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Austin Interfaith

Recommendation to City of Austin
Special Committee on Incentives
November 13, 2012

Agenda

- ▶ Austin Interfaith Objectives
- ▶ Wage Profile Considerations
- ▶ Entry Level Jobs
- ▶ Contract Construction Jobs
- ▶ Incentive Offer
- ▶ Earning Ongoing Incentives
- ▶ Exceptions
- ▶ Objectives

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Austin Interfaith Objectives

- ▶ Recognize strengths of current system
- ▶ Provide highest incentives to companies that raise the City of Austin *average* salary
- ▶ Eliminate taxpayer support of poverty wages
- ▶ Continue emphasis on opportunities that span skill levels, address hard to employ, promote M/W Business Enterprises etc.
- ▶ Require receiving companies to provide workable career path options
- ▶ Assure return to City of Austin
- ▶ Allow for reasonable exceptions

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Wage Profile Considerations

- ▶ Wage profile must be a key factor that determines size of initial incentive offer
- ▶ Three levels of earned credit based upon wage package are proposed
 - Highest for jobs at or above City of Austin *average*
 - Medium for jobs at or above City of Austin *median*
 - Lower for jobs at or above poverty level

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Entry Level Jobs

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- ▶ All wages must meet or exceed \$12/hour* or federal poverty guidelines whichever is higher
- ▶ Commitment to career path for advancement must be demonstrated and documented
 - For all job holders below City of Austin *average*
 - Internal programs
 - Investment in workforce development i.e. Capital Idea

* Exceptional benefits package can be considered

Contract Construction Jobs

- ▶ Wages – \$12 minimum* or prevailing wage whichever is higher
- ▶ Safety
 - OSHA 10 Safety training
 - Workers' Compensation Insurance
- ▶ Career Path
 - Companies receiving incentives financially support and hire from workforce training programs, i.e. Construction Career Center, into higher paying jobs

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* Exceptional benefits package can be considered

Incentive Offer

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- ▶ Use current evaluation matrix to determine applicant's base qualifications
 - Increase emphasis on manufacturing
 - Add factors used to determine offer size
 - Projected wage profile
 - Scope of commitment to workforce development
- ▶ Determine first year offer based upon commitments
- ▶ Project offer for succeeding years
 - Use original commitments for projection
 - Adjust for actual performance annually

Earning Ongoing Incentives

- ▶ Evaluation based upon annual data provided by company
- ▶ Includes current review criteria
 - Number and types of jobs
 - Size of investment
- ▶ Adds additional factors
 - Actual wages
 - Workforce development success
 - Employee residency statistics

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Exceptions

- ▶ Requests for exceptions will be considered for any incentive requirement
- ▶ Exceptions must be documented, made public, and approved by City Council
 - 2 week notice to public as to nature of exception and justification
 - Public comment before vote **Draft**
- ▶ Once exception is approved, a vote to approve the incentive can be scheduled

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