

Ideal City Manager Profile
Comments by Jill Ramirez
July 8, 2017

My comments are based on data and information that was prepared by LULAC District 7 in 2016. The report, titled, "State of Latinos 2016: ATX" are relevant in discussing the ideal City Manager profile. The State of Latinos report was not intended to rehash the data and research that has occurred to date. The intention of League of United Latin American Citizens (LULAC) as the primary sponsor of this report is a call to action.

The opportunities presented through a new City Manager and bringing in a new City Executive Team are enormous. We do not dismiss the good work and efforts of those who have been fighting the good equity fight, but using the parlance of Austin's knowledge industry's highly affluent millennials (HAMS), we think it is time for our City government to take "to scale" solutions for the issues that plague our Latino community. The following information is from LULAC District VII's State of Latinos: TX 2016 report.

The dominant themes presented below are as follows:

- **In 2010, the City of Austin became a minority-majority city.** Minorities are now in the majority in 22 of the largest cities. Major cities include Las Vegas, Memphis, New York City, San Diego, Washington DC, San Francisco, Los Angeles, San Jose, Miami, Houston, and San Antonio. In the Austin Metro area from 1980 to 2010, people of color went from 29.45 percent to 45.31 percent of the population.
- **People of Color are driving the growth.** In the past decade, almost all net population growth in the United States (92 percent) came from people of color, and in many places, growing communities of color prevented population decline. Latinos had the highest growth (43 percent), followed by Asians, people with mixed racial backgrounds, African Americans, and Native Americans. The white population grew just one percent nationally, and declined in many communities. In the Austin metro area, from 2000-2010, the Asian population has the highest growth rate at 86.24 percent followed by Latinos at 64.24% and the White population has the lowest at 23.76 percent.
- **Inequity threatens economic prosperity.** Nationwide over the past three decades gains in income and wages have gone largely to the very top earners, while wages and incomes of working- and middle-class workers have declined or stagnated. Rising inequality disproportionately affects workers of color, who are concentrated in low-wage jobs that provide opportunities for economic security or upward mobility. Workers of color consistently earn lower wages and are more likely to be jobless compared to their white counterparts, and racial gaps remain even among workers

with similar education levels. In the Austin area in 2012, the median wage for workers of color was \$7 less than the median wage for white workers.

- **The economic benefits of equity.** Wage and employment gaps by race (as well as gender) are not only bad for people of color—they hold back the entire economy. Closing these gaps by eliminating discrimination in pay and hiring, boosting education attainment, and ensuring strong and rising wages for low-wage workers is good for families, good for communities, and good for the economy. Rising wages and incomes, particularly for low-income households, leads to more consumer spending, which is a key driver of economic growth and job creation. Racial economic inclusion is good for families, good for communities, and good for the economy. Nationally, GDP would have been \$2.1 trillion higher in 2012 if people of color had earned the same their white counterparts. We also know millions fewer would have lived in poverty, there would be billions more in tax revenue, and a smaller Social Security deficit overall. In the Austin-Round Rock, TX Metro Area in 2012, the economy would have been \$21.71 billion larger if there had been no racial gaps in income.

An ideal City Manager should understand that dismantling racial exclusion is critical to secure Austin's economic future and understanding the state of equity in our region—is the first step and in particular:

- Understand how our community's demographics are changing;
- Assess how well Austin's diverse populations can participate in its economic vitality, contribute to its readiness for the future, and connect to its assets and resources (and also see how it compares to other places);
- Build a compelling narrative and shared understanding about why—and how much—equity matters to our community's future; and
- Inform the development of policies, plans, strategies, business models, and investments to advance equitable growth.

LULAC DISTRICT VII: STATE OF LATINOS 2016 ATX TECHNICAL REPORT

1.0 Introduction

In Austin, dating back there have been numerous articles, studies, pronouncements, Mayoral State of the City declarations about policy and program initiatives to address the complex links and impacts between growth, economic stimulation, gentrification, affordability, displacement, and regionalization. Recent reports and articles tell the story:

- February 2015- "Segregated City" by Martin Prosperity Institute that found that Austin was the most economically segregated large metro in the nation.
- May 2015 – "Equality of Opportunity Report" by Raj Chetty and Nathaniel Hendren that found that Travis County was one of the worst counties in the nation for income mobility for children in poor families.
- 2015 – Austin American articles about history of inequality, titled, "Inheriting Inequality. The articles focused on the segregation and disinvestment in Austin which continues to cut off minority individuals from economic opportunities throughout the city.
- 2015 United Way's Community Needs and Trends Report based on calls made to the UWATX Navigation Center. The Navigation Center answers calls from residents in need of health and human services. The top subject for calls was for housing-related needs because of high percentage of income being spent on housing that affected the ability to pay for other basic needs like food, clothing, healthcare, prescriptions and more.
- 2015 The Center for Public Policy Priorities (CPPP) annual State of Texas Children report that found that one in four Texas children live in poverty.
- 2015 Austin Board Of Realtors report that shows the median sales price of homes rising to \$278,000 and that "Austin's growing tech sector is bringing a lot of buyers from Northern California and San Francisco" but "home sales continue to rise throughout the region, but for many Austin-area residents, homeownership is just not a feasible option."
- 2015 – Austin Business Journal reports 18 years of headlines from Austin affordability crisis dating back to the late 1990s that sounded the alarm on rising home prices and pointing out the effects of affordability losses. "From inside Austin, the narrative has been for some time now that home prices are rising at an unsustainable rate, increasing tax burdens and forcing longtime residents out of their familiar neighborhoods. Local economists and journalists at Austin Business Journal have been reporting that story for years."
- 2015 – From Mayor's State of the City address – "Austin is in the midst of an affordable housing crisis that has made our city the most economically segregated in the country." The Mayor called confronting the challenges for

Austin's low-income renters and homeowners a "fundamental moral and ethical responsibility" for the city.

In 2010, the City of Austin became a minority-majority city. Minorities are now in the majority in 22 of the largest cities. Major cities include Las Vegas, Memphis, New York City, San Diego, Washington DC, San Francisco, Los Angeles, San Jose, Miami, Houston, and San Antonio. In 2005 Texas became a minority majority state, one of five "minority-majority states in the country. Latinos in most of the minority-majority cities account for most of the population growth in metropolitan areas. **The question is not whether the change is bad – the question is what are the implications for government to consider to better address economic and other concerns. A new City Manager recognizing these dynamics and fostering innovative approaches is urgent.**

We all have a shared fate and a shared responsibility —as individuals within a community and communities within society. Our region's future depends on the success of all of its populations, but disparities in the distribution of resources and opportunities create imbalances that disadvantage some communities and advantage others. To create a prosperous region, we must ensure that everyone in our region benefits from the opportunities the region provides so that we are all able to thrive.

Building an equitable region will benefit us all by creating a stronger, healthier, and more sustainable community. Equity is not just a moral imperative – it is an economic one. As our region becomes more racially, ethnically, and age-diverse, our shared prosperity depends on our ability to create conditions that will allow everyone to flourish. Just as the sustainability of our economy depends on a regional strategy, our efforts to increase equity must also be regional in scope.

In an equitable region:

- All people have access to the resources necessary for meeting their basic needs and advancing their health and well-being.
- All people have the power to shape the future of their communities through public decision-making processes that are transparent, inclusive, and engage the community as full partners.
- All communities experience the benefits and share the costs of growth and change.
- All people are able and have the opportunity to achieve their full potential and realize their vision for success.

Inequities are not random; they are the results of past and current decisions, and they can be changed. Creating an equitable region requires the intentional examination of policies and practices (both past and present) that, even if they have the appearance of fairness, may, in effect, serve as barriers that perpetuate disparities. Working toward equity requires the prioritization of policies, infrastructure, and investments to ensure

that all people and communities can thrive -- regardless of race, ethnicity, income, age, gender, language, sexual orientation, ability, health status and other markers of identity.

The below cited regional equity information is from PolicyLink and the USC Program for Environmental and Regional Equity (PERE). The Equity Atlas provides data on demographic change, racial inclusion, and the economic benefits of equity for the 100 largest cities, 150 largest regions, all 50 states, and the United States.

According to Policy Link, an equitable growth model would produce rising living standards for all while those on the bottom rungs of the economic ladder see the largest gains in income, wealth, and other economic indicators, ensuring that the benefits of growth are more equitably shared. Facts and analyses are needed to:

- Understand how our community's demographics are changing;
- Assess how well a community's diverse populations can participate in its economic vitality, contribute to its readiness for the future, and connect to its assets and resources (and also see how it compares to other places);
- Build a compelling narrative and shared understanding about why—and how much—equity matters to our community's future; and
- Inform the development of policies, plans, strategies, business models, and investments to advance equitable growth.

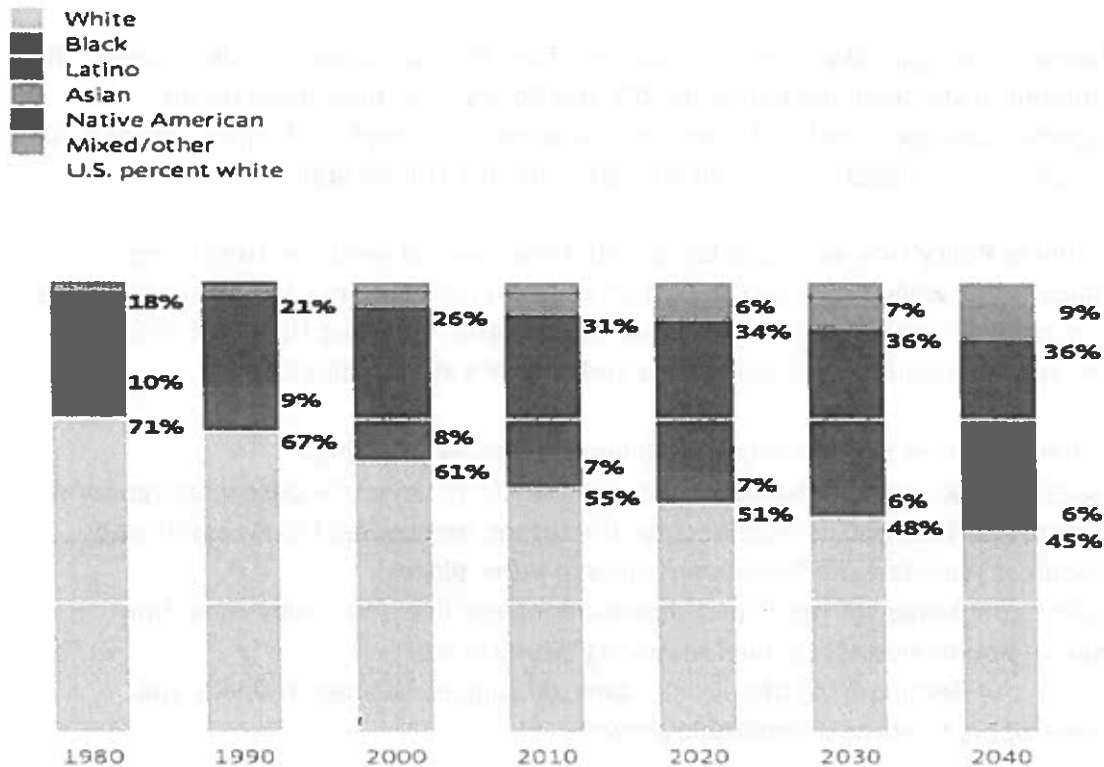
Dismantling racial exclusion is critical to secure the nation's economic future. Understanding the state of equity in our region—is the first step.

2.0 Data Summary – Austin-Round Rock, TX Metro Area

Diversity Is Increasing

- The U.S. is undergoing a profound demographic transformation in which people of color are quickly becoming the majority. Already more than half of all children under age five are of color, and by 2044, people of color will be the majority overall. The shift is happening not only in cities, but also in suburban and rural communities across the country.
- In the Austin Metro area from 1980 to 2010, people of color went from 29.45 percent to 45.31 percent of the population

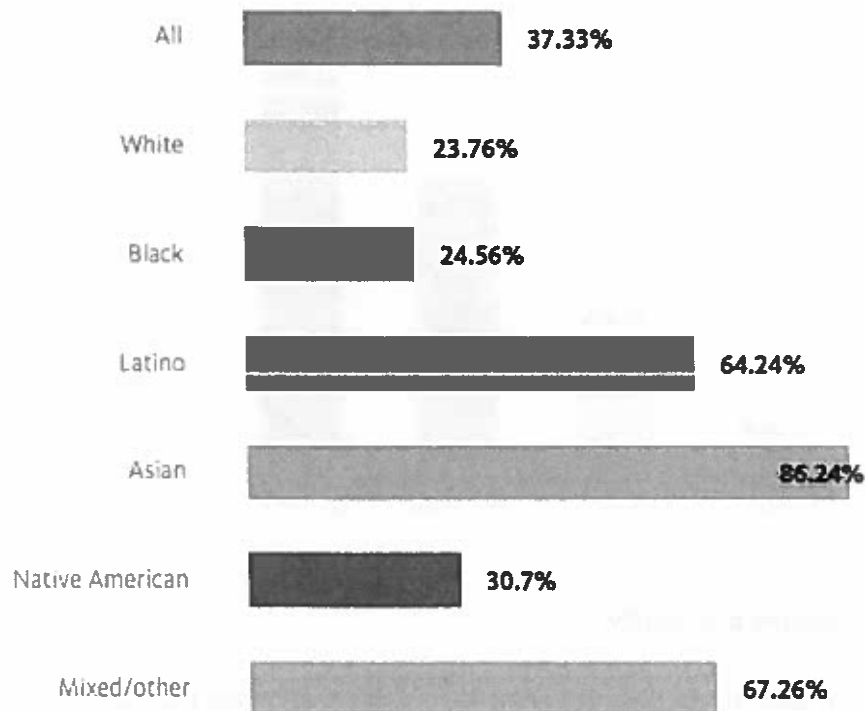
Racial/ethnic composition: Austin-Round Rock, TX Metro Area, 1980-2040



People of Color are driving the growth

- Diversity is increasing and the U.S. is becoming a nation that is increasingly multiracial and multicultural. In 1980, 80 percent of the population was White. By 2044, a majority of Americans will be people of color.
- In the past decade, almost all net population growth in the United States (92 percent) came from people of color, and in many places, growing communities of color prevented population decline. Latinos had the highest growth (43 percent), followed by Asians, people with mixed racial backgrounds, African Americans, and Native Americans. The white population grew just one percent nationally, and declined in many communities.
- In the Austin metro area, from 2000-2010, the Asian population has the highest growth rate at 86.24 percent followed by Latinos at 64.24% and the White population has the lowest at 23.76 percent.

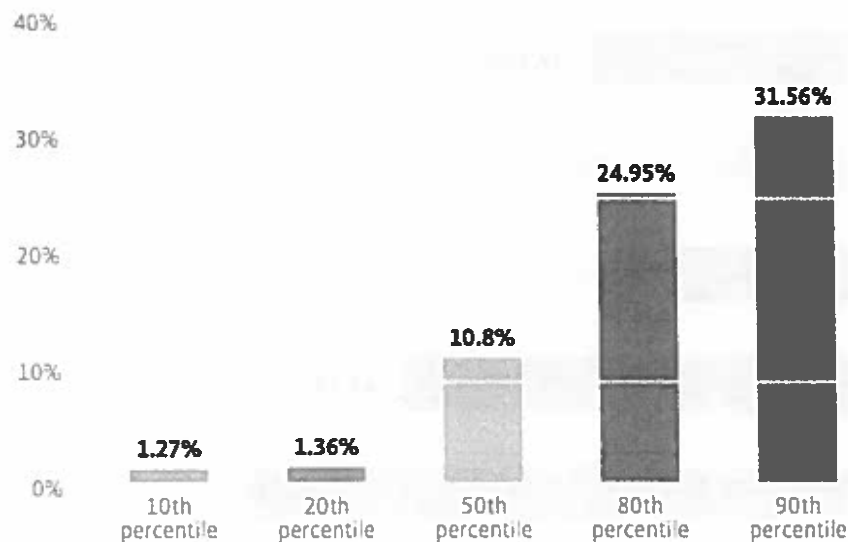
Percent change in population: Austin-Round Rock, TX Metro Area



Income Inequality is on the rise

- Over the past three decades gains in income and wages have gone largely to the very top earners, while wages and incomes of working-and middle-class workers have declined or stagnated. Nationally, since 1979, incomes of workers at the bottom fell by 11.4 percent while those at the top increased 14.8 percent.
- Since 1979, income for full-time workers at the 10th percentile changed 1.27 percent while income for those at the 90th percentile changed 31.56 percent.

Earned income growth for full-time wage and salary workers: Austin-Round Rock, TX Metro Area, 1980-2012



Inequity threatens economic prosperity

- Nationwide over the past three decades gains in income and wages have gone largely to the very top earners, while wages and incomes of working-and middle-class workers have declined or stagnated. Rising inequality disproportionately affects workers of color, who are concentrated in low-wage jobs that provide opportunities for economic security or upward mobility. Workers of color consistently earn lower wages and are more likely to be jobless compared to their white counterparts, and racial gaps remain even among workers with similar education levels.
- In 2012, the median wage for workers of color was \$7 less than the median wage for white workers.

Median hourly wage by race/ethnicity: Austin-Round Rock, TX Metro Area

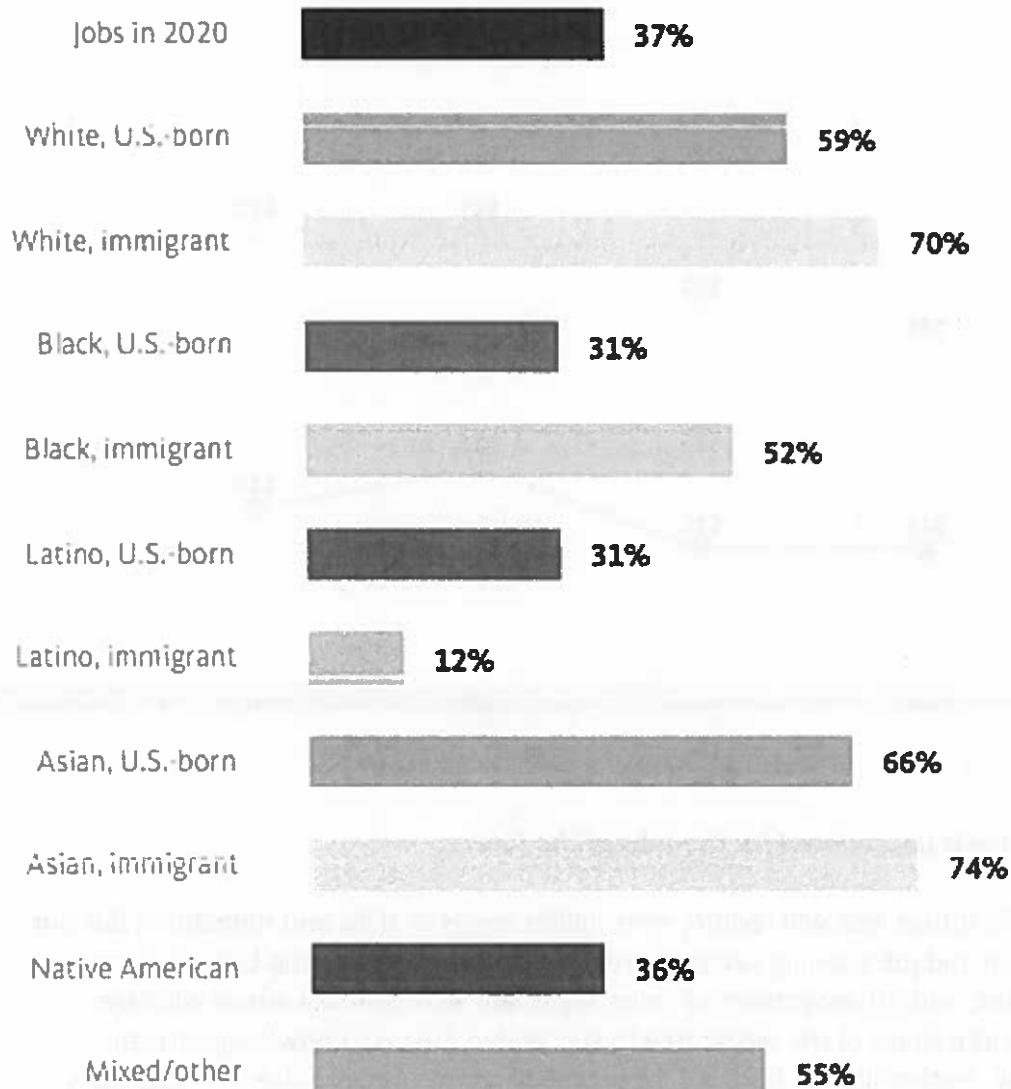
■ People of color
■ White



The workforce is unprepared for the jobs of the future

- America's future jobs will require ever-higher levels of skills and education, but our education and job training systems are not adequately preparing Latinos, African Americans, and other workers of color, especially in Austin as Latinos who are growing as a share of the workforce to succeed in Austin's knowledge-driven economy. Nationally, by 2020, 43.1 percent of all jobs will require an Associate's degree or higher. Today, only 26.7 percent of U.S. born Latinos, 25.9 percent of African Americans and 14.1 percent of Latino immigrants, have that level of education.
- In the Austin metro area, by 2020, 37 percent of jobs will require at least an AA degree or higher.

Current educational attainment and projected state/national-level job education requirements: Austin-Round Rock, TX Metro Area

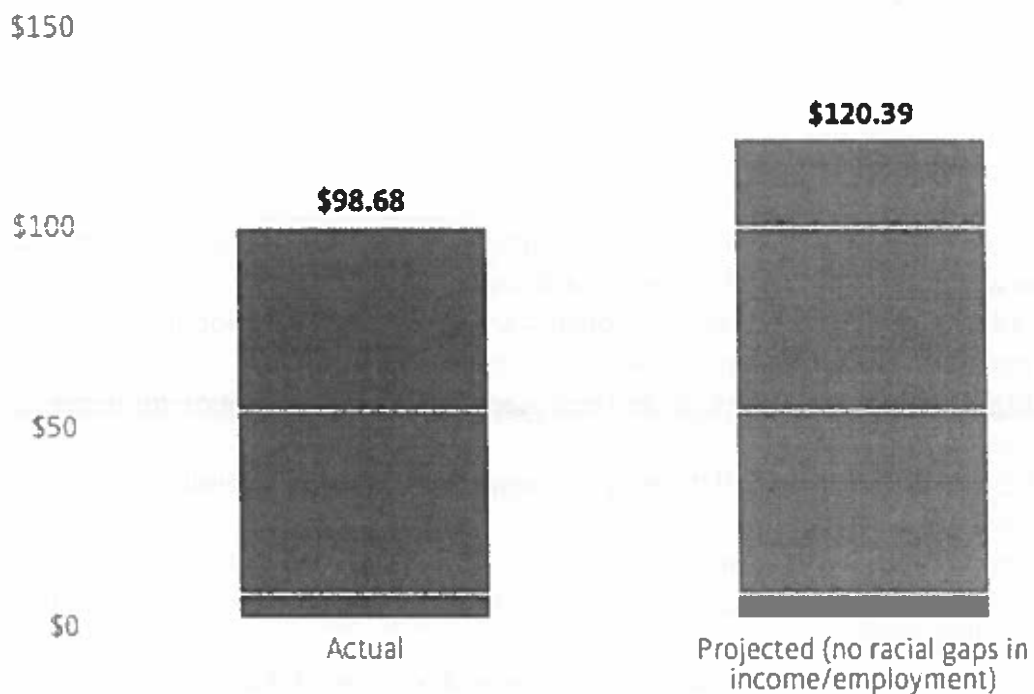


The economic benefits of equity

- Wage and employment gaps by race (as well as gender) are not only bad for people of color—they hold back the entire economy. Closing these gaps by eliminating discrimination in pay and hiring, boosting education attainment, and ensuring strong and rising wages for low-wage workers is good for families, good for communities, and good for the economy. Rising wages and incomes, particularly for low-income households, leads to more consumer spending, which is a key driver of economic growth and job creation.

- Racial economic inclusion is good for families, good for communities, and good for the economy. Nationally, GDP would have been \$2.1 trillion higher in 2012 if people of color had earned the same as their white counterparts. We also know millions fewer would have lived in poverty, there would be billions more in tax revenue, and a smaller Social Security deficit overall.
- In the Austin-Round Rock, TX Metro Area in 2012, the economy would have been **\$21.71 billion** larger if there had been no racial gaps in income.

**Actual GDP and estimated GDP with racial equity in income (billions):
Austin-Round Rock, TX Metro Area**



3.0 Data Summary – City of Austin

U.S. Census Quickfacts*

- COA – 926,000
- White alone, not Latino – 48.7%
- Black – 8.1%
- Asian – 6.3%
- Latino – 35.1%

* 2010 Census

According to the City's 2010 demographics, Austin's single member districts (SMD) 1-4 represent a majority Latino population in each district.

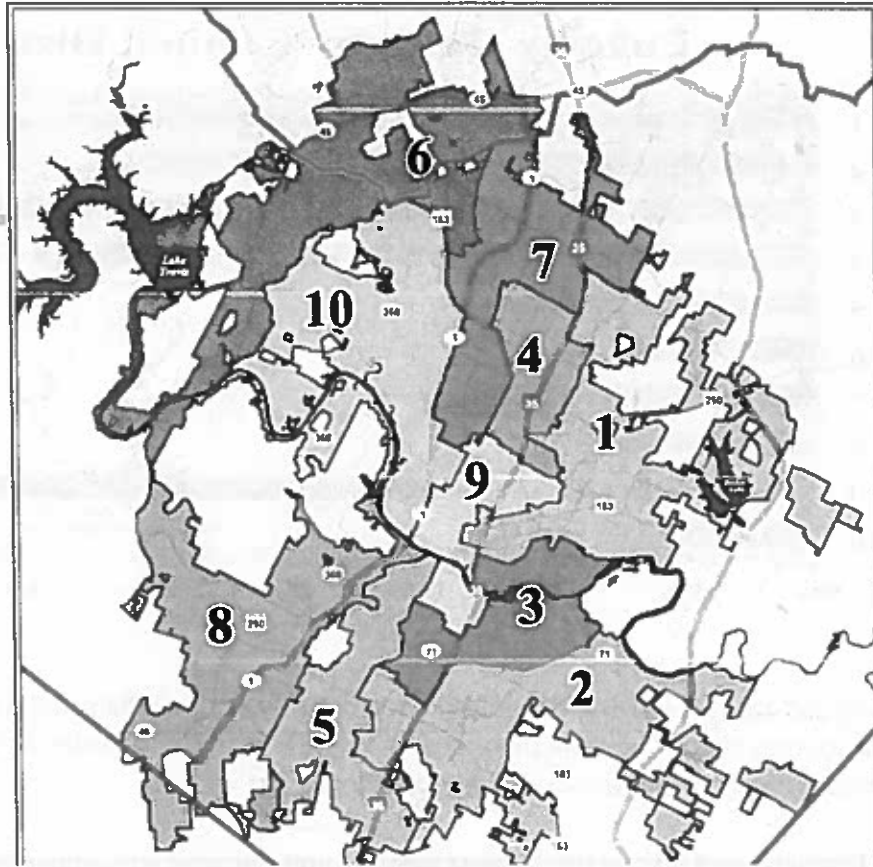
- 189,000 Latinos live in SMD 1 through 4 and are the majority population and represent 60% of the population for those districts
- 90,592 Latinos live SMD 5-10 and represent 19% of the population for those districts
- 279,528 Latinos live in all districts and represent 35% of the population for all districts

This is in comparison to other populations:

- 76,292 African Americans live in all districts and represent 8% of the population for all districts
- 50,289 Asian Americans live in all districts and represent 6% of the population for all districts

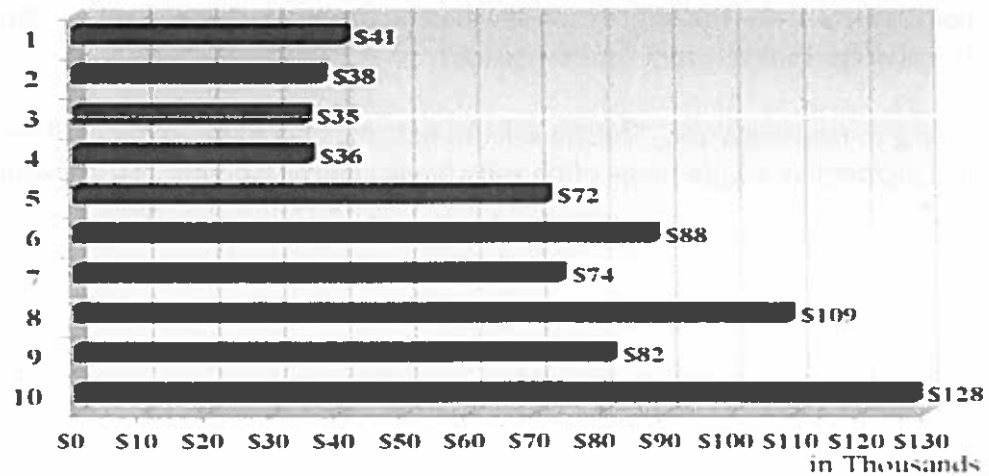
**District
Demographics**
Latino Population*

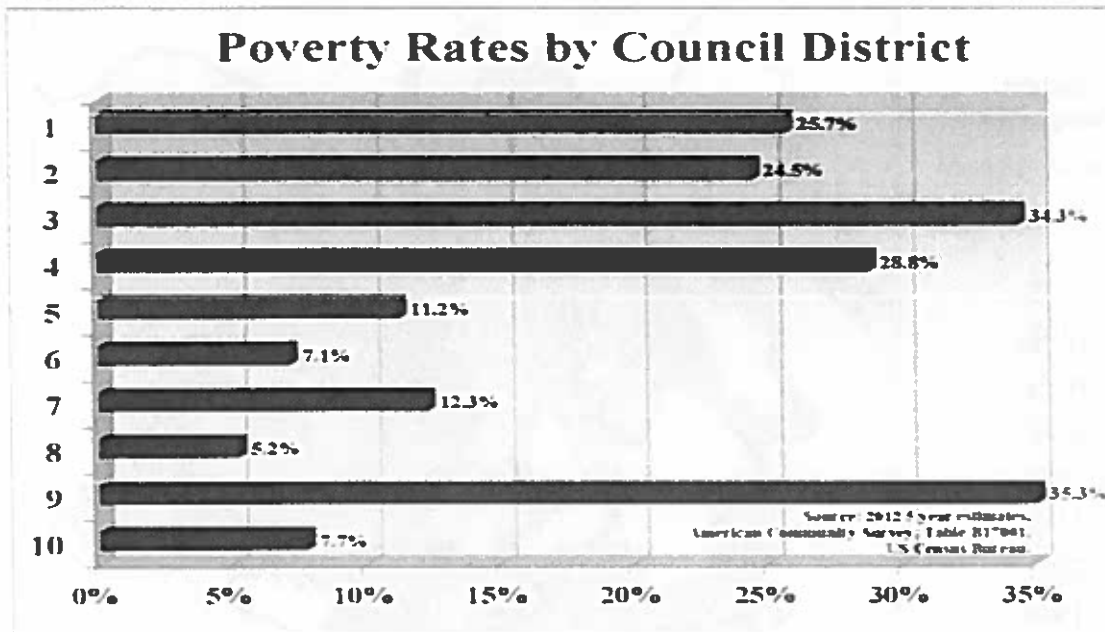
- 1- 43%
 - 2- 69%
 - 3- 61%
 - 4- 65%
 - 5- 31%
 - 6- 15%
 - 7- 22%
 - 8- 18%
 - 9- 17%
 - 10- 9%
- *COA



Socioeconomic data for City Council Districts is shown below:

Median Family Income by Council District





HousingWorks' 2016 District Analysis provides City Council District data from multiple data sources that provides a picture of jobs and housing conditions as shown below. A comparison of the districts 1-4 show key highlights:

- District 3 and 4 have the highest rates of unemployed and uninsured
- District 3 has the most subsidized housing units
- District 3 has the lowest median family household
- District 4 has the highest number of workers earning less than \$\$3,333 per month
- District 1 has the highest number of jobs
- District 3 has the highest median home price
- District 2 has the lowest median home price
- For Districts 1 -4 – the entire monthly income for one in five workers is equivalent to the average monthly rent for that district

According to HousingWorks, "Austin will not become affordable again until every city council district has a wide range of housing types and price points that all residents can afford."

	District 1	District 2	District 3	District 4
Major Employers	State of Texas - 39,376	Progressive Insurance - 1,300	IRS - 5,405	Austin Community College - 3,989
	Applied Matls - 2,727	Pharma Product - 1,100	St.Davids Med.Center - 1,109	Austin Regional Clinic - 1,702
	Samsung - 2,400	Concentrix - 700	U.S. Dept. VA - 1,017	Goodwill Industries - 1,281
Earnings of Employees	4,029 - \$1,250/mo. Or less	4,302 - \$1,250/mo. Or less	5,590 - \$1,250/mo. Or less	8,635 - \$1,250/mo. Or less
	11,987 - \$1,251 to \$3,333/mo.	11,070 - \$1,251 to \$3,333/mo.	12,479 - \$1,251 to \$3,333/mo.	17,464 - \$1,251 to \$3,333/mo.
	16,833 - more than \$3,333/mo.	13,429 - more than \$3,333/mo.	14,630 - more than \$3,333/mo.	17,144 - more than \$3,333/mo.
Subsidized Housing	103 - subsidized housing devs.	24 - subsidized housing devs.	69 - subsidized housing devs.	28 - subsidized housing devs.
	4,197 - subsidized housing units	2,010 - subsidized housing units	5,428 - subsidized housing units	3,564 - subsidized housing units
Cost of Living	\$42,150 - median family income	\$42,650 - median family income	\$36,185 - median family income	\$39,200 - median family income
	\$187,000 - median home price	\$168,625 - median home price	\$255,000 - median home price	\$190,600 - median home price
	\$1,015 - average rent per month	\$1,021 - average rent per month	\$1,172 - average rent per month	\$960 - average rent per month
Worker Age	7,029 - 29 or younger	6,745 - 29 or younger	7,646 - 29 or younger	10,364 - 29 or younger
	20,933 - 30 to 54	16,438 - 30 to 55	18,931 - 30 to 56	24,803 - 30 to 57
	4,887 - 55 or older	4,747 - 55 or older	6,122 - 55 or older	8,076 - 55 or older
Major Industry	Wholesale Trade - 6,331 workers	Educational Svcs - 1,978 workers	Healthcare & Social Asst - 2,981 workers	Professional, Scientific & Technical - 2,872 workers
Worker educational attainment	4,182 - less than high school	3,538 - less than high school	4,082 - less than high school	4,965 - less than high school
	6,558 - high school	5,736 - high school	6,273 - high school	8,437 - high school
	8,437 - Some college or associate degree	7,276 - Some college or associate degree	8,615 - Some college or associate degree	11,165 - Some college or associate degree
	6,562 - Bachelor's degree or advanced degree	5,506 - Bachelor's degree or advanced degree	6,083 - Bachelor's degree or advanced degree	8,306 - Bachelor's degree or advanced degree
Employment	8.9% - Unemployment rate	9.5% - Unemployment rate	10.0% - Unemployment rate	9.9% - Unemployment rate
	29.2% - Residents w/out health insurance	29.6% - Residents w/out health insurance	32.3% - Residents w/out health insurance	38.9% - Residents w/out health insurance

4.0 Growth, Gentrification, Affordability, Displacement and Suburbanization

Gentrification, as it is commonly understood, is about more than rising housing prices. It's about neighborhoods changing from lower-income, predominantly black or Latino neighborhoods to high-income, predominantly white neighborhoods.

A new study backs up what Austinites already know to be true: Austin is one of most gentrifying cities in the country. "Gentrification in America Report," an in-depth study conducted by Governing magazine, ranked Austin eighth in the nation in gentrification rate between 2000 and 2010. Gentrification rate was determined through an analysis of Census tract data: tracts that were in their metro areas' bottom 40 percent of median household income and median home value in 2000, but are now in the area's top third in home value and percentage of adults with bachelor's degrees, are considered to be gentrified. The study found the 39.7 percent of Austin's eligible Census tracts gentrified last decade, a higher percentage than New York City, San Francisco, Chicago and most other American cities. Portland, a city often compared to Austin, tops the list, and Austin is preceded only by Washington, DC, Minneapolis, Seattle, Virginia Beach, Atlanta and Denver. Elsewhere in Texas, Fort Worth cracked the list's top 20 at number 17, while Houston was listed 22nd and San Antonio 37th.

Austin's gentrification rate makes the top ten despite the study stopping in 2010, just before the peak of Austin's current population boom. In the U.S. Census Bureau's reports for 2010-2011 and 2011-2012, Austin ranked number one in the nation in growth rate – and remains at number two in the most recent report. Population growth, when coupled with the kind of economic growth Austin has also seen in the past few years, produces the gentrification that Governing analyzed.

Unsurprisingly, Governing's map of gentrifying neighborhoods highlights mostly Census tracts in East and South Austin. The most striking case is Census Tract 8.03, which is bordered by I-35 to the west, E Martin Luther King Jr. Boulevard to the north, the MetroRail train tracks to the east and E 12th Street to the south – the residential heart of East Austin. Since 2000, home values in this neighborhood have increased by a whopping 205 percent, while the number of adults with bachelor's degrees jumped from 10 percent to 49 percent. Governing highlights a reality this neighborhood and many others have witnessed as gentrification increases: the displacement of residents of color, and the unequal distribution of economic success. "Neighborhoods gentrifying since 2000 recorded population increases and became whiter," the report notes, with gentrifying tracts seeing a drop in the poverty rate and the white population increase by an average of 4.3 percent. By contrast, low income neighborhoods outside of gentrification zones lost population, increased in poverty rate by an average of 6.7 percent and became less white.

Gentrification in Austin has followed this pattern. As the Austin American-Statesman highlighted in a recent in-depth look at the city's racial and economic divides that remain intact from the segregation era, while Austin's population grew by more than 20 percent during the period covered by the Governing study, its black population fell by more than 5 percent. As home values soar, Austin's minority populations have been pushed into more concentrated areas further from the city's core or, often, outside the city entirely, to suburbs like Pflugerville. Austin is ninth out of the 100 largest metro areas in the nation in terms of income segregation.

The University of Texas recently found that of the 10 fastest growing American cities in the last decade, Austin was the only one with a declining black population. This all suggests that Austin is feeling the effects of gentrification as much or more so than any city in the country, and that the city must reckon with how to deal with these effects. That's difficult in a climate of unprecedented economic growth, where proposals to increase affordability – like a city ordinance to help housing choice voucher holders move into higher opportunity, less segregated neighborhoods – are met with vociferous opposition. If Governing conducts a follow-up study in the next decade, and if Austin continues on its current trajectory, it will not be a surprise to see the city even higher on the list.

Austin Gentrification Maps and Data

To assess how gentrification has reshaped urban neighborhoods, *Governing* analyzed demographic data for the nation's 50 most populous cities.

<http://www.governing.com/gov-data/austin-gentrification-maps-demographic-data.html>

Changes in several measures, described below, were calculated for each city's Census tracts and compared to others throughout metro areas. While the methodology is similar to prior research on the subject, no universally accepted definition of gentrification exists.

Gentrification remains rare nationally. It did, however, greatly accelerate in many cities over the past decade. The following table summarizes the extent to which neighborhoods in Austin gentrified:

	Share of Eligible Tracts Gentrifying	Tracts Gentrifying	Did Not Gentrify	Not Eligible to Gentrify	Total Census Tracts
Since 2000	39.7%	25	38	119	182
1990- 2000	16.4%	9	46	127	182

Source: Governing analysis of 2009-2013 American Community Survey, [US2010 Longitudinal Tract Data Base](#)

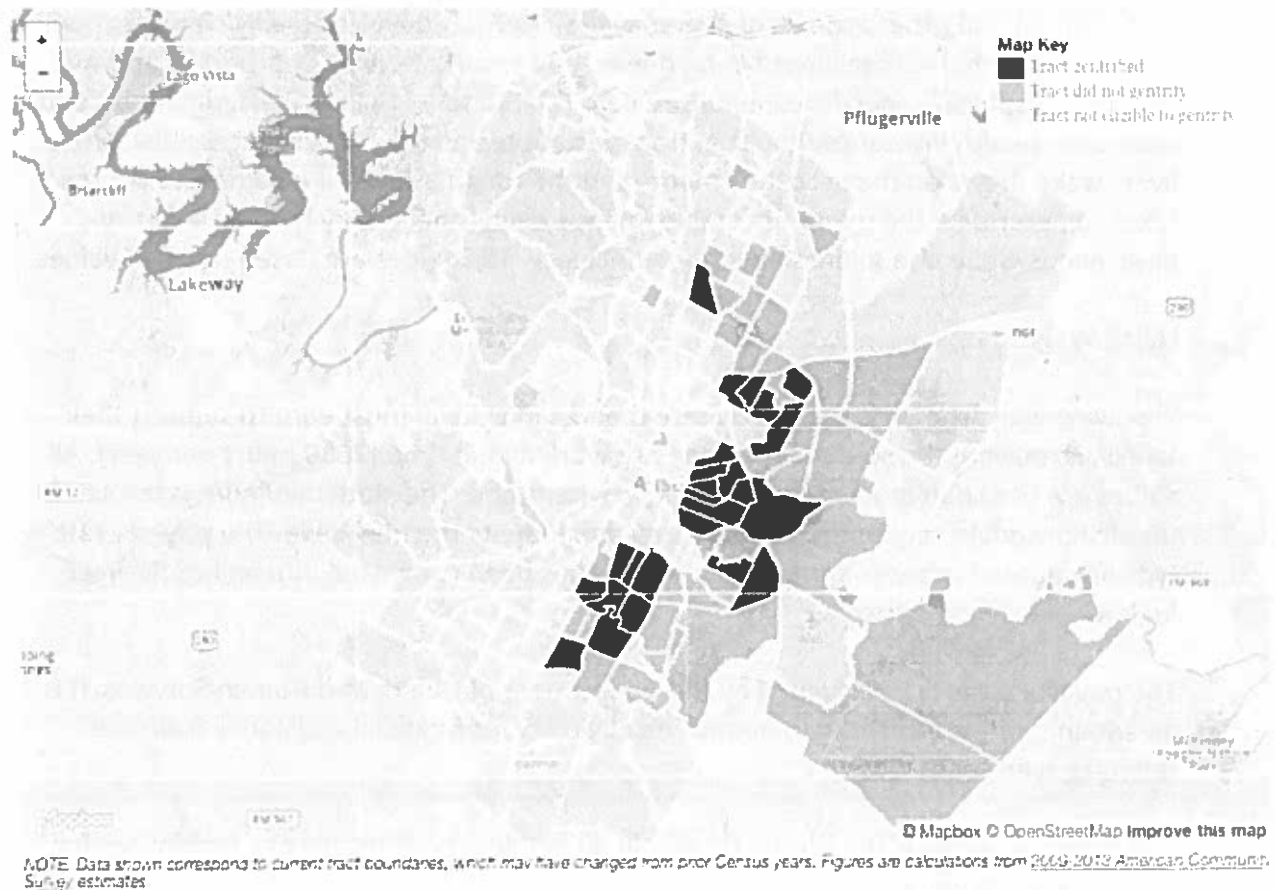
Gentrifying Census Tracts: These lower-income Census tracts experienced significant growth in both home values and educational attainment. To be eligible to gentrify, a tract's median household income and median home value needed to fall within the bottom 40th percentile of all tracts within a metro area at the beginning of the decade. Tracts considered to have gentrified recorded increases in the top third percentile for both inflation-adjusted median home values and percentage of adults with bachelors' degrees.

Tracts Not Gentrifying: These Census tracts met eligibility criteria, but did not experience enough growth in educational attainment and median home values relative to other tracts within a metro area to have gentrified.

Not Eligible Tracts: These tracts, typically middle and upper-income neighborhoods, did not meet the initial criteria for gentrification. To be eligible to gentrify, a tract's median household income and median home value both needed to be in the bottom 40th percentile of all tracts within a metro area at the start of a decade. Tracts with less than 500 residents or missing data were also considered not eligible.

Austin Gentrification Map: 2000 Census - Present

Click a tract to display its demographic data:



Displacement can be and is a big issue where gentrification occurs. Research from the UC Berkeley Urban Displacement Project points to a strong link between gentrification and displacement in a high-gentrification city. Displacement is becoming a larger issue in knowledge hubs like Austin, where the pressure for urban living is accelerating. Austin like other knowledge hub cities attract new businesses, highly skilled workers, major developers, and larger corporations, all of which drive up both the demand and cost of housing. As a result, local residents and neighborhood renters in particular – where Austin has more than 50% of renters – feel pressured to move to affordable locations. With real estate prices in Austin surging toward all-time highs, there is reason to believe that displacement may worsen over time.

5.0 Affordability and Wages

Analysts and policy makers often compare income to the poverty threshold in order to determine an individual's ability to live within a certain standard of living. However, poverty thresholds do not account for living costs beyond a very basic food budget. The federal poverty measure does not take into considerations costs like child care and

health care that not only draw from one's income, but also are determining factors in one's ability to work and to endure the potential hardships associated with balancing employment and other aspects of everyday life. MIT has developed a living wage model that is an alternative measure of basic needs. It is a market-based approach that draws upon geographically specific expenditure data related to a family's likely minimum food, child care, health insurance, housing, transportation, and other basic necessities. The living wage draws on these cost elements and the rough effects of income and payroll taxes to determine the minimum employment earnings necessary to meet a family's basic needs while also maintaining self-sufficiency. The values are based on 2014 values.

Living Wages

The living wage shown is the hourly rate than an individual must earn to support their family, if they are the sole provider and are working full-time (2080 hours per year). All values are per adult in a family unless otherwise noted. The state minimum is the same for all individuals, regardless of how many dependents they may have. The poverty rate is typically quoted as gross annual income. This has been converted into an hourly wage for the sake of comparison.

The poverty wage is determined by the Department of Health and Human Services. It is an administrative threshold to determine eligibility for financial assistance from the federal government.

The minimum wage is the lowest threshold an employer can legally pay employees for certain types of work.

	1 Adult				2 Adults			2 Adults			2 Adults		
	1 Adult	1 Child	2 Children	3 Children	2 Adults	(One Working)	1 Child	2 Adults	(One Working)	2 Children	2 Adults	(One Working)	3 Children
Hourly Wages	1 Adult	1 Child	2 Children	3 Children	(One Working)	1 Child	2 Children	3 Children	2 Adults	1 Child	2 Children	3 Children	
Living Wage	\$10.97	\$22.45	\$25.87	\$32.33	\$17.61	\$21.69	\$24.19	\$27.20	\$6.90	\$12.27	\$14.23	\$16.45	
Poverty Wage	\$5.00	\$7.00	\$9.00	\$11.00	\$7.00	\$9.00	\$11.00	\$13.00	\$3.00	\$4.00	\$5.00	\$6.00	
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	

Typical Expenses

These figures show the individual expenses that went into the living wage estimate. Their values vary by family size, and composition.

Annual Expenses	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children	2 Adults (One Working) 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Food	\$3,022	\$4,457	\$6,704	\$8,887	\$5,540	\$6,898	\$8,903	\$10,835	\$5,540	\$6,898	\$8,903	\$10,835
Child Care	\$0	\$5,318	\$7,977	\$10,636	\$0	\$0	\$0	\$0	\$0	\$5,318	\$7,977	\$10,636
Medical	\$2,144	\$6,745	\$6,534	\$6,597	\$4,962	\$6,534	\$6,597	\$6,564	\$4,962	\$6,534	\$6,597	\$6,564
Housing	\$8,352	\$12,888	\$12,888	\$17,448	\$10,236	\$12,888	\$12,888	\$17,448	\$10,236	\$12,888	\$12,888	\$17,448
Transportation	\$4,697	\$8,554	\$9,859	\$11,553	\$8,554	\$9,859	\$11,553	\$11,037	\$8,554	\$9,859	\$11,553	\$11,037
Other	\$2,253	\$3,916	\$4,284	\$5,178	\$3,916	\$4,284	\$5,178	\$4,838	\$3,916	\$4,284	\$5,178	\$4,838
Required annual income after taxes	\$20,468	\$41,878	\$48,247	\$60,300	\$33,209	\$40,464	\$45,120	\$50,723	\$33,209	\$45,782	\$53,097	\$61,360
Annual taxes	\$2,358	\$4,824	\$5,558	\$6,947	\$3,826	\$4,661	\$5,198	\$5,843	\$3,826	\$5,274	\$6,117	\$7,068
Required annual income before taxes	\$22,826	\$46,703	\$53,805	\$67,247	\$37,035	\$45,125	\$50,318	\$56,567	\$37,035	\$51,056	\$59,214	\$68,428

Typical Annual Salaries

These are the typical annual salaries based on median hourly wage rates for various professionals for Travis County.

Occupational Area	Typical Annual Salary
Management	\$97,120
Business & Financial Operations	\$65,580
Computer & Mathematical	\$77,290
Architecture & Engineering	\$79,990
Life, Physical, & Social Science	\$57,940
Community & Social Service	\$42,560
Legal	\$76,050
Education, Training, & Library	\$47,200
Arts, Design, Entertainment, Sports, & Media	\$41,690
Healthcare Practitioners & Technical	\$60,160
Healthcare Support	\$24,600
Protective Service	\$37,000
Food Preparation & Serving Related	\$18,620
Building & Grounds Cleaning & Maintenance	\$20,260
Personal Care & Service	\$18,410
Sales & Related	\$25,730
Office & Administrative Support	\$30,920
Farming, Fishing, & Forestry	\$21,660
Construction & Extraction	\$35,290
Installation, Maintenance, & Repair	\$39,090
Production	\$30,460
Transportation & Material Moving	\$28,390

The Federal Bureau of Labor Statistics reports that the share for the occupation group computer and mathematical is more concentrated when compared to the nationwide distribution. Computer and mathematical is 5.5% of total employment for the Austin metro area compared to 2.8% for the United States. Computer and mathematical positions mean wages start at \$33.98 to a high of \$57.88 per hour.

Top 10	Employment and Wages in Austin Metro Area		
	Occupations	Percent of Total Employment	Mean Hourly Rate
1	Office/Adm	17.90%	17.48
2	Sales	11.00%	20.49

3	Food Prep/Serving Related	10.40%	10.42
4	Education, Training, and Library	6.30%	22.99
5	Business & Financial Operations	6.10%	34.02
6	Computer and Mathematical	5.70%	39.02
7	Management	4.90%	54.95
8	Healthcare practitioners and technical	4.40%	34.63
9	Transport and material moving	4.10%	14.95
10	Construction	3.80%	18.15

Conventional wisdom for the Austin region says that the salvation of our economic future will come from the so-called “knowledge economy,” an economy based largely on technology and that sees education and knowledge as both a business product and a productive asset. In knowledge economies, the need for high-skill workers is amped up and these workers are, presumably, paid more because their skills sets are more desirable.

Has Austin’s “knowledge economy” growth improved economic standards for a majority of jobs? The Austin metro region’s jobs are concentrated in low-wage, low-skill occupations. Research has shown that shared prosperity is ultimately the most sustainable model for equitable development. Instead of watching economic inequality continue to grow and hoping for the best, citizens and policy makers can take an active role in shaping the future of Austin and the metro area. This will require policies that enhance the quality of all jobs, regardless of sector, with a focus on broadly spread income growth so that workers can support their families, local businesses and the overall county economy.

How have workers fared in Austin’s knowledge economy? To hear the business press tell it, pretty well. Austin’s economy is often held up as a model for the rest of the nation. Is the knowledge-based economy, a viable path to “lift all boats”? Does such job growth by itself provide the solution to Austin’s increasing inequality? Are we all winners as implied by business journals and other champions of the new knowledge economy? Or do their economic forecasts obscure a dark cloud of growing economic polarization between the few who are doing better and the many who are not?

Data shows that the knowledge economy is not distributing the gains from economic growth widely among all workers. Instead, it directs a much larger share of those gains to the highest earners, thereby increasing economic inequality and the thinning middle class. It represents a model of economic growth that is incompatible with social justice. Austin will never be able to grow in a way to meet the legitimate economic needs of those at the bottom of our increasingly unequal income distribution and certainly not if the great bulk of the gains from growth continue flowing to the few at the top.

6.0 Displacement and Suburbanization of Poverty

The following story extract written by Daniel C. Vock for Governing is an excellent article that provides a good account of the suburbanization of poverty.

An even bigger problem is the neighborhoods that are untouched by gentrification and where concentrated poverty persists and deepens. A 2014 study found that for every gentrified neighborhood across 51 U.S. metro areas, 10 others remained poor and 12 remained poor and 12 formerly stable neighborhoods fell into concentrated disadvantage. http://dillonm.io/articles/Cortright_Mahmoudi_2014_Neighborhood-Change.pdf

Poverty has existed in American suburbs for decades, but not to the extent it exists today. A study by the Brookings Institution published in 2013 reported that the number of Americans living in poverty jumped from 33.9 million to 46.2 million between 2000 and 2010. The biggest growth took place in the suburbs. "With this dramatic expansion in suburban poverty during the 2000s, metropolitan America crossed an economic Rubicon," Brookings researchers Elizabeth Kneebone and Alan Berube wrote. More poor Americans now live in suburbs than in cities.

Poverty has been growing in vastly different kinds of suburban territory. Inner-ring suburbs, abandoned by wealthier residents who pulled up stakes in pursuit of more modern and spacious housing, are now attracting low-income families looking for more affordable places to live. Farther out from city borders, the housing market collapse and job losses of the Great Recession have taken a huge toll on communities where growth was fueled by cheap credit and residents' optimistic planning. Even predominantly wealthy suburbs have seen an influx of lower-income families trying to live close to new jobs.

The geographic shift in poverty has put a major strain on public services. Nonprofit agencies are usually structured and located to deal with urban poverty. Outreach efforts -- from health clinics and food pantries to legal services and subsidized housing -- are still clustered in city neighborhoods. Providers are trying to figure out how to make those services available to a population scattered throughout sprawling metropolitan regions.

The growth in suburban poverty has been especially rapid in the Austin area. The

number of poor people living in Austin's suburbs more than doubled between 2000 and 2012, while the poor population within the city limits actually decreased. In fact, according to Brookings, the Austin area saw a bigger percentage growth of poor suburbanites than any other U.S. metropolitan area except Boise, Idaho.

Since that analysis, the pace of change in the Austin area seems to have accelerated. U.S. Census estimates show that, from 2012 to 2013, the poverty rate in the city of Austin dropped from 20.3 percent to 17.8 percent. In the same year, the poverty rate in nearby Bastrop County -- where much of the Elgin school district is located -- is reported to have jumped from 10.7 percent in 2012 to 22.8 percent in 2013. Those figures are still preliminary and may be hard to believe. But they are well beyond the survey's margin of error, and they correspond to the very rapid changes local leaders report seeing every day.

The demographic rearrangement around Austin has been driven by the tremendous economic boom and resulting population growth the city has experienced in recent years. In the last decade, Austin has added nearly 200,000 residents. At last count, its population was 885,000.

The affluent newcomers drawn by technology jobs have driven up the price of housing near downtown. The tallest building dotting the skyline, in fact, is a five-year-old 56-story residential building half a mile from the Texas Capitol. Prices of condominiums in the building start at \$1.5 million. The demand for housing has also pushed up prices in East Austin, traditionally the center of the city's poorer African-American population. As cheaper areas become gentrified, many longtime residents are moving to the suburbs.

The growth in suburban poverty in the Austin area is visible on the city's eastern outskirts, in a neighborhood known as Del Valle. The area straddles the city's border, but it is cut off from the rest of Austin by the airport and a new toll road.

A subdivision of double-wide mobile homes, with signs advertising "Homes in the \$30s," is sprouting up behind the local middle school. The homes are modest, but they feature familiar elements of quiet suburban life: freshly planted trees, green lawns and a car parked on every concrete driveway. A little farther from the city, though, in the older Stony Point subdivision, run-down cars line muddy driveways. Children play in cluttered yards. Crowing roosters roam and barking dogs sprint along wire fences. With no grocery stores or restaurants nearby, residents of Del Valle crowd nearby gas stations at noon to buy food. A Texaco includes a "Bread Basket" convenience store. A new Exxon includes a "Tienda Mexicana" selling fresh fruit, sweetbreads, bulk cans of beans and meat from a butcher, alongside gas station staples like candy, cigarettes and fast food.

But poverty in the Austin suburbs is not limited to isolated enclaves. It continues to grow rapidly in more than one direction. In Pflugerville, a prosperous suburb north of the city,

the number of low-income residents has doubled since 2007. "We are growing at all income levels," says Jeremy Martin of the Greater Austin Chamber of Commerce. Citing a Forbes magazine analysis of cities nationwide, he adds, "We have the highest growth of low-income jobs, the highest growth of middle-income jobs and the highest growth of high-income jobs."

Those jobs often are located in the same places. Restaurants and retail outlets open locations to cater to prosperous office workers, creating jobs for servers, cooks and clerks as well. So the dispersal of low-income workers affects places where few residents are poor.

Take Cedar Park, a city of 61,000 people to the north of Austin. It is the fourth-fastest growing suburb in the country and has a median household income of more than \$77,000. More than two-thirds of its residents have at least some college education, and nearly half hold a four-year degree or better.

But Cedar Park Councilman Don Tracy says significant changes are afoot. Federal data show that the vast majority of new residents in Williamson County, where Cedar Park is located, come from Travis County, which includes Austin. These new households earn average incomes of \$46,000. Meanwhile, Cedar Park is attracting jobs, but not the kind of high-paying jobs needed to live in the suburb's richer neighborhoods. City studies show that 94 percent of the residents with jobs work outside of Cedar Park, while 89 percent of the people who work there live elsewhere. "Our community essentially flips every single day," Tracy says.

Cedar Park opted out of the Austin area's transit system in the 1990s, so the only practical way for most people to get around is by car. Some of its main thoroughfares carry 50,000 vehicles a day. The city is trying to expand those roadways, but Tracy expects that the transportation headaches will only get worse as Cedar Park and surrounding communities continue to grow.

Capital Metro, the area's main transit agency, only serves Austin and other municipalities that voted to pay a 1-cent sales tax to support it. To provide some transit to the unincorporated areas, the local community college is helping pay for a bus to connect its Cedar Park campus to a Capital Metro station. Still, service to outlying areas is very limited. The bus that serves Elgin, for example, makes three trips into Austin before 8 a.m. and three return trips in the early evening. For the rest of the day, there is no service.

Transportation issues are having an impact on other problems that Austin and its suburbs are trying hard to solve. "We tend to take the position that Austin doesn't have as much of an affordable housing problem as it has a transportation problem," says Chris Schreck, the economic development manager for the Capital Area Council of Governments. "There's lots of affordable housing not that far from downtown Austin."

But traffic and limited public transit options, he says, have an “isolating effect.” To make his point, he pulls out a map showing median prices of homes in the Austin area. To the west of Interstate 35, including downtown, prices are indeed high. East of the notoriously traffic-choked artery, prices remain low.

Getting to those areas with affordable housing, though, is no easy task. The eastern suburbs of Austin, such as Elgin, are small towns now absorbing big population increases. (Elgin was portrayed as the iconic rural town of West Canaan in the movie Varsity Blues.) They are connected to Austin and to each other by divided highways that, between population centers, stretch past miles of cattle ranches, billboards and low-slung corrugated steel buildings.

Many of these communities are just beginning to deal with the challenges of increased poverty and the difficulty of addressing the needs of new residents and workers.

Population change is putting a financial strain on local governments. While the city of Austin and its school districts are seeing their revenues grow because their property values are shooting up, outlying local governments with growing needs generated by increased poverty are not getting the benefit of the new tax money.

Suburban public officials also worry about image problems. On the one hand, they need to respond to the needs of their own citizens, especially those with low incomes. On the other hand, in order to attract jobs and services for those citizens, they want to put their best foot forward. That often means not drawing too much attention to growing poverty and related problems in the areas they represent.

To cope with their sometimes bewildering set of challenges, local governments are leaning as much as possible on local nonprofit groups. Cedar Park’s leadership, for example, is asking its nonprofits to help the city identify emerging needs. “People don’t tend to turn to government first when they’re in trouble,” Tracy says. “They go to their friends, they go to their churches, they go to nonprofits first. Government is a last resort for many of them.”

But Debbie Bresette, the president of the United Way for Greater Austin, says it can be difficult for nonprofits and their donors to adjust to the rapid changes. “People have spent so much [time] being focused on crisis where the majority of people have congregated, like downtown Austin and the homeless,” she says. Many area nonprofits are starting to realize how quickly poverty is growing in the suburbs, but refocusing their efforts there will take time.

One natural place for them to start has been with school districts. Schools have the physical facilities and the organization that nonprofits need to reach their communities. In Elgin and the nearby town of Manor, nonprofits are working with schools to provide students and their families with scholarships, health and behavioral counseling, food, clothing, school supplies and emergency relief.

The schools are facing new kinds of challenges in their classrooms as well, largely as a result of the burgeoning population of residents from foreign countries. In the Manor Independent School District, more than a third of the students have limited English proficiency -- nearly double the percentage from a decade ago. They speak 35 different languages. Recruiting teachers for those students is a major challenge for districts in central Texas, and districts like Manor are offering incentives for them and expanding teacher recruitment beyond the state.

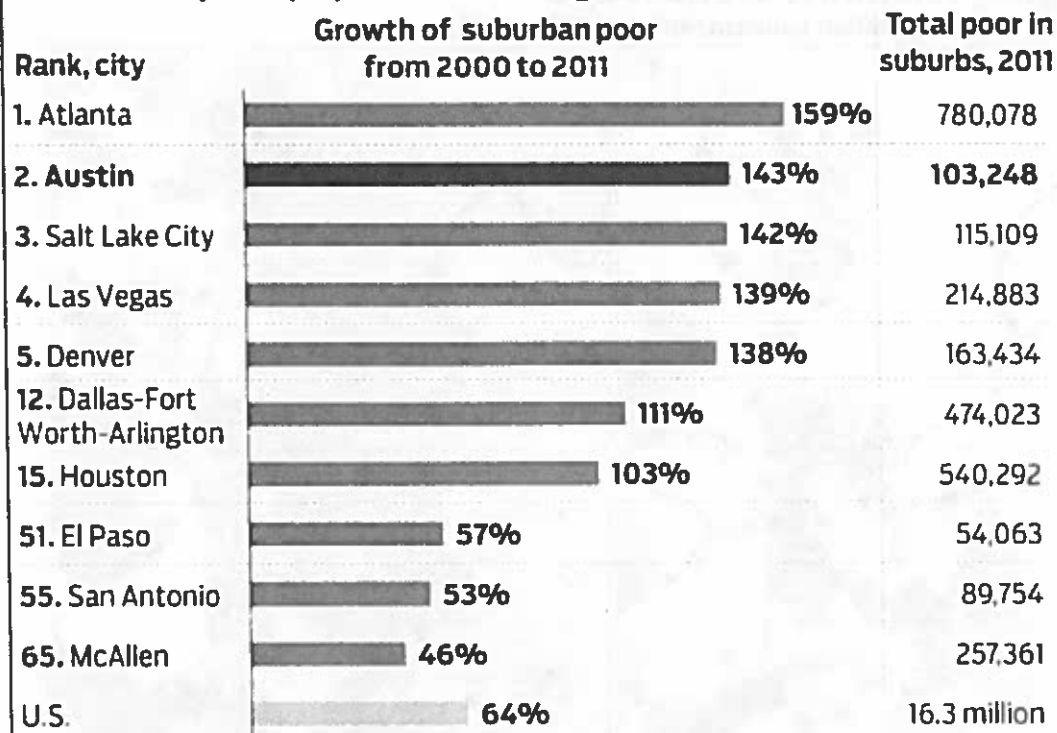
Under Superintendent Kevin Brackmeyer, the Manor district, now up to 8,600 students, is stressing the importance of attendance -- even going so far as to put up a billboard on a local highway to remind students that attendance matters. One day, Brackmeyer found himself dealing with a new kind of problem for his suburban district: a frequently absent student who was married and had two children. He was skipping school to work because he had to pay the bills. In all likelihood, Brackmeyer says, that student won't end up going to college, but he would benefit from a better paying job.

To help students like him, Brackmeyer hopes to take advantage of a 2013 Texas law that clears the way for schools to offer graduating students professional certificates to become HVAC specialists, certified nursing assistants, dental assistants or other specialized occupations. The district could work with Austin Community College or local employers like Samsung to train students for those jobs. If students walked out of high school able to earn \$18 an hour, it would help narrow the poverty gap, Brackmeyer says. "It pays much more than working at Sonic for the minimum wage."

The Implications of Suburban Poverty

The Austin metro area is experiencing one of the fastest growing increases in the number of poor people living in the suburbs. According to the Brookings Institute among the nation's 95 largest metro areas, only Atlanta saw fastest growth in the number of poor living in the suburbs. Suburbs are defined as areas outside of cities in metro areas. Brookings says that with suburban poverty growth, the systems, services, and programs needed to provide a path out of poverty in the suburbs are ill-suited and insufficient.

Suburban poor populations surge



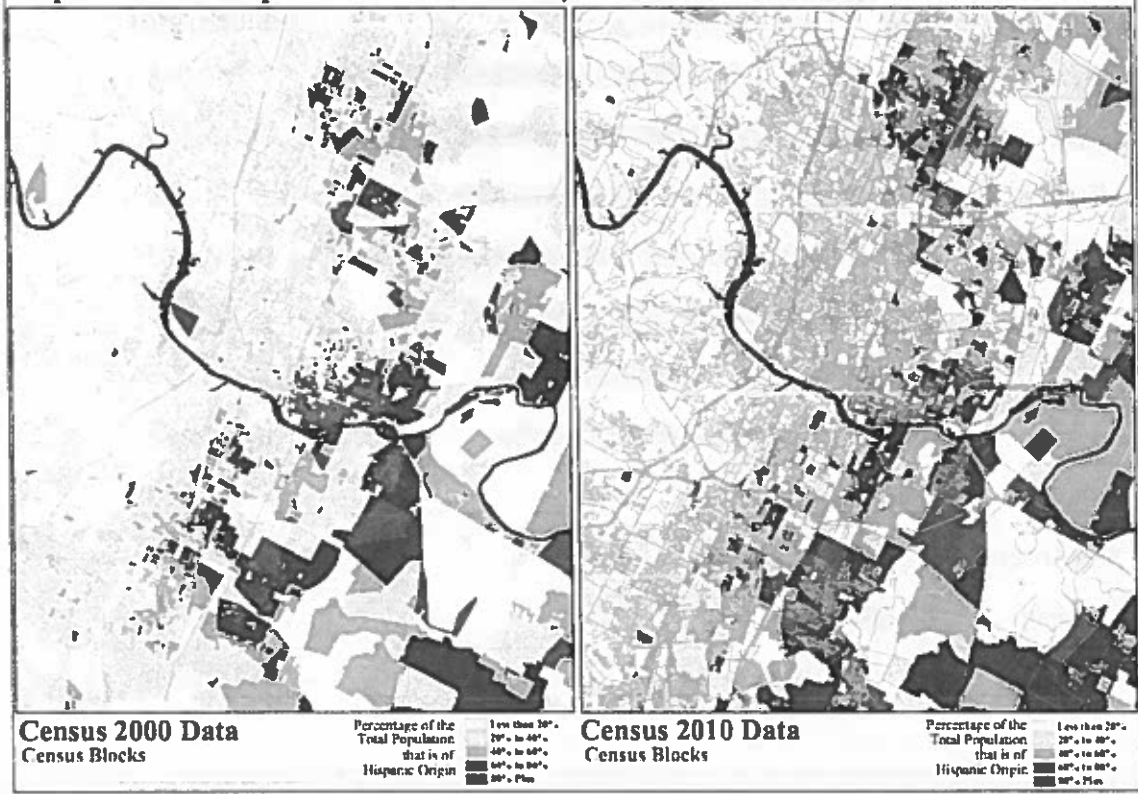
Source: "Confronting Suburban Poverty in America," Brookings Institution. Percent Growth in Suburban Poor Population, 2000-2011 for 95 of Largest Metropolitan Areas

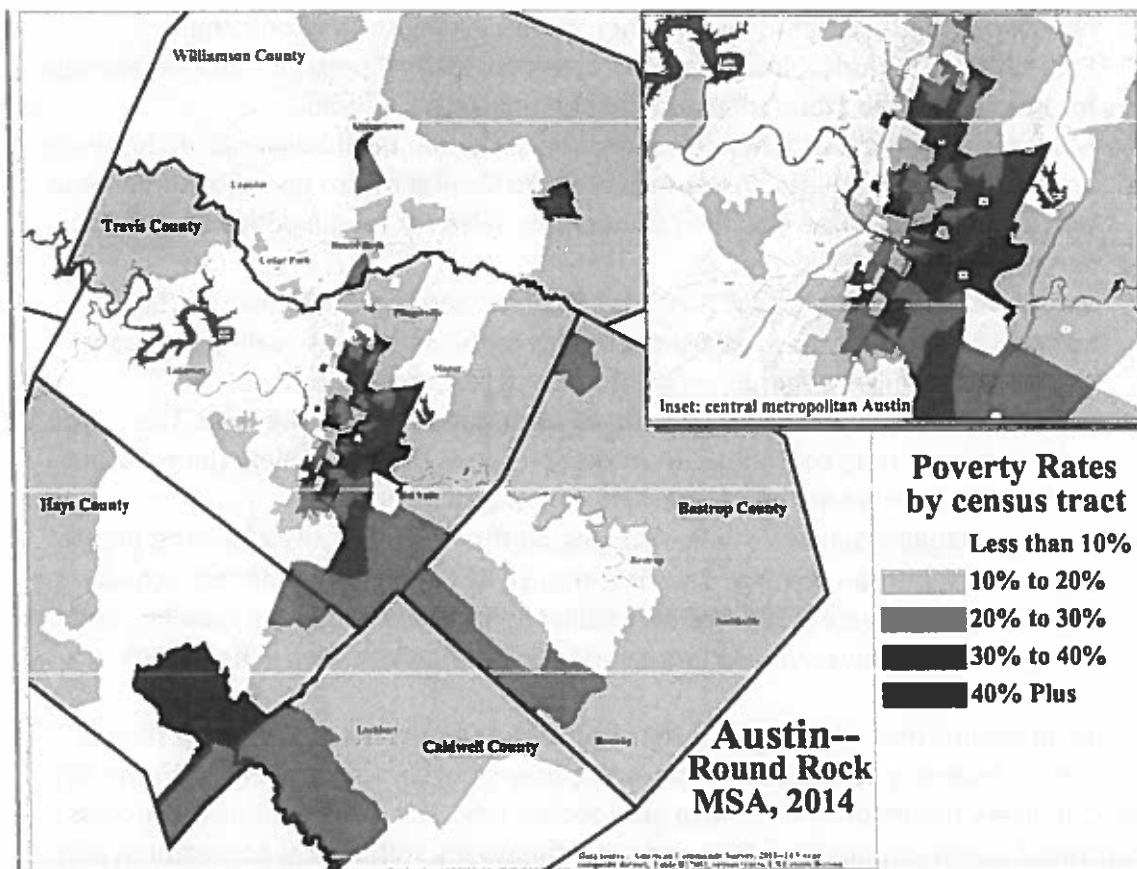
Growth in the Suburbs

Increases in suburban poverty are the result of growth in population, lack of affordable housing, immigration, and lack of income opportunities. Austin's overall suburban population increased 57 percent from 2000 to 2010. Latinos represent 27.5% of the suburban population according to Brookings and 10.5% of Austin metro area's suburban population. There are 266,000 people who lived in poverty in the Austin metro area in 2011. Latinos have noticeably moved into suburban areas.

Changing Hispanic Landscape

Hispanic—Latino Population Concentrations, 2000 and 2010





Shifting poverty within metro areas has affected families' access to many of the ingredients of successful communities, and how suburbs themselves confront different challenges in their efforts to promote opportunity for their low-income residents.

Issues:

- **Jobs mismatch** – Because most of the jobs are located in the “desired development zone” adjacent and close to downtown, there is a lack of access to employment opportunities for the growing number of low-income residents in suburbia.
- **Transportation challenge** – There will considerable distance between the suburban poor and job opportunities and this places added importance on the availability, reliability, and cost of transportation in their communities. Transportation costs have taken up an increasing share of household budgets as working families balance access to affordable housing with access to jobs, which means moving further into the suburbs as families “drive ‘til they qualify.” The Center for Housing Policy and Center for Neighborhood Technology found that households earning 50 to 100 percent of the median income in their region spent an average of 27 percent of their income on transportation costs and another 32 percent on housing, leaving limited room in their modest budgets for other necessities. Even though cars are the most frequent mode of commuting for low-income suburban residents they pose real financial burdens on those

households. Financing costs are higher and according to the Consumer Federation of America, low-income households paid 40 percent more on average for insurance than more educated, higher income households.

Many working age residents in low-income suburban neighborhoods do not have access to transit services. In the Austin metro Capital Metro does not serve areas outside its service area into the County as its sales tax funding doesn't paid for services in these areas.

- **Safety Net Services-** Many of Austin's safety net services are delivered through nonprofits. Much of the scope and strength of the safety net available to poor people and families depends on what kinds of resources and nonprofit infrastructure exist in and around the communities in which they live. The suburban poor may be isolated from organizations that could help them because many of the nonprofits focus on urban core populations.
- **Access to Quality Schools –** Schools being on the front lines are often the first to cope with suburban poverty. They experience increased enrollment in school meal programs, increased rates of mobility among their students' families, and accept the first waves of new immigrant populations into their schools. The

The many programs that alleviate poverty and promote economic opportunity do not exist for the suburban poor. Suburban poverty poses considerable challenges to the city oriented delivery model on which those approaches rely. The prerequisites for success – concentrated target populations; high-capacity; financially stable local government and nonprofits; market-based momentum; and the ability to orchestrate investment across dozens of siloed programs and policies – simply do not exist in most suburban communities.

So the question to ask is if not us, then who? Who is stepping forward to confront suburban poverty and finding ways to meet the needs of the diverse array of suburbs dealing with these challenges.

7.0 Housing

The City of Austin has put much effort into affordable housing. Last year, it produced 5,300 units of affordable housing, most of which were funded with low income housing tax credits (LIHTC). The LIHTC program effectively uses tax policy to help develop affordable rental housing for low and very low-income families. Originally part of the Tax Reform Act of 1986, the LIHTC program leverages private capital and investor equity to support the development of new and rehabilitated affordable rental housing. The credits are competitively priced. In general, state governments can adapt the LIHTC program to meet their housing needs under broad federal guidelines. In addition, the private sector carries all development and marketing risk and enforces strong oversight and accountability.

HousingWorks reports a need of 48,000 rental units affordable to people earning \$25,000 per year or less. The City's housing strategy to date has targeted the preservation of housing through a multi-tiered preservation strategy, including the use of Homestead Preservation Districts and associated tax increment districts (TIFs); maximizing tax incentives for preservation, and the development of a preservation "strike fund" to purchase Class C apartments in order to preserve affordable rents. The Mayor has also spoken publicly at both of his State of the City addresses to create a private sector initiated strike fund that will raise private capital to acquire Class C apartments.

Another strategy is the use of affordable housing bonds with \$55 million approved in 2006 which produced 3,400 affordable housing units and another \$65 million in affordable housing bonds in 2013. Also the City is rewriting the land development code which offers opportunities to promote affordability through density locations streamlined development reviews, and a simple and predictable development process. The City is also exploring onsite, inclusionary affordable housing policies that will provide development incentives such as increased density and relaxed development standards in exchange for onsite affordability.

When it comes to generating affordable housing opportunities for families, inclusionary zoning has been an important and effective local tool, utilized in more than 400 local jurisdictions around the country. Inclusionary zoning requires the inclusion of a certain percentage of affordable housing units (typically 10-15%) in new market rate developments.

Whenever inclusionary zoning is brought up in Austin at the City Council or other policy forums, the discussion is shut down on the grounds that all inclusionary zoning is illegal in Texas. According to housing experts such as Elizabeth Mueller at the University of Texas this is a misconception. In fact, the only type of inclusionary zoning that the Texas Legislature has banned is for homeownership units, and even this ban has several notable exceptions.

The Texas statute governing inclusionary zoning reads as follows:

Texas Local Government Code, Section 214.905. PROHIBITION OF CERTAIN MUNICIPAL REQUIREMENTS REGARDING SALES OF HOUSING UNITS OR RESIDENTIAL LOTS.

(a) A municipality may not adopt a requirement in any form, including through an ordinance or regulation or as a condition for granting a building permit, that **establishes a maximum sales price** for a privately produced housing unit or residential building lot (emphasis added).

What is clear under this statute is that a city in Texas cannot enact an inclusionary zoning ordinance impacting homeownership units, such as requiring that 10% of homes

built in a new subdivision be sold below a certain sales price to low-income families—unless an exception in 214.905 is met. What is also clear from the language above is that the inclusionary zoning ban does not extend to rental housing.

Also, importantly, Section 214.905 goes on to provide several notable exceptions to the ban on inclusionary zoning for homeownership units, including land in a homestead preservation district and density bonus programs:

(b) This section does not affect any authority of a municipality to:

(1) create or implement an incentive, contract commitment, density bonus, or other voluntary program designed to increase the supply of moderate or lower-cost housing units; or

(2) adopt a requirement applicable to an area served under the provisions of Chapter 373A, Local Government Code, which authorizes homestead preservation districts, if such chapter is created by an act of the legislature.

With Austin's growing affordable housing crisis, we need to be using all of the tools at our disposal to preserve and create affordable housing opportunities for low- and middle-income families. Inclusionary zoning is one of those tools we should be using now.

In researching affordable housing, we note the Seattle Housing Affordability and Livability Agenda's (HALA) work. The HALA through a 28-member task force was empaneled by the Mayor and City Council to address Seattle's Housing Affordability and Livability Agenda to balance the needs of a fast-growing city with almost unimaginable new wealth and the acute needs of people who experience systemic inequities driven by issues of income, ethnicity, and race on a daily basis. The Mayor charged the HALA to create a plan that can generate a net increase of 50,000 units of housing – 20,000 units of affordable housing and 30,000 new units of market rate housing over the next decade. HALA sought common ground with multiple interests at times fundamentally opposed to each other. As of result of this common ground they have recommended a suite of concepts that the HALA found consensus. The HALA organized their work around four key areas of inquiry as a part of their commitment to a racial and social justice agenda that promotes equity. These four areas can be summarized as:

- More resources for affordable housing (more subsidy, through a range of revenue generating mechanisms) – mandates that affordable housing units be included in housing developments and that commercial developments contribute fees toward affordable housing, and provide an associated upzone or floor area ratio (FAR) increase; dedicate property taxes derived from new construction to affordable housing through a City Growth Fund; create a stable source of funding by enacting a real estate excise tax (REET) dedicated to affordable housing; implement a multifamily property tax exemption program which enlists private developers in providing income and rent restricted units in newly constructed buildings

- More housing (maximizing opportunities in the market) – devote more land to multifamily housing particularly in areas near transit, services, and amenities; boost production of accessory dwelling units and detached accessory dwelling units by removing specific code barriers that make it difficult to build ADUs and DADUs; allow for more variety of housing types, such as small lot dwellings, cottages, courtyard housing, duplexes and triplexes, in single family zones
- More supports for communities (strategic preservation of housing and protections for vulnerable tenants and homeowners) – seek state authority to enact a property tax exemption for private landlords who commit to income and rent restrictions in existing buildings; combat displacement by funding rental and operating subsidies for extremely low-income households
- More innovation (the streamlining of systems and related reforms to cut the costs of housing) – improve predictability and timeliness and thus reduce construction costs by reforming city design review

The City of Austin has similar areas of inquiry and goals but we strongly suggest that the City dive into the HALA and consider the recommendations they are offering.

8.0 Health

The Truth Behind Latino Health Disparities and the Need for Data Driven, Community Based Analysis to Provide Effective Health Interventions

Significant health disparities exist within the Latino population, which is why the City of Austin should not only continue to focus but also concentrate on the largest and largest growing population. The goal of working with a Latino population is to better understand health disparities and identify the type of disparities that affect Latinos, including obesity, diabetes, substance abuse, violence and HIV/AIDS. Research should be supported to identify contributing factors such as less education, higher rates of poverty, unhealthy living conditions and environmental hazards.

While it is beyond the scope of this paper to provide a comprehensive survey of the health problems faced by Latinos, certain disease patterns shed light on the disease and mortality trends and the disproportionate burden of disease experienced by the Latino community. These trends illustrate the need for Latino health education, prevention and early diagnosis and treatment initiatives.

Moreover, when viewed in its totality, these health trends provide irrefutable evidence that the Latino community faces a serious health crisis. This is a crisis that will only worsen unless leaders from diverse sectors of the Latino community are galvanized and work together to advocate for increased access to quality health care and the elimination of Latino health disparities. Data from the City Health and Human Services Department 2015 Critical Health Indicators is shown below.

Health Data	Latino	African American	White
Causes of Death			
Cancer	42,635	18,425	108,726
Heart Disease	31,554	9,160	137,720
Accidents	12,976	3,685	36,242
Stroke	11,122	4,606	25,370
Lung Disease	3,707	1,842	28,994
Alzheimer's	5,561	2,303	13,047
Diabetes	6,673	2,764	7,248
Chronic Disease			
Cardiovascular Disease	12,605	9,673	36,967
Diabetes	37,074	14,740	34,068
Chronic Disease Risk Factors			
Tobacco Use	59,319	16,398	122,498
Obesity	90,832	36,850	129,747
Maternal and Child Health			
Prematurity	822	201	564
Late or No Prenatal Care	3,567	454	1,008
Low Birth Weight	608	213	472
Infant Mortality	42	16	24
Births to Mothers 15-17 years old			
Births to Mothers under 20 years old	1,067	182	145

According to the National Institute of Health, health disparities are defined as "differences in the incidence, prevalence, mortality and burden of disease and other adverse health conditions that exist among specific population groups. What the health issues affecting Austin's Latino population?

Place matters. Zip code matters. Where we live, learn, and play can have as much or more to do with our health as our DNA.

The problem is that your chances of a healthier life may be down the street from you, but our current methods of collecting data do not sufficiently account for these differences, block to block, school to school.

We look at national, state, and city data for insights into our health, but at that level, these measures erase these differences, and the picture of our health is painted as a composite, averages that do not reflect the highs and the lows experienced below the surface. We need more data, especially about our health, at the zip code, and even more accurate, down to the census block.

At the same time, inequality exists in how gather data. Think about this: if the information is not collected, that information does not exist to be analyzed and make informed decisions. Our data is only as good as the amount of data the institutions deem worthy of collecting, studying, and ultimately, of funding.

City-wide, or county-wide Community Health Assessment (CHA)/Community Health Improvement Plan (CHIP) process differs from a local, place-based CHA/CHIP process. The differences lie mainly in two factors:

- 1) The types of available data
- 2) The scope of focus

1) The types of available data

The sources of data that is used in a city- or county-wide CHA/CHIP are more widely available than data that exists below the city level, and this creates an aggregate effect that obscures disparities zip code to zip code or even block to block. This is why in LHCF's reports the two zip codes of focus are put side-by-side with city, county, state, and national data to get a sense of the disparities that lie below the surface of the aggregated data we are accustomed to viewing.

The consequence of this is a need for resources devoted to focusing on one specific area. ***To use an analogy of a book, the zip codes do not simply exist as "one chapter" in a city "book"; one must actually go back to the data, and draw or tease out zip code information from it.*** One example of this is for clinical data, the LHCF team downloaded 700,000 rows of clinical data of 78753 and 78758, and then had to employ a data professional to organize the data and create a dashboard to even be able to make useful inferences from this form of "big data".

2) The scope of focus

Data should provide an ability to see who is being impacted at the local zip code level. Though similar to disparities found by the city, the makeup of the population is different, and hence, their needs are different. For example, Dove Springs is relatively

more homogenous than the Rundberg area. Focused programs targeting Latinos makes sense in that area; however, in the Rundberg area, our team found in the clinical data analysis, and later validated by school district findings, that Arabic and Burmese have high needs, in addition to the high level of Latino/Hispanic residents of the area. ***Having this data for example for a recent community-based study conducted by the Latino HealthCare Forum changed their approach as they created additional focus groups of Burmese and Arabic, as well as recruiting and training seven Arabic-speaking Community Health Workers.***

More than just data, the Latino HealthCare Forum's Community Health Improvement Plan also has components that are more focused than the citywide CHIP process. For example, when they look at "places for children to play", they look at specific properties and programs. ***When you create a place-based initiative, the improvement focus is more tangible and results on improving specific environments, spaces, programs and policies.***

It has only been about two generations since traveling medicine shows were common forums for medical information. Phony research and medical claims were used to back up the sale of all kinds of dubious medicines. Potential patients had no real method to determine what was true or false, let alone know what their real medical issues were. We hope that health and healthcare has come a long way since those times, but similar to the lack of knowing the compositions of past medical concoctions and what ailed them, today we have health and healthcare professionals who still can't seem to focus on the data driven priorities for disparities and outcome information that support the investment of public dollars.

Issues surface when there is no data or the data provided has no perspective into the absolute volumes of disparities and instead just focuses on incident rates of disparity. The problem with focusing just disparities is that a disproportionate amount of funding goes to those issues that have higher rates of disparity issue but are a very small population. It has become apparent that there is a lack of focus on producing data sufficient to develop interventions for health disparities for Latinos, Asians and African Americans.

Health initiatives require a real evidence basis. There needs to be real outcome data for the interventions that been funded. City health related contracts require more than funding for activities and outputs and not real outcomes.

With regard to the funding for health contracts it is important to avoid the following issues:

- 1) **The data is skewed.** This selection of data obfuscates other less convenient datasets regarding disparities affecting other groups. It is divisive to compare racial groups to each other as opposed to focus on all the challenges facing these vulnerable groups.

2) It intentionally leaves out other minority groups, including the largest minority in Austin. Latinos make up over 1/3 of the population and in particular, the vulnerable and underserved and experience the most volume of chronic disease disparities.

3) Who is defining and deciding the criteria for future public health funding?

Organizations selected to provide services must meet the following criteria:

- Have a history of ongoing community programs focused on communities facing health disparities for at least two years
- Be culturally and linguistically appropriate with a board or leadership team representative of the clients served
- Provide programs and services primarily to historically underserved communities as reflected in the organization's mission statement
- Use innovative models where program design and implementation is led by community members directly impacted by the health disparities being addressed
- Successfully use a community organizing methodology as a tool for meaningful community engagement

Council members deserve to fully understand the health needs of the community through a rigorous data review with community engagement that provide qualitative information

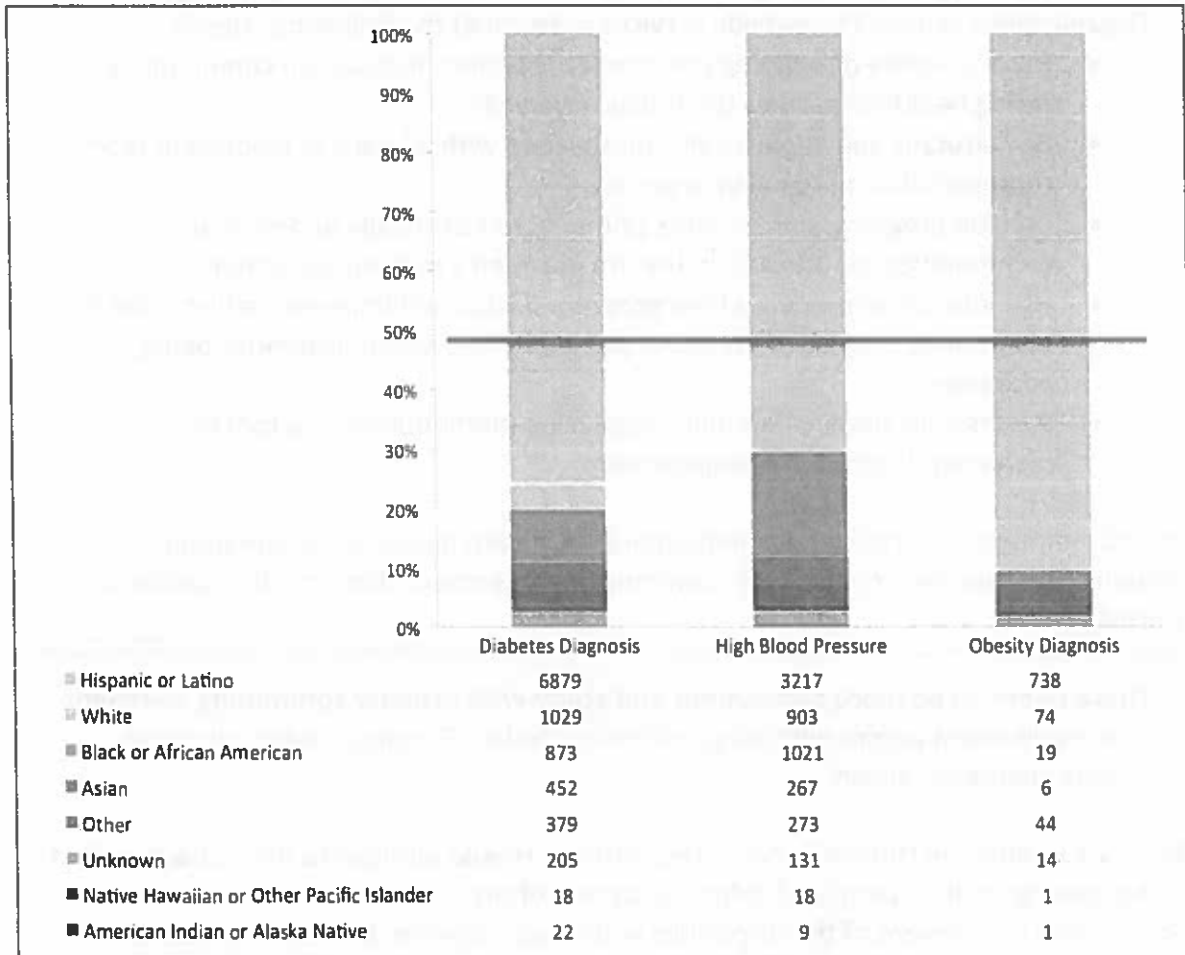
4) There needs to be more assessment and study with broader community oversight and involvement before allocating millions of dollars. Funding health outcomes require rigor and reason.

The City's Health and Human Services Department should emphasize the disparities that are happening to all of people of color and other cohorts, and that there needs to be more clinical assessment of the disparities and needs citywide. Latino/Hispanics and their advocates should be outraged at their exclusion. At the very least, someone should ask for a citywide Latino & Hispanic assessment, or a broader minority disparities report, to ensure being inclusive to other racial groups.

5) Below is an example of how data should be shown to prove useful in tackling health disparities. This is an excerpt from the Rundberg Health Assessment conduct by the recent Restore Rundberg health initiative by the Latino HealthCare Forum.

EXCERPT FROM RUNDBERG HEALTH ASSESSMENT

In terms of visit volume (caseload), those in the Rundberg area that are living with chronic conditions such as diabetes, high blood pressure, and obesity, over half of the visits are Hispanic or Latino clients.



Source: ICC Health Information Exchange, Zip Codes 78753 & 78758

There is nothing in the Rundberg report that is not backed up with data or qualitative feedback.

Latino advocates can respond to recent funding allocations and say that this was not an inclusive or rigorous process. You cannot call a report "Health Inequities in Travis County" and just disregard the largest minority, of which there is an epidemic-size disease like diabetes that is affecting them disproportionately.

A rigorous health data analysis based on quantitative and qualitative information should be conducted similar to that conducted in the Rundberg area. Key Latino populated areas including Dove Springs, East Austin, Montopolis, and others should be included.

The City has conducted a county wide Community Health Assessment (CHA) and Community Health Improvement (CHIP), but this data is not disaggregated at the zip code level. Only with disaggregated data can health interventions be developed. Again, the model should be the Rundberg mini-CHA/CHIP being conducted by the Latino HealthCare Forum in partnership with Restore Rundberg, the community-based initiative founded to tackle the area's disparities.

9.0 Growth Policy

The Growth Machine and the Forces that Shaped Austin

The region's industrial/urban development has come at a high cost and is based on political and spatial arrangements that propelled growth. In the 1990s the common growth agenda by UT/local growth coalition/environmental community under the rubric of Smart Growth. We are familiar with UT's exclusion into East Austin but less known and recognized is the role of UT as a land developer and using unique bonding authority to obtain industrial sites for MCC and Sematech which further the development of Austin becoming a knowledge industry. The political compromise between growth and anti-growth coalitions in the 1990s under the green Kirk Watson council was Smart Growth to keep the Edwards Aquifer as low density and protected and steering more intensive urban development to the east and downtown. The Eastside became the desired development zone for economic stimulation.

New Urbanism emerged promoted as the "Smart Growth" strategy by mainstream middle-class environmentalist organizations. New Urbanism aims to change the built environment of American urban areas over time by creating a new regulatory regime for development. New Urbanists propose an increase in density in both new suburbs and older areas while discouraging low-density outward expansion into open land around existing conditions. Other ideas include mixed uses and transit oriented development. New Urbanists point to studies suggesting a strategy of making American urban areas denser will tend to reduce ownership and usage of autos. There is an appeal for people to choose streetcar-era urban neighborhoods of tidy, compact housing and pedestrian-oriented Main Street shopping district. The problem is that who will have access to newly constructed housing? And isn't that a policy that promotes private, for-profit investment in urban working class neighborhoods a strategy for gentrification?

Defenders of New Urbanism refer to the sort "inclusionary" used in Portland. This refers to tax breaks and zoning changes to encourage multi-unit rental housing as well as requirements for a certain percentage of "affordable" units – typically 10 to 15 percent. The Austin Business Journal reports that Mayor Adler spoke at an Urban Land Institute meeting in 2015 about inclusionary zoning, "this is the time we need to act. We need to find new ways and methods for bringing capital to Austin. We need more tools" suggesting the possible use of inclusionary zoning in some instances. At the same Austin

conference, Mandy de Mayo of Housing Works noted that creating density can be an important tool for supplying more affordable housing, it's often not a direct correlation, "density doesn't convert to affordability."

As noted by Tom Wetzel, patterns of capital flows have a visible effect on working class communities. Some see signs of disinvestment with abandoned stores, boarded up dwellings, and scare jobs. In other communities like Austin, the inflow of investment fuels economic stimulation which may cause gentrification. Upscale condos are erected, houses are replaced with McMansions, piñata stores are demolished replaced with parking lot for cat-friendly café. Rents rise as landlords realize they can attract professionals and business people as tenants. An area of "valuable city real estate" is being cleansed of its working class residents.

The housing and affordability crisis in Austin is a sign of market failure. In Austin, the majority rent because of the lack of affordability. Developers build little housing affordable to most working class households. Meanwhile development costs for housing have continued to rise. In this context, it isn't possible to develop new housing or provide resident-controlled housing to most working class people without subsidies. A market based approach can't solve the affordable housing crisis. Lacking any program for democratization of land use, and no way of ensuring access to all income levels especially for a growing Latino population, the New Urbanist vision is in danger of being merely a façade, a set of vague slogans to legitimize the agendas of developers.

So in Austin, the fate of affordable housing seems to be in lap of City government with reforms to be made through the Zucker audit of the development process and improvements to be made and through the implementation of CodeNEXT, the city's attempt to rewrite the land development code.

Equity: A New Growth Model

As Austin undergoes the emergence of a new racial and ethnic majority, equity – long a matter of social justice and morality – is now also an economic imperative. Austin can only achieve and sustain growth and prosperity by integrating all into the economy. Austin needs a new strategy to bring about robust growth that is widely shared by all.

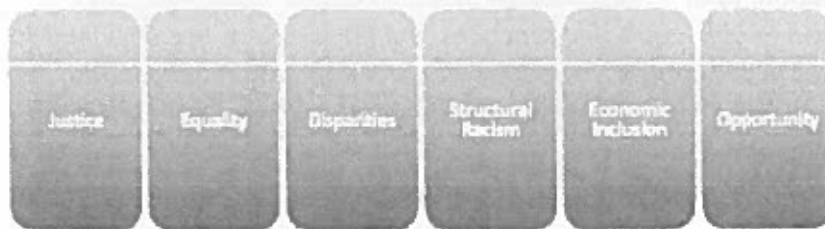
The Austin growth model must embrace the region's changing demographics, and make the investments needed to allow the emerging Latino and other people of color population to reach its full potential. Austin is undergoing a major demographic transformation in which Latinos and other racial and ethnic groups that have been most excluded are now becoming a larger portion of the population. Austin today is a minority majority city.

What is Equity?

Equity means just and fair inclusion. An equitable society is one in which all can participate, prosper, and reach their full potential. Equity is the antidote to inequality and both the means and the end. Equity is results. Equity is the future.

Racial equity is the condition that would be achieved if one's racial identity no longer predicted, in a statistical sense, how one fares. When we use the term, we are thinking about racial equity as one part of racial justice, and thus we also include work to address root causes of inequities not just their manifestation. This includes elimination of policies, practices, attitudes and cultural messages that reinforce differential outcomes by race or fail to eliminate them.

The pillars of equity address the need for justice, equality, structural racism through strategies of economic inclusion that lead to meaningful opportunities. Equity matters because the face of Austin has changed and people of color in particular Latinos who the minority majority are necessary for Austin's economic growth and prosperity.



Equity is done through policy and strategy development. Equity is done through the process of data collection and analysis; community engagement and leadership development. An Equity agenda includes an indicators framework that address the questions of

- who lives here and how is it changing through demographers?
- how can everyone connect, participate and contribute measured as economic vitality, readiness, and connectedness?; and,
- how much stronger would the economic be with equity measures through the economic benefits of equity?

Policy impacts the economic, social, physical and service environments and all policies can produce either positive or negative impacts on low income communities and communities of color.

LULAC believe that the City of Austin and other governmental entities need to formalize equity through policies by:

- Including equity as a criteria for inclusion and/or prioritization of policies
- Identifying policies important to low-income communities, Latinos and other communities of color, and other vulnerable populations
- Targeting benefits to vulnerable populations
- Prioritizing provision of resources to areas that need it most

10.0 A Call to Action

LULAC is requesting that the City of Austin adopt the following Equity Manifesto:

*We, the City of Austin, believe in the potency of inclusion, and calling out racism and oppression, both overt and systemic; and,
We, the City of Austin, recognize that as local leaders we need to invest in each community's unique assets and leverage these with support from the city; and,
We, the City of Austin, adopt that equity-mindedness should be the guiding paradigm for language, culture and action; and,
We, the City of Austin, will enable equitable practices and policies that are designed to accommodate differences in the context of community and population needs; and,
We, the City of Austin, will insist that equity must be enacted as a pervasive institution – and system-wide principle; and,
We, the City of Austin, will hold ourselves and others accountable to ensuring equity in all policies.*