

RESOLUTION NO. 20170216-040

WHEREAS, the State of Texas gives municipal governments the authority to create entities in their communities that can structure public-private partnerships and help local governments accomplish holistic goals related to economic development; and

WHEREAS, entities such as nonprofit Economic Development Corporations (EDCs) can help create new and expanded infrastructure or enterprises in their local communities; and

WHEREAS, EDCs can issue taxable and tax-exempt bonds for projects and activities related to economic development; and

WHEREAS, such an entity could help the City engage in socially beneficial real estate development, among other economic development projects; and

WHEREAS, the Downtown Austin and the South Central Waterfront plans recommend the creation of an EDC or other type of corporation to achieve goals such as workforce housing, minority business development, and district revitalization; and

WHEREAS, both the Downtown Austin Alliance and Travis County have created affiliated economic development corporations; and

WHEREAS, cities around the state have created similar development corporations to leverage investments for economic development, affordable housing, and job creation/retention among other community priorities; and

WHEREAS, Resolution No. 20141211-122 directed the City Manager within 180 days to deliver a feasibility study and timeline for creating an Economic Development Corporation or another appropriate corporate structure that could manage economic development projects, including the development of workforce housing; and

WHEREAS, a memo from the City's Economic Development Department dated October 12, 2016, in response to this directive concluded, "an EDC could assist in addressing affordability and equity issues currently impacting our residents and neighborhoods, small businesses, and cultural, creative and music venues" and recognized workforce housing as another possible area of focus; and

WHEREAS, the Economic Development Department has conducted significant research on the benefits of EDCs and has completed considerable work related to conceptualizing how such an entity could operate within the City of Austin; and

WHEREAS, City representatives from multiple departments attended the New York Economic Development Corporation's Real Estate Asset Management Peer Cities summit on January 19, 2017, to learn about the role economic development corporations play in New York City as well as in cities such as Miami, Los Angeles, Philadelphia, Boston, and Tucson; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to work with staff from Financial Services, Real Estate, and Economic Development to bring forward for Council consideration specific

proposals for creating an Economic Development Corporation or similar entity that could create or support development of affordable housing, redevelopment, revitalization and other priority projects and goals of the City. The entity should also be capable of structuring public-private partnerships. The proposal should include a comparison of the benefits offered through different corporate structures and examples of the projects that could be undertaken by each such entity.

BE IT FURTHER RESOLVED:

The City Manager is further directed to return to Council no later than May 4, 2017.

ADOPTED: February 16, 2017

ATTEST:


Jannette S. Goodall
City Clerk