis and adopt community-led and market-informed district strategies
- • Deploy a range of tools and interventions available to address the policy, along with a municipal led support strategy that allows for long term stewardship of the desired outcomes through changing economic and political circumstances

The Economic District Policy Framework will follow through on the above recommendations by bringing back to Council the above referenced deliverables for Council consideration for adoption. Thus, the Economic District Framework will bring forward to Council key elements that the Thriving in Place analysis found lacking for district viability and achieving designation goals: policy, programmatic, and process delivered in a coherent policy framework that enables districts, however defined, to achieve policy goals while grounded in authentic, grass-roots community led stewardship.

4. How does the proposed project impact ongoing initiatives?

The Policy Framework will not disrupt any existing district initiatives including the following resolutions of Council-led directives involving various City departments.

- Red River Cultural District – [Resolution No. 20131017-036](#)
- 5th Street Mexican American Heritage Corridor – [Resolution No. 20190523-029](#)
- Barton Springs Cultural Park/District – [Resolution No. 20210506-042](#)
- Palm District Master Plan - [No. 20190523-029](#)
- Six Square Cultural District – [Resolution No. 20071213-058](#)

These initiatives will continue to inform one another where applicable and staff in various departments will continue to regularly communicate for information sharing purposes and to identify potential partnerships.

The Policy Framework will leverage the existing work to better understand additional needs of all districts through information collected by the community and or staff. Many of these initiatives require financial, regulatory, programmatic and policy resources and tools to implement successfully. These recommendations on tools and resources along with successes and challenges experienced will inform the Policy Framework. Additionally, internal and external stakeholders may be invited to provide input during the analysis portion of the framework.

5. What is the relationship of the proposed work of the Economic District Policy Framework and the Palm District Initiative?

The Council directive is for the Palm District Planning Initiative to guide future development in the Eastern portion of downtown Austin, linking land use, urban design, transportation, economic development, housing, public spaces, historic preservation, cultural arts, and social equity. The needs and recommendations of the Palm District may require financial, regulatory, and programmatic and policy resources and tools to implement successfully. Therefore, the Scope of Work for the Economic District Policy Framework will be concurrent with the work of the Palm District Initiative, led by the Housing and Planning Department. Both EDD and the Housing and Planning Department will share information to mutually inform the respective work. Specifically, community input and recommendations on implementation of the Palm District will be incorporated into the Economic District Policy Framework.

6. What is the role of the AEDC in the proposed project?

AEDC staff may be invited to provide input during the analysis portion of the policy framework. Additional roles or responsibilities by the AEDC would need to be approved by both the Board of Directors of the AEDC and the City Council through an amendment to the Interlocal Agreement with identification of appropriate sources of funding.

7. Provide additional clarity on the scope of work.

A comprehensive Economic District Policy Framework was recommended to address the needs identified through existing district initiatives both Council and community-led (noted above # 3). The needs demonstrate a gap in financial, regulatory, programmatic and policy tools to

successfully support, or create all types of districts equitability. The scope of work will complete the following:

- Provide a historical and current review of how the City of Austin has defined, designated, and operationalized a variety of district types;
- An analysis of how internal and external stakeholders use or aspire to use Districts as an economic development tool or other uses;
- Provide best practice research on successful models cities have deployed for the use of Districts as a tool for economic development that further supports and promotes culture, heritage, tourism, and history;
- Establish a set of recommendations which may include process, programmatic and policy recommendations for the use of Districts including district designation, formation, sustainability and roles and responsibilities;
- Establish a set of recommendations on local district designation, district types, community benefit identification and specific approaches inclusive of engagement and leadership;
- Establish a set of recommendations on additional tools to leverage Districts inclusive of tools for the purpose of preservation and development of Districts reflective of Austin's heritage, history, culture, and support vibrant public spaces and strong micro-economies;
- Development of an operational tool kit that be used for public-private partnerships and use in developing or sustaining either community- or City-led district formation; and
- Development of a comprehensive District Framework informed by data, analysis, research, and stakeholder contributions that serves as the guidepost for Districts in the City of Austin.

For the purpose of this scope of work, a "district" is defined as follows: A district may be a contiguous geographic area of cultural, heritage, historical, commercial, or residential assets that provide the thread to a unique patchwork of identity in which preservation, enhancement, sustainability, and economic opportunity are driving factors to long-term success of a complete community.

8. What is the involvement of other City Departments who lead district development requests (specifically PARD)?

The Economic Development Department takes a collaborative approach with other City Departments, including the Parks and Recreation Department (PARD), in the development of districts that include PARD assets. This will be critical for the Barton Springs Cultural Park/District ([Resolution No. 20210506-042](#)) in addition to the Palm District initiative. Other examples of

EDD interdepartmental collaboration include working with Public Works on the Red River enhancements project, partnering with Austin Transportation Department on South Congress Parking Study, providing input and best practices on districts to PARD.

In addition to the regular communication, the Economic District Policy Framework scope of work will engage partnering City departments to assist in the following:

- Provide input on recommendations specific to the identification, designation, and implementation of districts;
- Provide input on a diverse set of tools – financial, regulatory, programmatic, and policy resources needed towards self-sustaining districts;
- Share learned experiences including successes and challenges to working with all types of districts to identify all needs and gaps; and
- Share internal and or and external stakeholders who may be invited to provide input during the analysis portion of the framework.

9. How will the Economic District Policy Framework advance work related to Cultural/Heritage preservation resources for underrepresented communities; specifically deploying resources for placemaking and public art in the southeast area of the City of Austin?

The Economic District Policy Framework will directly address the current inequities in district designation both in terms of geography and appropriate policy tools and resources to support grass-roots stakeholders in accomplishing their articulated goals in a manner sensitive to current market conditions and barriers to opportunities. It will provide comprehensive recommendations on programs, processes, and resources that are the vehicle for implementation of activations, events, place making and keeping projects, and projects rooted in heritage and cultural assets. Activities (including public art) and place-enhancing projects vary by the needs of a specific district and their community. Framework would ensure adequate resources to meet the needs of various geographic areas and their diversity, and resources to support inclusive community engagement.