

**AGENDA**



**Recommendation for Council Action**

Austin City Council	<b>Item ID</b>	29098	<b>Agenda Number</b>	17.
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<b>Meeting Date:</b>	12/12/2013	<b>Department:</b>	Economic Development Department
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**Subject**

Approve a resolution committing City support for the federal Promise Zone Initiative program, which provides a program for local governments to work with the federal government to accelerate revitalization in areas meeting certain poverty, crime and population levels and other criteria, if the U.S. Department of Housing and Urban Development approves the City's application to designate the Rundberg area as a Promise Zone.

**Amount and Source of Funding**

**Fiscal Note**

There is no fiscal impact. A fiscal note is not required.

<b>Purchasing Language:</b>	
<b>Prior Council Action:</b>	November 1, 2012 - Council approved Ordinance 20121101-013 authorizing acceptance of accepting \$1,000,000 in grant funds from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance for the Austin Police Department project entitled City of Austin Byrne Criminal Justice Innovation Program.
<b>For More Information:</b>	Kevin Johns, Director / ED, (512) 974-7802; Vicky Valdez, SBDP Program Manager / ED, (512) 974-7620
<b>Boards and Commission Action:</b>	
<b>MBE / WBE:</b>	
<b>Related Items:</b>	

**Additional Backup Information**

In collaboration with the Austin Police Department, Economic Development (ED) submitted an application to the U.S. Department of Housing and Urban Development (HUD) to designate the Rundberg area as a Promise Zone.

Promise Zones are a part of the Obama Administration's larger Ladders of Opportunity agenda and are intended to revitalize high-poverty communities across the country by attracting private investment, improving affordable housing, improving educational opportunities, reducing violent crime and assisting local leaders in navigating federal programs and cutting through red tape. Promise Zones will not receive direct funding but will benefit from technical assistance, federal staff support, more extensive preference points and access to other federal grant programs. Promise Zone tax credits may be enacted by Congress in the future allowing private businesses to receive tax incentives for

hiring workers and investing in Promise Zones.

A proposed Promise Zone must meet the following criteria:

1. Encompass one or more census tract(s) across a contiguous geography.
2. Population of at least 10,000 but no more than 200,000 residents.
3. Overall poverty rate must be over 20 percent.
4. Contain at least one census tract with a poverty rate above 30 percent.
5. Higher Part I serious and violent crime rate.
6. Low employment rate for working-age adults.
7. Higher long-term vacancy rate of residential properties within the Promise Zone.
8. Boundary must include a current Promise Neighborhoods grant, Choice Neighborhoods Implementation grant or Byrne Criminal Justice Innovation grant.
9. Local leadership, including the mayors of jurisdictions represented in the Promise Zone, must demonstrate commitment to the Promise Zone effort.

The Promise Zone designation will be requested for the Rundberg area using geographic boundaries established for the Byrne Criminal Justice Innovation grant received by APD in 2012:

- Research Boulevard/Anderson Lane to the south;
- Railroad tracks (just west of Metric) and Lamar to the west;
- Interstate 35 and Cameron Road to the east; and,
- Rutland Drive, Braker Lane, Floradale Drive, and Applegate Drive to the north

As with the APD Byrne grant, the target area was chosen based on high levels of poverty, disinvestment, unemployment, and criminal activity – all of which discourage redevelopment and stifle economic growth.