



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Kevin Johns, Director  
Economic Growth and Redevelopment Services Office

**DATE:** May 1, 2013

**SUBJECT:** Economic Impact Analysis of Urban Agriculture and Local Food Sector:  
Implementation of Recommendations (Council Resolution No. 201320411-038)  
CIUR 982

With Council direction last August, the Economic Growth and Redevelopment Services Office (EGRSO) contracted with TXP, a local economic consulting firm, to determine the economic impact of urban agriculture and the local food system including, production, distribution, consumption, and waste. TXP and EGRSO staff worked closely with key stakeholders, including the Sustainable Food Policy Board (SFPB), and the Departments of Parks and Recreation (PARD) and Health and Human Services (HHSD) to produce the report.

Jon Hockenyo, President of TXP Inc., shared in a Council briefing on March 28<sup>th</sup> that the Austin metropolitan food sector generates \$4.1 billion in economic activity and supports more than 43,000 jobs. His report calls out specific ways to build upon the creativity and entrepreneurship in the Austin food sector from tapping into the national food tourism movement, to encouraging local venues and residents to buy more locally grown and manufactured foods. His findings highlighted the need for more training and facilities for farmers and food manufacturers to help them grow their businesses, and showed that despite Austin's bounty, many residents lack access to fresh foods and/or have significant health challenges related to nutrition.

After receiving the report, Austin City Council directed the City Manager to implement TXP's recommendations that do not require additional resources and outline staff priorities for those with budget implications in coordination with SFPB (Council Resolution No. 201320411-038). EGRSO staff and Jon Hockenyo appeared before the SFPB on April 22<sup>nd</sup> to answer questions regarding the report, and following this discussion, the SFPB chose the following priorities for implementation by consensus without rank (see attached for details):

- Create infrastructure and facilities, such as cold storage, processing facilities and distribution systems, to help local farms and food manufacturers reach more customers;
- Encourage supporting local farmers through incentives, access to land, and training to help them increase their customer base; and
- Implement innovative and proven practices that improve access to healthy and local foods and reduce hunger in our community.

Food issues touch all aspects of public policy, from health and recreation, to transportation, utilities, land use, jobs, education and businesses; thus, staff is already engaged in a diverse array of food-related efforts. A small sample of which include:

- HHSD administers various healthy food education and hunger reducing programs and grants such as WIC, Fresh Food for Families, Emergency and Mobile Food Pantries, Healthy Options Project for the Elderly and the Community Transformation Grant.
- PARD offers \$25,000 in mini-grants to support urban agriculture training, education, and outreach as well as community garden projects and has endorsed 11 community gardens, with four more applications in review.
- Planning Development and Review Department is revising zoning regulations with regard to urban farms;
- Austin Water waives impact, tap and reconnection fees for community gardens; waives wastewater charges on water used for irrigation if a separate meter is installed; and allows alternative compliance to the City's watering restrictions for area gardens and farms, and
- EGRSO's Music Division will book musical acts for HOPE Farmers Market's First Sunday activities.

TXP's report spurred action within existing resources. EGRSO worked with the Corporate Public Information Office to launch an online forum regarding the study, so Austin residents could share their views on what they like about Austin's food sector and where there are opportunities to grow it. The discussion shows the diversity of public interest in the local food sector. Follow the discussion at <https://austintexas.granicusideas.com/discussions/economic-impact-of-austins-food-sector/topics/define-local-food>.

Additional efforts begun are partnerships. Since all foodsheds are regional, EGRSO staff began discussions with the Capital Area Council of Governments and the Texas A&M Extension Service to better understand the current inventory and gaps in facilities, programs, and activities that support Central Texas' existing growers and producers. Staff will work with these and other entities to create networks and partnerships that increase local food production and avoid duplication of services. Broader marketing of existing training and education services available to farmers and food producers is planned. Staff will also review statutory changes that result from Representative Eddie Rodriguez's bipartisan "Farm to Table" caucus. The first of its kind in the USA, this Texas House caucus focuses on issues relating to family farms, ranches, and coastal fishing operations as well as the distributors and consumers of their goods.

TXP's findings suggest the City invest additional resources to create jobs in the food sector and generate wealth for local growers and food manufacturers, simultaneously improving community health and strengthening family life. Recognizing the significance of the sector and Council's interest in moving forward, staff estimates that approximately \$200,000 in funding would need to be allocated to support new initiatives on food-related needs. New resources would support a citywide staff coordinator and consulting services necessary to create a strategic plan with stakeholder input, community engagement and/or educational forums, and real estate feasibility analyses for facilities determined to be needed.

A strategic plan is required to clarify the City's roles and responsibilities, focus its energy and resources, dovetail efforts with non-City programs, and ensure that staff, farmers and producers, regional partners, and stakeholders are working toward common goals. This plan would gauge where we as a community, the actions needed to make progress, and set benchmarks to measure success. If additional resources are approved through the FY 2013-14 budget cycle, such a plan could be completed by February, 2014.

Staff looks forward to the discussion during the budget process on Council priorities with regard to expanding the Austin food sector.

Attachment

Cc: Marc A. Ott, City Manager  
Sue Edwards, Assistant City Manager  
Lucia Athens, Chief Sustainability Officer  
Sara Hensley, Director, Parks and Recreation Department  
Carlos Rivera, Director, Health and Human Services Department

**SUSTAINABLE FOOD POLICY BOARD  
RECOMMENDATIONS ON ECONOMIC IMPACT OF AUSTIN'S FOOD SECTOR  
Board Meeting held April 22, 2013  
Transcribed from Video Recording for Minutes**

**4. Discuss and Take Appropriate Action**

**A. Prioritization of Economic Impact Recommendations; and Identify Short- and Long-term Priorities and Budget Implications [40 minutes]**

The Board agrees by consensus to present only three priority recommendations in no specific order of importance.

- City of Austin identifies infrastructure needs such as cold storage, warehousing, distribution and processing facilities for animals and other food in order to increase production of foods from local farms and food manufacturers.
  - Motion made by Vice chair Ronda Rutledge
  - Motion seconded by member Mary Teeters
  - Motion passed 9-0-0; members Kathy Green and Katherine Nicely not present at vote
- Support local farmers by providing economic development and regulatory incentives; access to land and markets; and training and education programs to increase customer bases.
  - Motion made by Vice chair Ronda Rutledge
  - Motion seconded by member Rob Borowski
  - Motion passed 9-0-0; members Kathy Green and Katherine Nicely not present at vote
- Identify innovative and proven practices to mitigate barriers to access for food-insecure residents and implement proven practices that are not just geographically but also socially and culturally appropriate to improve access to healthy and local foods and reduce hunger in our community.
  - Motion made by member Mary Teeters
  - Motion seconded by member Marla Camp
  - Motion passed 9-0-0; members Kathy Green and Katherine Nicely not present at vote