Economic Opportunity Committee (EOC) Special Called Meeting Transcript – 11/18/2026

Title: ATXN-1 (24hr)
Channel: 1 - ATXN-1
Recorded On: 11/18/2026 6:00:00AM
Original Air Date: 11/18/2026
Transcript Generated by SnapStream
==========

Please note that the following transcript is for reference purposes and does not constitute the official record of actions taken during the meeting. For the official record of actions of the meeting, please refer to the Approved Minutes.

[11:33:09 AM]

Well good morning everyone. I'm going to call this special called meeting of the economic opportunity committee to order at 11:34 A.M. On November 18th, 2026 at Austin city hall as a quorum is present. On the dais, we have myself. We have councilmember Jose de Jose Velazquez, and we have councilmember Mike Siegel joining us. And then remotely, we're having vice chair Fuentes joining us. And everyone else is everyone's here. We have no one who's unable to attend.

[11:34:27 AM]

That's exciting. For this committee, it's it's everything. The next item is public communication. But I don't believe we have any speakers. Is that correct?

[11:34:39 AM]

>> That's correct sir.

[11:34:41 AM]

>> Great. So we're moving on to item number one. Our first item is to approve the minutes of the September 25th, 2026 special called economic opportunity committee. Do we have a motion to approve item number one motion by councilmember Velazquez? We have a second. Second by councilmember

Siegel. All in favor, say aye. Aye. That's unanimous. With that, we'll move to item number two discussion and possible action on economic opportunity committee meeting schedule for calendar year 2027. I'll open the floor for discussion. Anyone have any vice chair Fuentes?

[11:35:17 AM]

>> Yes. Thank you. Committee members, there should be. And, chair, I don't have the printouts in front of me, but there should be a proposal for the committee to meet bimonthly next year. And so I just wanted to lay out that, given the election results from earlier this month, we know very clearly that austinites and Texans at large are very focused on affordability and want to have cost of living, and prices go down. And so, you know, I want to propose that this committee that we set a schedule that allows the committee to meet on a bi monthly basis for next year. You know, of course, if there's a need for us to adjust as we go, we can do that accordingly. But just kind of thinking through all the different topics and things we can discuss as a committee next year. And that was one of the proposals we wanted to lay out.

[11:36:13 AM]

>> Great. Thanks. Vice chair. Yeah, I think that's something we should definitely look at going into into 2027, especially as you highlighted with all the all the good stuff that's happened in the state. Anyone else have any comments? Nope. Great. Well, I will move on to item number three, which is a briefing on the service realignment to strengthen and streamline the delivery of development related services and the decision making framework that will be used for this. And joining us on item number three is Keith Mars, the director of Austin development services.

[11:36:44 AM]

>> All right. Good morning. Early afternoon council members. Keith Mars, director of our Austin's development services department, appreciate the opportunity to walk through. How might we strengthen and improve actually more consistent compliance. So let's start with why development services matter. I'm going to walk through this also kind of share a, I think, a meaningful story with you, or at least meaningful to me in my experience here, is that permitting is an essential service of our community. It's what makes our community and how we go from what is development, what's on paper, what's under construction, what's the sticks and bricks? Then that becomes community, right? That's where you take your kids to school. That is where you live. That is where you buy groceries. That's the dentist that you go to, which I have a personal experience with that. That's a whole other story of the challenges of development. It's not just the big development, it is the the day to day fabric of our community. You can see some of my examples that is, these are critical paths to housing, to

employment, our city's infrastructure. It's a taco truck going into brick and mortar, right? It is the the wishbone bridge. It is all of these things that make our community. Today's development is tomorrow's community. It is also something that historically and this is not unique to Austin. This is in every city. It is complex. It is complicated. It can also be contentious and costly. Now, something I want to share with you that hopefully ground you in the approach that I think that we're going is to councilmember Fuentes point earlier on affordability is that sometimes these are false choices or false trappings of how do we have compliance and uphold our community's values while also having an effective, efficient delivery of those services and making the process more predictable and more repeatable? Those two things don't have to be mutually exclusive. I've had the good fortune of of working for our community for 18 years. Like many austinites, I moved here thinking I was going to be here a year from moved here from Tennessee. Like a lot of tennesseans before me that moved to Texas and thought I was going to be here a year.

[11:39:23 AM]

And next thing I know, I'm here 20 years later. So I really fell in love with this place, and especially the service that I've been able to provide to our community, and why this issue around permitting as an essential service is in part so important to me is throughout my career at the city, at one point, I was our city's city arborist, and that really meant a lot to me. It was really one of the foundational things that is part of our home rule community of trees being of value to our community. One of my first experiences, and I had an absolutely amazing city arborist that came before me that really taught me a lot about relationships and predictability and why those things matter to delivering better outcomes. One of my first experiences with that was a large, single family home development, which wasn't uncommon in the early 2000 or mid 2000 here. And I distinctly remember exchanging emails with one of the builders at the time, and it got heated and got heated quickly. And we were like, okay, let's, let's meet out there on site. And we started walking the site looking at trees. And it quickly became apparent to me he did not oppose our city's TRE ordinances. He was not concerned about protecting trees. Where our misalignment was was about time and certainty. He saw this as risk. He saw this as uncertainty with how do I deliver housing? With the uncertainty of what I can do lot to lot. So we were both kind of missing the Marc in our first conversation, when it was very transactional and position oriented as opposed to outcome oriented. So we ended up walking the subdivision for like almost an entire day, laying out each lot of what could be protected, what didn't.

[11:41:03 AM]

And it ended up satisfying his needs and actually led to much better outcomes for our community. You take that approach and amplify it, and I think hands down, our city is recognized nationally as one of the leaders in TRE preservation, but it has been done through a partnership approach from understanding. And what are we solving for if we're able to solve for time and certainty and predictability, that goes a long way to delivering better outcomes for our community. Time matters. The site plan turnaround

times that we've had in our community have drawn national attention. We went from somewhat of a steady pace of, on average, taking about 30 days to deliver comments before before covid, we got to the point where it took nearly 100 days to even turn around. Comments during the kind of peak growth, peak demand here, the system and the scalability and the predictability simply wasn't there. What we have done since then of transforming the site plan permitting process, I'm convinced, is actually led to better outcomes for our city, but also doing it in a way that is understanding of time and certainty matters. And we'll walk through some of these things that we've done to get to that point. We've actually been able to reduce building plan timelines by about 60%, commercial projects, about 50%.

[11:42:29 AM]

We've taken our capital project permitting program and just rethought this. We the city is on the administration side. We are sometimes commingling capital planning functions of how do we, as various departments come together and space plan and identify where our own infrastructure and utilities go? We were sometimes doing that through the permitting process, and those are those are different things. So how do we untether those two and actually deliver better projects so that the design of these projects happens up front, and then they go through a more streamlined permitting process? Same way with standing up expedited site plan review. My little example of the TRE scenario is really scaled up to what this type of program has become. So oftentimes these big projects come in or, and it could be, I say big, this could be big in terms of 4 or 500 unit multifamily. This could also just be someone that is starting a small business. And big to them is a couple hundred thousand dollars, and they have put in every bit of their life savings into this time and time again. One of the things that we continue to hear is that if they had just known, if they had just known at 30% plans they needed to do X, then they would have designed for it at 30%. So we're like, okay, this actually makes sense. So we have created a design review model that is based on the various phases of how development comes together.

[11:43:55 AM]

Come and meet with us at project orientation. Come meet with us at 30%, 60%. And then when you get to nearly final design, that's more or less a compliant plan. We are seeing some of the fastest approval of site plans by going through this process again, not compromising our city values and not compromising the quality of delivery of that code. We're just simply doing it differently. So this moves us to the next phase of what we're trying to solve for, which is how do we build on these successes that we've had the past couple years, and being able to sustain this into the future, a more scalable and more durable approach to development. I'll walk through some of the things that were in the memo that you have seen with the backup. There are three key pillars to this. One is establishing kind of clear accountability of when classic baseball analogy here, when when I've got you've got it, everyone's got it, then no one's got it of we are dropping balls because there is not that sense of clear ownership and roles and responsibilities.

[11:44:55 AM]

Some of the delays in the permitting process are solvable by us. On the city administration side, sometimes you can only lead a horse to water, and we want to be able to do that through reducing delays through this executive intervention framework. Finally, I'll touch on some of the realignment of services that we're looking at again to reduce complication. Even though we have high levels of complexity. The complication is what we've put together. So I'm going to first walk us through the development authority. What does that mean? This is our city's administrative organizational chart. And as you can see, development is truly a whole of government approach. Part of the reason why I love it, and I think that our we have had so much successes, is really understanding the customer. And again, that can be the small business, that can be the person that just is adding an addition to their house all the way to big development. The customer experiences the city as a city, capital city, not individual departments. At the end of the day, we are one organization. So in order for that organization to move effectively and efficiently, there has to be a sense of a quarterback or a manager however you want to, or a coach of that type of person that plays the conductor of both departments that do reviews, departments that are actually customers of the permitting process, like our airport, like our delivery, a library.

[11:46:25 AM]

All this goes through permitting. Our process and the number of departments that are involved is complex. Any type of large organization has inherent complexity that what you're seeing here is at any one point in time, these are the touch points between departments on on a project without coordination, without a a conductor, this type of of process left to its end is is without discipline and without a common purpose and a common outcome. What we're solving for again, is recognizing there's complexity, but the complication that we add to it is solvable and avoidable. Layering on top of that is we, you know, least to say we have a we have a complex development code. We have complex rules that are associated with that.

[11:47:23 AM]

Again, put yourself, be empathetic and put yourself in that customer's shoes. And again, the customer, I want to just really ground us in the customer can be that just person that is starting a brick and mortar restaurant or has questions about how do I create a bake shop that is also development? Those individuals also experience the full development process. This process has to be predictable, repeatable, and understandable to the average austinite all the way up to the very seasoned long term developer. So the development authority part of what is changing is establishing the development services director

as the city wide authority over development. That does not mean there is not coordination, collaboration, and that ultimately it is a team function. This action puts central coordination and leadership into development services. Again, to be that quarterback, to be that coach, to be that conductor. What type of type of analogy lands with you? It's also acknowledging that at some point, decisions have to be made. We have due process and we have due diligence as an administration to work through that. But left to its own in without a decision, not making a decision becomes a decision. So there is now that intervention framework for that. It also oversees the service delivery. I really want to focus on this part again.

[11:48:57 AM]

I'll go back to customers see us as the city, not individual departments. So when it comes to review timelines, when it comes to the workflow standards, when it comes to customer service expectations, if a, if a plumber or whoever has a question, ideally they ought to be able to reach out to the city and get common answers and be able to speak to people at 8 A.M. Or 4 P.M. Whatever that time is, and not be dependent on which department they're talking to. It is ultimately the city that is there to provide that service. Next of what's changing is both intervention and permitting committee. These are two really exciting things. A lot of larger cities and and Progressive cities are also pursuing this and recognizing that good government and good outcomes are on permitting are not mutually exclusive. So what we're moving forward with this is we really want problem solving to happen at the lowest level as we have become a more compact and connected community, there are bound to be just inherent space challenges in the city. That is just an acknowledgment of, of working in a, in a more complex and complicated urban environment.

[11:50:17 AM]

How do we problem solve that? If we want roadways to align and we want a bike Laine and we want a certain turning radius for public safety, like how do we do that together and not through issuing separate comments? So the intention is that we first start with our case manager to really identify where are these conflicts happening? Where are they happening on a transactional level. So let me run with that example for just a minute. On the executive intervention. We have many projects that come in that oftentimes many projects request some type of waiver from code or criteria manuals. Oftentimes it is it is sometimes it is not a design choice. Sometimes it is just an inherent constraint. Well, how do we work through that? Sometimes that is just inherently difficult for the review staff that reviewing the code in front of them to problem solve. What we're trying to do with this executive intervention is recognize that if we have spatial constraints, if you need an easement for X, but you need a drive aisle for another service, and that width has to be a certain amount of feet.

[11:51:28 AM]

But oh, by the way, that is also an area that we need a transformer like, well, okay, how do we work through that and problem solve that together and in, in, in, in rapid time. Ultimately, these are solvable problems. More times than not. What happens in the past was these issues were not identified until six, eight months into a project. It really goes back to my expedited site plan example. The intervention is intended to work through this quickly. The executive teams across the organization are increasingly having a more, I guess, what's called a boundaryless perspective, like how do we solve these problems on behalf of the city? So this provides a pathway of, well, how do we do that? And then ultimately, to the extent that their decisions are not possible or can't be made, then the development services director steps in. We have safeguards in place, though, that there's also an appeal process. Like if we we on the administration, at my peer level, feel really strongly that this was not the right decision. There's an internal mechanism to appeal that up to the city manager. So again, making sure that those safeguards are in place, that we provide both due process and due diligence for administration, but also a timely, predictable process. So projects just do not stay stuck.

[11:52:46 AM]

And again, this could be our own capital projects. This could be private development as well. So the permitting committee is intended to take that concept, but be more visionary with this of if we are seeing the same challenges and the same scenarios over and over and over, there is a systemic issue there. If we're seeing projects sit for, say, in this instance, six months and nothing is happening, we will take these cases and and try and dissect them of what is happening. And this goes back to a little bit of of the analogy of it. You can lead a horse to water. It takes 2 to 2 step. Again, whatever resonates with you of development regulations. And if we can get to a partnership mentality of if we are able to help problem solve, ultimately a project is sitting for six months because the update has not been submitted and the plans were dramatically inadequate to begin with, then at least we can do our due diligence and say, hey, these are these are these are not compliant plans.

[11:53:48 AM]

There were nowhere near compliant. You've not submitted a plan in six months. What's going on here? However, if there are instances where we look at plans and say, okay, there is not, they've gone through three rounds of updates. We continue to see the same stuck situation where we need to be able to identify those and, and track those and try and solve that systemically. Again, if you're let's take a waiver, for example, if a project comes in and nine out of ten, 90 out of 100 are requesting the same waiver time and time and time again, then all of a sudden waivers are supposed to be deviations from the norm, right? But if those deviations become the norm, then what are we? Let's step back and think about, well, what are we solving for here? Why? If we're going to if this is granted each time, then why are we really delivering good outcomes? So thinking more strategically about that type of process,

because it adds unnecessary uncertainty to, again, small project to big project. Everything in between. Experience is the same process.

[11:55:01 AM]

The final part of the the memo touches on service realignment. I've laid out for you just the inherent complexities and complications that we're trying to solve for. And again, any big city is has similar challenges. This is nothing unique to, to, to us. There are generally three pillars of strength for which for us to approach the development process is land development regulations. A lot of these are truly home rule. You know, these are the values of our community. And then you have public assets and utilities. That's going to be our Austin water. That's our Austin energy. That's, that's our, you know, other utility providers. And then we have public safety. Two areas that are going to, to move will be areas that just begin realign. So there will be some functions from our city's watershed protection department that transfer to development services, and there will be just a fee and lieu component of our parkland that moves to development services. Here's what I really want to leave the community and those watching this is that much of this work is already being done and has been done for over a decade by your development services department. Drainage and water quality review, environmental review and the TRE regulations are 90 plus percent of those parts of the land development code. Those reviews have been done. This is not changing. This has been done by your development services department for well over a decade, maybe even more like 15 years. There are there are other orbit reviews that are associated with this that add complexity.

[11:56:56 AM]

Sometimes when a development project comes through right now, when development services, drainage, water quality reviews, then there will be other instances of where there are watershed reviews that then become conditional on one another. So there may be instances where a customer gets a comment report that says, well, I need to clear this comment, but in order to do it, you need to clear this comment from another department. And then this other department says, well, you need to clear this third comment up here from a different review. So it just creates this circular conditionality of, okay, this is not really a solvable problem because I can't solve this without solving that. So part of it is reducing that complication, acknowledging the complexity, bringing that work into a more streamlined and predictable and actually delivering better outcomes. Again, the important part of this I really want to highlight is that maintains the quality and integrity of technical reviews. I'll go back to where I first started at the city.

[11:58:01 AM]

The technical review, the quality of what we do matters and it matters to our community. So it really leads me to the final point, is that what is changing and what is not what is changing is having a better process, having a better process of development services, playing that city wide role and leading the charge for more predictable process. Again, the customer experiences us as a city. So the process ought to be that in terms of of the city, what is not changing technical expertise remains central to development decisions and ensures that we are maintaining compliance with code. These are our community values. This is in part what has made Austin Austin again, a more predictable, repeatable process ought not be at odds with delivering a more predictable and repeatable process. And I'm convinced, and I have seen it firsthand, that actually delivers better outcomes for our community. I want to pause. Stop there. I want to thank you for your time and happy to answer any questions.

[11:59:13 AM]

>> Thank you. Do we have any questions from anyone on the dais? Council vice chair Fuentes. Any questions? No questions. Thank you. Appreciate it. Thank you. And I wanted to just quickly get back to item number two, which was approval for the calendar for 2027. Vice chair Fuentes had mentioned having a cadence of monthly meetings. So are we able I haven't seen a draft of that, but are we able to vote on on a monthly meeting calendar?

[11:59:46 AM]

>> Sir, it is on backup.

[11:59:47 AM]

>> I was on backup. Okay. Yeah. My apologies. I have not seen that. Okay. Well, then with that, do I have any other questions or comments on that?

[11:59:58 AM]

>> I can make the motion to.

[12:00:00 PM]

>> Approve the meeting calendar. That's in the backup. I did misspeak when I said bimonthly, it's six meetings I proposed for next year. They're not completely bimonthly, as I think we account for the summer being dedicated to budget, season and consideration on the budget. So it is. Six proposed meeting dates for 2027.

[12:00:20 PM]

>> Okay. Got it. Okay. That clarification is great. Sorry, I was I was a bit lost myself. Well, I appreciate it, vice chair. Okay, so do I have a motion to approve the calendar? I think it was made by vice chair, seconded by councilmember Velasquez. All in favor, say aye. All right. That's unanimous. Great. Well, we got item number two out of the way. And now on to item number four, briefing on social services strategy to include solicitation, overview, pay for performance, grant versus contracts, and stakeholder engagement. The presentation is going to be made by Stephanie hayden-howard, the assistant city manager, and Carrie Lang, director. Is Carrie here? Carrie's not here yet. And then? And then Daniel Coletta, assistant director of the Austin budget and organizational excellence.

[12:01:09 PM]

Great. Thank you.

[12:02:11 PM]

>> Hello. Thank you, chair and committee members. I am Daniel colada, assistant director of budget and organizational excellence. And today we are here to provide an update on the social services reset with more detail on community engagement agreement structures and solicitations. I'm joined by assistant city manager Stephanie hayden-howard, and we will cover these topics for you today. There'll be five areas that this presentation will go through background, stakeholder engagement, agreement, structure, solicitation, and the timeline and next steps. And I'll start with some background. The social services reset is based on direction from four council resolutions. Resolution 56 calls for a rubric to evaluate social services funding decisions and evaluation of funding sources, and engagement with community and with vendors. Resolution 22 calls for an evaluation of social services agreements going into fiscal year 27 to assess whether any changes or reductions were needed.

[12:03:13 PM]

Resolution 14 calls for an evaluation and reset of the issue areas, partnerships, agreement structures, funding and reporting to be implemented in fiscal year 28 and resolution 46. Calls for contract level geographic analysis of service outcomes and participants to the greatest extent feasible. These resolutions all build on each other. The rubric lets us evaluate the need and priorities. The agreement evaluation showed us where our current agreements stand. The reset combines those two with additional work on partnerships, resources, and strategies so we can adjust toward our best investments for the community in the coming year and beyond. And the geographic analysis affords a view of where services are delivered and who they reach. Resolution 56 asks for a rubric so that service prioritization and funding decisions are made against a common set of criteria. The rubric has five dimensions that describe and help prioritize the issue. Areas. Community need carries the most weight.

[12:04:15 PM]

It looks at how common and how severe a need is, and where the equity gaps are. Using sources such as the community health assessment, the American community survey, and homelessness data need trajectory and city strategic role. Ask whether a need is growing and how a service fits the city's strategic priorities and its role as a funder or provider. Investment efficiency looks at service and provider track records and the outside funding, they add, and city council and community direction reflects how sorry got my pages out of order. How council, community and leadership have prioritized the issue areas in the past. The social services strategic reset is organized through working groups led by the city manager's office and the departments that fund social services. There are four working groups. One covers the issue areas, including level of need, the city's role and the services portfolio. The second covers contract and grant structure, performance measures and reporting. The third is stakeholder engagement and the fourth is governance and partnerships. Each has a lead and co-lead at the director or assistant director level, along with program staff and relevant stakeholders. The working groups will finish their work by the end of December 2026.

[12:05:47 PM]

This year. The results will inform leadership direction on the services portfolio, funding levels, partnerships and the agreement modifications and solicitations that will come ahead of fiscal year 28. That helps ensure that these recommendations are based on evidence, current need, partnerships and best practices. Today's presentation goes deeper on the work of stakeholder engagement on the stakeholder engagement working group, as well as the contract and grant structure working group, and that also includes solicitations. And I'll now turn it over to assistant city manager Stephanie hayden-howard.

[12:06:23 PM]

>> Thank you. Daniel. One of the areas of the for policy direction was to conduct regular community engagement and public feedback. Resolution 56 asked us to provide updates on our community engagement efforts. The Austin community and engagement department is. Assist is assisting us with our work. We want to make sure we are prioritizing the information we receive from vendors and ensure we are informing outcomes. We always want to make sure staff have a voice. Earlier this year, we received feedback from staff and we are using that feedback in several ways. We want to thank our staff for providing comprehensive feedback into this process. During the recent budget process, we received input from vendors and we are meeting with one voice leadership monthly. And in those meetings, we provide updates and receive feedback from them. We are so excited to share that we have two survey opportunities. The first one is for is open to all. So whether you currently have a contract or your former formerly funded by the city or in the future, you want to have a contract.

[12:07:58 PM]

This one is the topics will be from performance expectations to contracting processes, and even looking at barriers from having an agreement with the city. The other one is the community needs and service priorities, and this is for community members, individuals with lived experience advocates. And so with this one, we're going to be particularly focused on unmet needs, access to barriers and priorities, and any kind of geographic service areas. The survey was launched on November 13th and will remain open until December 13th. Language access surveys are available in eight languages, and we've done some city wide outreach, Austin public library branches and recreation centers will have fliers in them. We also have want to thank you all in advance because we want to provide some information to your offices so you can add them to the resource page, and then we'll have some additional fliers available upon request.

[12:09:12 PM]

So thank you in advance for allowing us to kind of push those out. City departments are doing some outreach. Austin community court, Austin public health, Austin economic development and Austin homeless strategies and operations have shared their surveys through their community stakeholder networks, and we're doing some additional coordinated outreach through the immigrant affairs program manager in Austin. Equity and inclusion. One voice shared this with their memberships on yesterday. And so we're really excited about that. And we're working through the boards and commissions to ensure that the liaisons is getting that information out. And in the future, speak up Austin newsletter is planned and will do have that additional information going out. Lastly, the staff feedback, the stakeholder, public and community engagement will be used to inform the recommendations that we share at a later date. Now, at this time, I will turn it over to James.

[12:10:23 PM]

>> Good afternoon. Council members James Scarborough, Austin financial services, central procurement. It's my pleasure to be with you. Thank you. Acm hayden-howard. We use the term social service agreements when referring to city agreements where the recipient of services are residents or other eligible recipients and not the city itself. The city uses two types of agreements for social services, including contracts and city grants. Contracts are for services the city must provide. The contractor is providing work the city is legally responsible for, usually by municipal code or ordinance. Due to the city's obligation to provide these services when the contractor performs the work, even though the services are being provided to other recipients. Because the work directly benefits the city, the agreement constitutes a contract. Examples of social service contracts include operating a city owned facility or assets such as the city owned shelter, providing legally mandated services such as court interpretation or providing essential services defined by city human resources policy, such as storm debris collection. City issued grants, on the other hand, or city grants or for services the city chooses to provide, usually associated with city funding objectives and priorities.

[12:11:44 PM]

Examples include city grants for distributing food to individuals who are food insecure, and providing outreach to individuals experiencing homelessness. Both types of agreements include accountability and reporting structures that ensure transparency, performance, value, and services for recipients. Most of our current social service agreements are a form of agreement structure as cost reimbursable, meaning the contractors or recipients are reimbursed for allowable costs they incur while providing the services. While these agreements do require performance, the reimbursement form of these agreements does not compensate contractors or recipients based on established prices of units of service. As a part of the reset, we are looking at options for building more performance into these agreements. One option is to include performance incentives, which are additional payments for exceeding targets on predetermined metrics. An example is Austin public health and homeless strategy and operations office piloted this approach in 2022 with the rapid rehousing program. In that pilot, $368,000 was awarded in bonus payments to six vendors.

[12:13:01 PM]

A second option, a second option is performance based renewal, or extensions, where renewing an agreement depends on vendor meeting specified performance targets. That means confirming the vendor is meeting the targets before committing additional funds with corrective action period and advanced notice built in when they are not meeting these performance requirements. A third option is is converting or or or continuing the agreement as a deliverables based contract. This is an agreement which would have fixed prices for units of service where the city pays per item delivered. An example

would be an agreement for operating food bank during an agreed upon hours. Instead of reimbursing the recipient for the cost to provide the services, the recipient would be paid for each meal provided based on an fee per meal. Each agreement approach has benefits and trade offs. Incentives work best for similar types of services, where the same or similar metrics can be tracked across the programs as they were in the rapid rehousing. For example, this may be possible for a subset of services, but not for the entire portfolio without more time required funding, and they can have unintended consequences, such as favoring clients who are easier to serve. Now for solicitations, a solicitation is a competitive process the city uses to select providers.

[12:14:31 PM]

There are three general types that are that you should be aware of with respect to social service agreements, the first of which would be the request for applications or rfa. This method is used to acquire social services from a nonprofit to address community needs, and it results in the award of grant agreements. The second would be a request for grant applications or rf Gaar. This is a similar competitive process that results in the award of grants as well. But unlike the rfa, this is an informal process with less complexity and formality and is used for lower valued grant awards. Last, the request for proposals, or rfp, is the most formal solicitation method. The rfp is used to acquire goods and services when a clearly defined scope of work is not available, and the award is based on best value against criteria established in solicitation. In general, city grants for social services are competed using rfas and rfas, and the city contracts for and procures goods and services using rfp and the city's standard purchasing processes.

[12:15:41 PM]

So here's how a solicitation works. A team creates and designs a solicitation and target agreements, and goes on to secure all applicable approvals. Solicitations are developed using community priorities, local data needs strategic goals and are announced for a set period of time to allow broad public participation and, and and responses from prospective offers. After the solicitation closes, staff open and check the responses received to ensure that they are complete responsive to the solicitations requirements. Evaluators then score the responses against the criteria stated in solicitation. Based on the results of the competition and the available funding, staff make recommendations for agreement, awards and funding amounts to the highest rated respondents. Recommenders are published publicly and applicants are notified. Agreements above the manager's authority go to council for approval. Applicants who are not recommended for award can request a debriefing to better understand how their response was evaluated and how the award decision was made. There's also a formal protest process available. The city has used three approaches to purchasing social services historically.

[12:16:56 PM]

The first is a whole portfolio solicitation, which seeks proposals for many or all of the services. At one time. The city last did this in 2014, covering the entire life continuing continuum tied to self-sufficiency goals. About $30 million was requested, 65 applications were received and 27 recommended were recommended for funding, with resulting in $13.8 million in awards. The advantage of this approach is there's one solicitation, and then you're done until the next large solicitation challenge is that this approach is resource intensive. It was in effect for issue areas solicited all at once, with comparable scopes of work to Wright 39 evaluators to find. It was also the only opportunities for the nonprofits to apply and compete for city's business in this space. The second issue is issue area solicitation, which seeks proposals for services, programs or interventions addressing a common issue or population need, such as child and youth basic needs department began using this approach in 2022, starting with youth youth. This approach focused each solicitation and balances the workload for city staff, nonprofits, and evaluators. But it requires releasing solicitations on a more regular schedule. The third approach is service solicitations, which seeks proposals for discrete services.

[12:18:24 PM]

Typically, when council provides new funding, such as substance misuse services or domestic violence shelters. This approach is most commonly used for contracts with more detailed requirements. And with that, I'll turn it over to Daniel.

[12:18:40 PM]

>> Thank you James. I will go over the timeline and next steps for the social services reset as we can. As we restructure the agreements, staff will bring policy questions to the committee for review, include the programs and of an organization's Brodie budget that the city is funding. Cities funding makes up allowable cost, indirect and administrative rates and performance structures, including renewals, deliverable based payment and pay for performance. These fall within the policy areas. We will present to this committee, the public health committee and the audit and finance committee, and then to the full council through February of 2027. The timeline for the reset initiative runs from September 2026 through October 2027. From now through January, we are defining the issue areas, services and partnership strategy, agreement structures and funding levels beginning in January 2027, contract and grant solicitations will be developed and issued the fiscal year 28 budget process and adoption process will run alongside that work with budget process engagement from early 2027 into the summer. Vendor notifications for new agreements will begin in July 2027 and continue until those new agreements take effect.

[12:20:08 PM]

Those new agreements will take effect in October of 2027, which is the start of fiscal year 28 and engagement with community vendors, partners and this and the other committees. And the full council continues through that whole period. Work is ongoing to complete the issue. Area definitions, the gap and services analysis, and the determinations on partnerships, funding and agreement structures. We'll confirm structure and governance challenge changes for the portfolio and for agreements, and keep engaging with vendors, staff and the community and leadership throughout our next steps, we will also prepare for the procurement processes in early 2027 for new and existing agreements. Solicitations will take place during fiscal year 27, which is this fiscal year, so that every agreement is in place by the start of fiscal year 28. So with that, we thank you, and we'll be happy to take any questions you have at this time.

[12:21:09 PM]

>> Great. Thank you all. Does anyone have any questions? Once looking twice. Vice chair Fuentes, are you online? I don't think she's on great. Well, I don't have I don't have any questions on my end. It doesn't seem like anyone else on the dais does. So thank you all for for being here and your presentation. And with that, we have our last briefing coming up, item number four, briefing on the economic development roadmap strategic plan intended to guide the city's economic development strategy over the next three years by doctor Johnson, acm.

[12:22:05 PM]

>> Okay. Good afternoon. Good afternoon, doctor Eric Johnson, assistant city manager. I'm going to provide a presentation today on the economic development roadmap. So appreciate the opportunity to have this discussion. So let me just really talk about what this is about. So if you see on the screen, a true measure of a great city is its resilience in the face of disruption, rather than clinging to the past, enduring urban centers that treat change as an invitation to innovate, transform economic shifts and modern challenges into opportunities by embedding readiness and adaptability into the DNAs, these cities constantly evolve their policies, spaces, and communities, ensuring that not only the weather, the storms of change, but continue to thrive as a competitive place to work, live and play. So just quickly, just a quick overview of Austin's economy. You see on the screen, Austin is considered what we call a full stack economy, its economy that's balanced by a series of factors, which is somewhat different than a lot of places around the country, which is actually one of our strengths.

[12:23:22 PM]

So you see on the screen tech, healthcare, government, higher education, creative sector really drives our economic balance. No surprise. We're we're pretty solid in talent attraction, talent magnet, given we're anchored by a multitude of universities and a great community college infrastructure. We do have some a lot of things underway in terms of the airport construction project connect. There's a lot of activity going on, and we are sort of the leader in the sunbelt. Traditionally, our gdp growth has been pretty significant. All this basically sets up a city with a good economic foundation. But here's what's sort of behind the curtain that we have to pay attention to. What you see on the screen is the current competitive operation context. The number on the screen basically rounded up to 105. When we look at the cost of doing business index across the country, the lower the number, the easier it is to do business in a particular city. Austin is at about 105. On that index. We're roughly 5% higher than the national average, roughly 15% above Houston. So a lot of the demand remains strong. Our operating cost is really starting to challenge and test our competitiveness. So when you start to look at this from a perspective of our comparative cities, you see on the screen from Houston, Dallas, Charlotte, Atlanta, Nashville, Phoenix and Austin, what's ironic about this is we're running higher than Dallas and Houston, and we all have one thing in common that is the no state income tax.

[12:25:04 PM]

So something is driving our cost to be higher, which is ultimately can affect our competitive advantage. So why is this important? You know, people are going to come to Austin. Why is this important? It's very simple. We pride ourselves on the community that loves, loves its people, its culture, its authenticity. And the bottom line is, if we're going to maintain it, we're going to have to start to think differently about how we do our business in terms of growing our capacity to undertake economic development and grow our tax base. So in this context, we're really working towards transitioning to an active structured readiness framework, in particular over the next 36 months. And people are like, what does that mean? It means looking at all of the baseline elements we need to put in place to strengthen our capacity to ensure that we remain competitive. So that's going to be very important. So why does this matter going forward? Our economic foundation is solid, but combined with slowing growth suburban siphoning. Make no mistake about it, the suburbs are really chopping away at us.

[12:26:11 PM]

Competition amongst our peers resource constraints really presents a formidable challenge to us. And now in the future. And we're going to have to start to move away from they will come approach to an aggressive stance towards strengthening our economic competitiveness. So as such, we need to accelerate our efforts to remove barriers, strengthen capacity and refine our systems to grow the tax base. In particular, if we want to do the things we like to do in Austin. So while there's no absolutes, strategy really matters most. What's ironic about this? I was at the urban land institute this morning on a panel. And one thing cities struggle with is strategy. Strategy. From an economic development perspective, it's kind of like just just kind of like it's too reactive. And it's, it's just not us and the cities

across the country, not much in the way of strategy. So why is this strategy important? You know, our current system structure, we're navigating a mandated 3.5% property tax, which requires intentional recalibration of our development processes. You heard our city director, Keith Morris, today talk about, you know, the importance of moving the system with site plans and permits. And you also saw the numbers starting to adjust and come down. So to bridge this gap between between traditional property taxes, we must really start to ramp up our development engine development review engine to help us scale.

[12:27:39 PM]

So how do we do this organic growth? We're not talking about anything layering more taxes on top of the existing population or anything like that. We're talking about how do we grow organically, which will have no impact on the current residents growing tax base naturally, to increase economic activity, funds community needs without raising taxes or placing burdens on existing households. So this is this is sort of ironic. So when we start to set the stage for this fiscal stabilization in terms of wrapping up, ramping up our economic development activities, historically, Austin's average has been about 3.2 billion. And that's in development value. New development value. The 5.2 is actually about 5.4 billion is the peak in terms of new development value. That's new construction. That is the ultimate peak we have ever reached in Austin. The sweet spot in terms of annual new construction development is somewhere in the range of about 4.2 to 4.5 billion a year in terms of new construction. So what does that actually looks like? It basically looks at this recommended target of about 4.2 to 4.5 is really, really a sweet spot because the 5.2 is unrealistic. The 3.2 is below below, below the line.

[12:29:01 PM]

That's not significant enough to help us continue to provide and do the types of things we like to do in Austin. So why is this number actually works? It outpaces the baseline average by roughly 30 to 40%, injecting enough new value onto the tax rolls to offset the 3.5% revenue growth cap without requiring taxes. Tax hikes. It captures organic property value appreciation, new construction growth to substantially support fiscal stability without cannibalizing core municipal operations. So what does that look like? Typically, you know, there's a typology we started developing around so mixed to large scale corridor projects between 100 million to 250 million, 30 million to 80 million and scaled workforce housing and 300 million plus strategic mega developments, public private partnerships. So we start to break it down. This is a lot on the screen, but this is important to really see the typology. So when we think about the operational impact of mid to large projects, you start to see if we can produce 10 to 15 of these projects annually. It really starts to help our baseline. Similar on the scaled workforce, housing 30 to 40 million per per project really helps us scale repeatable neighborhood development type projects. That actually he helps us on affordability side, but also our ability to support our service sectors and non-profits.

[12:30:33 PM]

And of course, the strategic mega developments, which is the larger projects, mixed use, mixed use, public private partnership types of projects, capturing about 2 or 3 of these a year as anchor projects will significantly strengthen our capabilities. So over the next 36 months, we're going to really lead in towards predictability and speed over perfection. Incentivize social infrastructure integration, which means how do we do this to ensure that we get the types of community benefits we need and want as part of our projects, and really a systemic standardization in how we start to create pre-approvals in the process to help us move along. What's also important to note is that you see on the screen, if, if if we can't reach the 4.2 to 4.5, we believe also somewhere around 90 to 95% of that serves as a good break even point for us as we do this, and we're still working with the numbers. So the roadmap is just not about creating the tax base. It's it's about a mitigation strategy and helping us put in place the elements needed to strengthen our economic capacity again, to ensure that we remain competitive. So when we talk about the strategists talk about the mitigation strategy.

[12:31:54 PM]

So when an organization unites around a shared sense of alignment, individual individual efforts multiply. Turning obstacles into stepping stones and allowing teams to truly move mountains. And keep in mind, this is not about asking for any more money from the general fund. You will never hear me say we need more and more from the general fund. It's about alignment. It's about strategy. It's about additional partnerships. So when we think about the road map vision, it's a shared vision leading with a north star to guide our efforts to strengthen our city's economic capacity responsibly, to grow the tax base, mobilizing ecosystem, strengthening the city of Austin as a leader in economic development. And let me just say something about that. Our economic development team recently attended site selection conferences. And guess what? That's not something we've done in the past, and I would venture to say that it was a pretty surprise that Austin showed up.

[12:32:53 PM]

So I say that to say that we're trying to raise our level of being considered a leader in the space. And by the way, Matt Cummings, our economic development director, couldn't be here today. He's doing some travel related to business for the city. A new playbook. Reset the economic development playbook with a strategy and operational foundations that strengthens Austin's ability. Targeted implementation. Guided implementation with a focus on tangible improvements in the short and long term, delivering wins and building momentum along the way. So why do we need this? We simply need it. We need it because we have to continue to evolve and thrive to meet the ongoing challenges we face as a city. The

road map is basically designed to deploy a building block approach, again, to strengthen the city's capacity to foster economic development and grow our tax base. It's an action driven, focus aligned journey that re-envisioned strategy, internal external coordination, project prioritization and engagement based on ten building blocks you see on the screen. Open for business paradigm. Strengthen Austin's economic development workforce alignment at the speed of opportunity. What does that actually mean? Speed of opportunity. When a job creating opportunity shows up, we have to be able to match that speed to ensure that we can have people trained at a speed fast enough to ensure that local austinites or austinites can get access to those jobs. Our global brand and creative storytelling. This- is a great city. I think we need to ramp up our ability to say what we are, who we are, and why we can compete.

[12:34:37 PM]

Resource strategy and alignment. Small business and creative ecosystem integration. The roadmap will lean heavily into small business integration, targeting high tax value generating construction, real time strategy testing. Do things we haven't done before. Test some ideas. Bring some ideas forward to the council for consideration. To explore some things we haven't done before. Speed and predictability in the permitting process, which I believe will be one of our great greatest strengths. If we can continue to build that capability. Community stability and strengthening the urban core. It's going to also be important. So the roadmap actually started. Started. End of 25 going into early 26. We had a series of interviews related to some of the tactics around the roadmap. And you see on the screen one, we must do a better job communicating to external and internal stakeholders. Process reform could be one of our most powerful levers to improve our economic climate. Better collaboration will help us achieve a greater impact. So this is basically done with a series of five sector groups music, arts, culture, real estate, childcare, small business and workforce. So this has been sort of in the makings for a while in terms of just having conversations as we go down this path. So 36 month roadmap aligns our efforts and short term objectives, 1212 months long term objectives, 24 to 36 months. So in the short term, we're going to prioritize high priority actions really to help us set the stage to build our capacity in the long term, strong economic foundational elements will continue to move forward. So here's the fascinating thing about it. The roadmap consists of 47 elements over 36 months. You see on the screen economic development building blocks represent roughly 32% new initiatives, 23% catalytic investments, roughly 17 regulatory 14, almost 15 program refinement.

[12:36:51 PM]

But let me zero in on the 55%. 55% represent the economic development, building blocks and or new initiatives. That's the foundation work we need to build to strengthen our capability to do the work that we need to do. So when we think about those elements defined, you see on the screen what economic development building blocks refer to. That's foundational economic development, infrastructure items, workforce alignment, core assets, new initiatives, emerging opportunities, innovation, specialized

support. I think it's pretty much known that I'm a fan of creativity innovation. I'm not a fan of doing the same thing over and over. So the new initiatives will be about how do we test some ideas and bring them forward to the council, or take ideas from the council and test some ideas. Catalytic investments, which are high impact capital deployment, strategic projects, which really help us set the basis for growing the tax base regulatory, which is streamlining permits, reduction of friction, policy modernization, in particular, the emergence of a new economic development policy program, refinement. There are some things we're doing. We feel we can analyze, structure and strengthen as we do the work going forward. So the elements you're gonna see a lot of information. So I won't go through every single one, but it'll give you a sort of breath of what we're talking about.

[12:38:13 PM]

First element is really small business entrepreneurship. And I have to again, say thank you to the staff at economic development for working on this. So small business and entrepreneurship, you see the strategic intent, which is about small business readiness, establish a coordinated, low barrier citywide strategy that reduces administrative friction, expand capital access to enhance small business, local micro enterprises, main street operators, operators in early stage chain vendors. So what that basically means is we want to make it easier for smaller businesses to participate and be a part of the process as Austin continues to grow. Now, just quickly, you see on the screen some of the top five areas inside of those elements express permitting, administrative relief, multi-tiered capital access, solopreneurs, supply chain, entrepreneurship pipelines, small business ecosystem leadership, business incubation. Interesting about incubation is as creative as this town is. We don't have a lot of business incubators, in particular in the small business space, construction corridor, mitigation, small business displacement support. This is a lot of information on the screen. You probably can't see it, but what you see, what what it basically details is the areas in the colored versions aligned to the roadmap elements.

[12:39:37 PM]

So when you see 27, 28, and 29, the 27 highlighted areas are the activities we're going to begin in 2027. And as I go through these slides, you will see those. So I'm not going to read them verbatim. It's in the report. But you see the descriptions on the screen. The elements are designed specifically in terms of how are we going to move the needle and what we seek to accomplish. Because the roadmap technically ends in 2029. So you see on the screen what that basically looks like next area is workforce and talent. Strategic intent on this one is talent alignment, readiness building employer aligned workforce system that connects austinites to life sustaining careers and integrates our higher education ecosystem to meet the urgent industry demands of the speed of opportunity. Again, employer led pathways and skill training initiative, Austin infrastructure academy continuation and refinement, workforce ecosystem coordination. City led partner executed workforce strategy, higher education, ecosystem pipeline building and career pathways and wraparound services and opportunities.

[12:40:58 PM]

Again, you see on the screen in the highlighted areas is basically in 2027, the elements we're going to pursue in terms of the short term, because the way this works is in that column in 2027, it starts to move to 2028 and should be completed by 2029. So as you're reading it, you'll get a chance to see specifically what we are targeting, targeting, and focusing. And if we miss anything, of course, we'll be more than open to hearing from council and staff anything we need to add to it. Next category is economic development, resource alignment and refinement. Strategic intent. Resource system readiness. This calls for the creation of a ten year economic development policy where we're going to be emphasizing treat every public incentive and infrastructure commitment as a public investment. Deploy a modernized, clawback protected 382 kit. Leverage state and federal economic tools, expand local tool base, and enforce resource stewardship standards to ensure long term fiscal and environmental health. So again, economic development policy tool kit. You see the strategic partnerships around federal strategy. We believe we can do a enhanced job in that category along with the state. This concept of an economic development bond, what that basically, you know, you do a housing bond and you can come up with things you want to do.

[12:42:22 PM]

I think one of the issues of consternation in Austin, and we heard it through the stakeholder engagement, is the small business artist community, creative community, feeling like they are basically left out of the growth process. How do we create something that starts to target support in that category? The first five fundings funding for small business creation and cultural preservation and open data, public accountability. So on the screen, again, I know it's small writing, but it it as you read through it, you'll see in 27, 28, 29, those categories that are highlighted in accordance with the bullet points related to the roadmap elements. Next category element four is business retention and expansion, strategic intent, business ecosystem readiness drive. A predictable, highly coordinated economic development system. Strengthen small business retention efforts. Establish dedicated innovation tracks for homegrown university spin offs, and develop a proportion of community benefit framework that supports existing in small and large scale employers, while attracting global investment readiness, community benefit, place based economic development, downtown partnership work target sector innovation strategy, international development strategy and continuation of growing the creative side of the economy. Again, lots of writing, but again, they correlate with the bullets related to the items as identified in the in the chart.

[12:44:05 PM]

Element five ecosystem building for economic development, strategic intent, economic development, ecosystem readiness, align and power, and foster internal and external stakeholder relationships to develop an agile, accountable, and value driven economic development system that supports Austin and its full. Capability to drive greater economic development coordination. So again, you see again, what's heavy across this is permitting and process improvement, really strengthening our ecosystem in terms of economic development, regulatory barrier reduction. We want to look across the board at everything that is slowing us up from being a place where small businesses, in particular, can participate in the process. We've heard through numerous conversations that's going to be important. Regional and state coordination protocol, stakeholder problem solving. Again, I won't go through this, but again, as you read through it, you'll see again, highlighted items in 27 really reflect the short term. 272829 catalytic investments setting the stage readiness stage for tax base growth, leverage, development efforts, major transit infrastructure, and public real estate assets as strategic economic separators establish a pre entitled shovel ready site framework. Drive high value revenue generating catalytic developments that expand the municipal tax base. Our issue is going to be to make sure we do this in such a way that we get the community benefit benefits, and we do not leave out the sector of this community that's been starving for years to get some support.

[12:45:54 PM]

So catalytic investments can really emphasize strategic real estate asset inventory, redevelopment readiness, annual development targets. We will set annual development targets based on the sweet spot we described, subject to change. And we will report annually on that to the council and through the committees air service strategy. Again, our airport is a prolific generator. Global economic development, connectivity, transformative planning, mobility investments, destination assets and tax sales, tax generators and this creation of a focus strategy. Let me tell you what, that's what that's about. It's about, you know what? I think once and for all, we need a serious strategy for the eastern crescent in Austin. We need to get serious about a strategy for the eastern crescent. So in our strategy, we're going to look at how do we create something? Because we do know growth is going to take place.

[12:46:55 PM]

We want to make sure people who are there can stay there and have the ability to thrive. And how do we do things to bring grocery stores to food deserts, all of those different things we want to absolutely look at. So the eastern crescent is going to have to play a huge role, not in full development, to run people out, but to create a strategy that sustains people there while developing at the same time. And I have to say that cities across the country do not do a good job of that. They really don't. So I think we have an opportunity. It would be nice if we could have been doing this years ago, but we are where we are today. How do we align our strategy to do that? So I really wanted to mention that because I think that's going to be important. We cannot underestimate what that means and how that feels for the people living in that crescent. Again, this is a lot of information, so you get a chance to read through it

and just circle back if you have any questions. But it basically starts to lay out exactly how we're going to focus. And what's also important in this too will be downtown, downtown Austin. We have to make sure we we strengthen the downtown. You know, we'll be working in tandem with da and our downtown strategy office in particular, as we look at different strategies for downtown. So projected timeline you see on the screen, we're pretty much in readiness sort of mode as we enter 2027. You see on the screen we are assessing priority prioritization activities basically underway.

[12:48:25 PM]

As this starts to evolve. You see the yellow gold line. It's really about implementation. So we'll be doing ongoing evaluation adjusting as we're working through this. So technically the roadmap ends in 2029. And people say, what's the difference between the economic roadmap and the policy? If we write a policy and we don't have these elements built, then we have a policy that's probably not good to implement because the baseline items are really not in place to ensure its effectiveness. So measuring progress, timely timeliness directly tied to each project and initiative will be established. Tracking and transparency of progress will be monitored by master dashboard, accessible for public review. Data collected from the dashboard will help us identify challenges and how to address them. Regular briefings at council economic opportunity committee will provide updates.

[12:49:23 PM]

Initial initiative, interview interviews tied to each prospective category and again milestones presented to the council. We will have to go through special work session briefings to do it as well. But let me say this the major highlight of the roadmap is actually the policy. So the economic development policy equals more informed strategy, balanced approach, supportive framework and community engagement. So where we stand right now, October 16th, economic development staff launched an online survey. It's underway right now. So q4 2026. We're looking to get some priorities from each of the council offices and the mayor, so we can understand what's important to each of the council members and the mayor as we develop this policy. Q1 27, we're going to start virtual and in-person listening sessions by the time we get to Q2 2027. Economic development policy adoption, along with the engagement findings accompanying the policy. So as we turn into 2027, economic development team will be actively organizing these meetings so we can get community feedback. So I assume right now, with the survey underway, there's probably a lot of feedback starting to come in now, but we will take that feedback as we write the policy. So how come we're looking for is a policy shaped by the city council community, economic landscape, a clear front door for businesses, partners and community members, strong alignment across departments and economic development tools tied to public benefit. So what's our next steps? Creation of the high performance teams across departments linked to the projected timelines and activities. Economic development, policy and engagement. Again coming in. Q one align and coordinate partner participation to include but not limited to Raleigh, Austin. Echo, chambers, opportunity, Austin college, university, downtown Austin.

[12:51:25 PM]

Alliance, community based organization, legacy businesses, artists, live music stakeholders, to name a few. Identifying category categorized metrics. Build framework for dashboard launch. Continue. Engage stakeholders for feedback. Secure early wins to show people that this work is just not about talk. It's about getting some things done, done. Ongoing evaluation and refinement. So in the final analysis, by the time we reach 2029, through the creation of a new implementation of a new economic development, including roadmap elements will have significantly enhanced the capacity, undertake economic development, expand our tax base, successfully navigated constrained fiscal environment, and ensure Austin's competitive advantage is here to stay as a place to live, work and play. So with that, I'll end. Take any questions.

[12:52:20 PM]

>> Great. Thank you so much, doctor Johnson. Does anyone have any questions? Councilmember Siegel. And then after that I'll get to the vice chair who's joining us virtually.

[12:52:29 PM]

>> We can go to.

[12:52:30 PM]

>> We will go to the vice chair.

[12:52:33 PM]

>> Thank you. And thank you, doctor Johnson, for the presentation. This information on the economic roadmap has been a long time coming, and one that we're very excited to hear more about. And I'm very pleased with the comprehensive strategy that you've laid out. And I appreciate that you kind of talked to give us, you know, an outcome objective when it comes to adding to our tax base and, you know, giving us kind of a ballpark figure on where we should land on being able to add new revenue to our city. And I think that's great. What's important for me is that we also have outcomes that are more

focused on our small businesses and how we're making it easier to do business in our city in a way that empowers locally grown businesses and our micro businesses in particular. And I know you have on your framework here that at some point, we'll be developing the metrics and measures associated with it. So can you talk a little bit more about kind of objectives and outcomes that you see that are focused on that? Because that's, I think about our economic roadmap. I really focus more on the placemaking type of economic development in our city. And for me, representing southeast Austin, I really want to get a grocery store in del valle. You know, we really need more commercial retail in the eastern crescent to make it easier for our neighborhoods to get access to a restaurant or a coffee shop and all the things that make a community a community. So can you speak more about what those measures will look like?

[12:54:04 PM]

>> Yes. Thank you. Council member Fuentes and the metrics are going to be based on participation type metrics. For example, you see in the roadmap, there is a piece related to the barriers of removal. So in some of the processes, it's really hard for local business just to get a permit, the sheer cost of it, right? So some of the metrics will include how do we remove those barriers, whether it's 50, 40, 30% to ensure that the local businesses can participate, but also metrics against how we run pilots or test examples to prove the tools for individual small businesses. Example. Again, another category is the. Commercial space buy down program. Think about this for a minute. The cost per per square footage. I don't know how a regular small business can afford, and particularly if you want to be in the center of economic energy, I.e. Downtown, how you can be a part of that.

[12:55:15 PM]

So the metrics will align just related to participation getting through the system, ultimately standing up a business, operating a business, showing that you can be a part of the process. And let me just say this too, about grocery stores and food deserts. We have to get serious about that. I just happen to have some really good experience in that area. And I would say to people, it's not what you think. You have to solve for the pressure points that grocery operators look for, because they operate on a 1% profit margin. And to be honest with you, I think it should be one of those metrics to deliver a grocery store in %-pthe eastern crescent, for example, del valle area, which I know I was at the urban land institute during a presentation this morning, and that was the subject of the conversation. So again, the question is, how do we align our resources and our targets efforts to make it happen? So that's what we're going to be looking to do.

[12:56:15 PM]

>> Thank you.

[12:56:19 PM]

>> Councilmember Siegel.

[12:56:20 PM]

>> Thank you, chair, and thank you so much, Sam Johnson, for this presentation and for your energy and commitment to being creative and innovative. Obviously, we have a lot of work to do, and I really appreciate your goal. Like vice chair Fuentes shared, of really tracking progress, you know, how much new economic development do we need to, you know, pay for the cost of our expanding city? I did want to echo something that the vice chair shared about placemaking. That was a term I didn't even really know before I got on city council, but I've really started to appreciate it. For example, we've had a lot of economic development in district seven on burnet road and north Lamar boulevard. These new large apartment complexes, which, as you note in your report, really do contribute to expanded tax base. But what I'm not seeing is integration of these new residents into the neighborhoods. You know, you see these apartment complexes and you don't see more foot traffic for some reason. And so I would love to figure out and maybe, you know, the next couple of years on the housing and planning committee, we can assist how to really create, you know, complete communities, right? So that we're not just building housing, but we're building everything that it takes for folks to really enjoy life here in Austin.

[12:57:30 PM]

>> Yeah. Councilmember Siegel, I think that is an excellent question. I noticed that myself, and I think we have to do a better job of creating place, not building, not place. I think a lot of that has to do with all developers are not the same. We tend to think developer to me, based on my experience, it's finding the right aligned developers that's working in alignment with where you're trying to go to create those types of elements. Then the question becomes, how do we utilize our city tools to help get it there, if that makes sense. So I'm there with you 100%. I think it needs to be greater placemaking, greater participation from the local authentic Austin type. You know that that whole piece, I think, is something that we don't grow this ship, expand this base by just doing towers. We we sustain it by the natural placemaking participation of the smaller business, the artist community. All of that to me is where we have to go, which I don't think is a stretch of imagination, just takes some courage to do it.

[12:58:40 PM]

>> That's right. And I think the people of Austin would really appreciate that. You know, I think one of the challenges is, you know, the folks, you know, buying these new apartments are basically staying in their apartments. They're not feeling that kind of social connection. And I think if, you know, the long standing members of the community saw that economic development was bringing people together in new and creative ways, they would be more supportive of it.

[12:59:00 PM]

>> Well, let me say this and I'll move on. We make mistakes in cities because what we do is we shoot for the top. And because you're shooting for the top, you're actually forgetting about the bottom. But then you say, well, we have all this, we have this great inequality. But then your argument is, well, we've been focusing up here. You're actually missing it. You can, you can do both at the same time. And I think the strategy for us is going to have to be we do both equally. If we're doing something bigger, fine, but we need to do something smaller to give that comprehensive base to grow the economy, grow the tax base so people can feel like they're a part of it. That to me, if we lose, I'm a win lose guy. This is my background. I'd like to win. If we lose, it's because we didn't do that part. The bottom part while doing the top part as well.

[12:59:54 PM]

>> Thank you, doctor Johnson. Have you thought about how you know you might track progress to goal or kind of report to council over over time about these goals? You know, if we want to add 4 billion in evaluation annually, for example, you know, assisting, you know, we've been voting on these various housing projects. I've never thought of like telling them up as like how this is contributing to the tax base and paying for city programs and services. So have you thought about a reporting cadence on some of these goals?

[1:00:21 PM]

>> Yeah. So actually when you when you drill down, we will, we will do an annual report to the council, but through the economic opportunity committee, you know, we will be able to bring forward and test those metrics. Example, we'll say, you know, we need to build a, B, C, D number of multifamily developments to hit this number. So we will bring forward what we think the, the, the, the metrics are and show and report on it. So if it's like our 100% goal for 2027 or whatever it is, this we will discuss along the way the challenges of us reaching that. So let's say hypothetically, we reached 80% of it, right? That's the type of thinking we're going to do. We have an economist on staff in economic development, first time we've ever had an actual economist. So we have the horsepower to do the types of things we want to do. And I think we have a staff gearing up to do the good work.

[1:01:18 PM]

>> Well, thank you so much. The only thing I thought might be a challenge in the report and happy to talk more about it, is the idea of an economic development development bond. Just, you know, the little experience I have with pushing forward the the parks bond and library bond and some of the community pushback to raising the debt rate. I think that will be a challenge, but I really appreciate the goal of supporting legacy businesses, you know, small businesses, how do we, you know, spur investment in these kind of, you know, community stakeholders?

[1:01:44 PM]

>> Yeah, I'm glad you mentioned that because that's something I think we need to test through because conceptually, it's not an economic development bond up here. It's what the people in this community talk about. It's that artist, live music regular, that that piece right there through the stakeholder meetings, we've heard that loud and clear. And it was like, can you please just, you know, zero in on some of that? So we'll see how it goes. Thank you, thank you.

[1:02:15 PM]

>> Okay.

[1:02:16 PM]

>> I think that's it. In terms of questions I appreciated doctor Johnson the president. Thank you and the work and really enjoy working with you and your and your team. And with that I will go to our next agenda item which is future agenda items. Does anyone want to daylight highlight any future items for discussion? I don't see anyone raising their hand. Great. Well, with no further business, the special called meeting of the economic opportunity committee is adjourned at 1:02 P.M. Thank you all.