

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	38728	Agenda Number	12.
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Meeting Date:	3/5/2015	Department:	Economic Development
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Subject

Authorize negotiation and execution of an interlocal agreement with the Austin Independent School District for administration of the proposed Austin Promise Zone, intended to revitalize high poverty communities in the Rundberg, St. John's, Colony Park, East Central, and Dove Springs areas, pending designation by the U.S. Department of Housing and Urban Development.

Amount and Source of Funding

This is a Federal designation from the U.S. Department of Housing and Urban Development with no directly associated funding. A City match is not required.

Fiscal Note

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

Purchasing Language:	
Prior Council Action:	December 12, 2013 - Council approved Resolution 20131212-017 committing the City's support for the federal Promise Zone program.
For More Information:	Kevin Johns, Director, Economic Development Department, (512) 974-7802
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

This action authorizes the negotiation and execution of an interlocal agreement between the City and the Austin Independent School District (AISD) for administering an unfunded Austin Promise Zone (APZ), pending designation by the U.S. Department of Housing and Urban Development (HUD). The proposed Promise Zone encompasses low-income neighborhoods in the Rundberg, St. John's, Colony Park, East Central and Dove Springs areas (see map).

AISD is the lead applicant on the 2014 Promise Zone application, with the City, Travis County, United Way for Greater Austin, and the Housing Authority of the City as key implementing partners. Other partnering organizations include: Community Advancement Network, Manor Independent School District, Del Valle Independent School District, The Austin Project, Children's Optimal Health, Lutheran Social Services of the South, Child, Inc., University of Texas at Austin, Michael & Susan Dell Foundation and neighborhood revitalization groups including Restore Rundberg, Colony Park, St. John Community School Alliance, Rosewood Choice and Go Austin! Vamos Austin! (Dove Springs).

Promise Zones are a part of the Obama Administration's 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. Promise Zones do not receive direct funding, but benefit from technical assistance, federal staff support, and more extensive preference points for 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.

According to HUD, the “Promise Zones designation will be for a term of 10 years, and may be extended as necessary to capture the full term of availability of the Promise Zones tax incentives, pending the enactment of tax incentives by Congress”. The current list of opportunities includes:

- *Department of Agriculture:* Community Facilities Direct Loan and Grant Program; Community Food Projects; Farmers Market Promotion Program; Housing Preservation Grants; Local Food Promotion Program; Rural Community Development Initiative; Self-Help Section 523 Technical Assistance Grants
- *Department of Commerce:* Economic Development Assistance Program
- *Corporation for National and Community Service:* AmeriCorps VISTA; Social Innovation Fund
- *Department of Education:* Charter Schools Program Replication and Expansion Grant; Full Service Community Schools Grant; GEAR UP; Project Prevent Grants; School Climate Transformation Grants
- *Department of Health and Human Services:* Assets for Independence; Community Economic Development Program; Community Economic Development Program—Healthy Food Financing Initiative Program; Community Health Centers; Healthy Start; Teen Pregnancy Prevention Program
- *Department of Housing and Urban Development:* Choice Neighborhoods Implementation Grants; Choice Neighborhoods Planning Grant; Community Development Block Grant (ICDBG) Program for Indian Tribes and Alaska Native Villages
- *Department of Justice:* Byrne Criminal Justice Innovation Program; COPS Hiring Program
- *Department of Labor:* Reintegration of Ex-Offenders; Trade Adjustment Assistance Community College and Career Training Initiative; YouthBuild
- *Small Business Administration:* HUBZone; Micro Entrepreneurship Initiative; Office of Native American Affairs and Technical Assistance; Women’s Business Center
- *U.S. Department of the Treasury:* New Markets Tax Credit Program”

All Austin Promise Zone partners commit to: 1] participating in regular meetings of the APZ steering committee; 2] collecting and sharing data for planning, implementation and evaluation of the APZ initiative; 3] making resources available to support activities associated with day-to-day implementation of the APZ initiative; 4] developing collaborative agreements and shared governance structure to ensure consistency and continuity of the APZ initiative over time; 5] leveraging their influence with stakeholder networks and adapting policy and strategic plans to promote alignment to APZ goals.

The interlocal agreement specifically commits the City to assigning staff to act as the point of contact for inquiries, coordination and reporting of activities related to APZ Goals as follows: Economic Development Department-Goal 1 Creating Jobs and Goal 2 Economic Development; Austin Police Department-Goal 4 Reduce Serious or Violent Crime; Housing and Community Development-Goal 6 Livable Communities and Transportation.