

Economic Development Policy Update: Best Practice Analysis and Review of Peer Cities

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**City of Austin
Department of Economic Development
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Best Practices Analysis and Review of Peer Cities

Project Summary

As part of the assessment of Austin’s use of the Chapter 380 authority, the Economic Development Department examined the broad approaches and specific programs in use by peer cities all over the United States. Looking toward the possibility of implementing successful models here in Austin, the analysis concentrated on areas of particular relevance to comparable cities. These areas are:

- Business Recruitment, Retention and Expansion;
- Workforce Development;
- Real Estate;
- Creative and Artistic Development;
- Social Enterprise;
- Small Business; and
- Healthy Outcomes.

The study has identified the major programs, if any, that comparison cities have implemented in each of these categories. It further highlights, by way of summary and recommendation, those initiatives that might serve as appropriate models for Austin’s implementation of any revised Chapter 380 program.

Justification of Included Cities

The report’s primary mission is to look at cities that share characteristics with Austin in terms of population, demographics and economic profile. Some other cities that did not share these attributes were included if they exhibited other similarities with Austin, such as being located in Texas or hosting a large number of technology-oriented businesses. New York City was primarily an aspirational inclusion: though obviously much larger than Austin, the city sponsors a large number of interesting and innovative development programs.

The final roster of compared cities includes:

Peer US cities

- Atlanta, GA
- Boston, MA
- Denver, CO
- Nashville, TN
- New York, NY
- Portland, OR
- Raleigh, NC
- San Francisco, CA
- Seattle, WA

Other Texas cities

- Dallas, TX
- Fort Worth, TX
- Houston, TX
- San Antonio, TX

Further information on the cities included in the study is available in Appendix One.

Best Practice Analysis Summary:

How Do Cities in Texas Use Chapter 380?

Most Texas cities, including Austin, approach business recruitment and retention under Chapter 380 in similar fashion: municipalities leverage significant amounts of state funding in order to attract fairly large businesses. Yet the 380 program itself is not so restrictive. In fact, it is fairly broad in the flexibility of techniques that it allows. Austin can take advantage of this breadth by instituting programs that administer grants and loans in order to further the city's own economic priorities. Other cities in the state have made some moves in this direction. Dallas and Fort Worth, for example, are more aggressive in their use of tax increment financing (TIF) to subsidize major development projects. Houston and San Antonio have leveraged their non-profit communities to help develop their workforces. Dallas and Houston offer revolving loan programs, and both cities utilize retail and mixed-use projects in economically distressed areas to increase job opportunities and develop those parts of the city.

What are Best Practices in Our Focus Areas in Cities Outside of Texas?

In order to remain a competitive destination to live, work and invest, Austin might consider adopting some of the strategies that other cities have used to attract, retain and expand businesses; to support the cultural identity of their cities; and to develop and maintain neighborhoods, particularly those in underinvested areas. Many US cities have already put in place programs that have helped their communities to thrive in the areas of focus that we have identified as particularly relevant to Austin. Portland, for example, orients its expansion and retention program around shared prosperity, inclusivity and growing in-state businesses rather than recruiting firms from afar. In Seattle, the mayor recently formed a panel on "commercial affordability," which issued recommendations on reducing the displacement of small businesses. Boston's small business policy features two programs that provide aid to small businesses and women entrepreneurs, respectively. The Denver Enterprise Zone provides ten different tax credits to businesses working with the designated area. Raleigh has founded a community investment corporation that makes loans to creditworthy small businesses that cannot get credit from banks. Taking inspiration from successful ideas at work in other cities, Austin might find Chapter 380 to be a useful vehicle for implementing its own similar programs.

What Innovations from Other Cities Might Austin Incorporate into Its Own Economic Development Strategy?

While Austin has been successful in leveraging 380 funds for business recruitment, a look at some promising programs in other cities suggests that a broader toolkit might be effective in building a more diverse and equitable economy. San Francisco's Small Business Commission, for example, has established a legacy business registry, which serves as a tool to protect business that are intertwined with the city's character. To assist *new* businesses, on the other hand, Seattle employs a "startup liaison" to provide help to entrepreneurs. Boston seeks to develop its workforce by offering free community college to low-to-moderate-income job seekers. Denver's real estate policy requires that 10% of the units be affordable in all new housing developments above a certain size. The Atlanta Women's Entrepreneurship Initiative is a competition whose 15 winners gain access to a business incubator for women, which includes mentorship and funding assistance. New York sponsors an initiative that will create affordable housing and workspaces for artists. Should Austin be interested in enacting policies along these lines, the city will find that Chapter 380 can be a vehicle not only for increasing prosperity, but also for achieving greater economic equity.

Subject Area Summaries

Best practice analyses are specific to the seven disciplines currently being tested for potential inclusion in the revised version of Austin’s Chapter 380 program.

Business Recruitment, Retention and Expansion

While the area of business recruitment, retention and expansion is frequently characterized by luring out-of-state firms, several cities have downscaled their commitments in this area. Raleigh does not offer tax abatements, as the state of North Carolina forbids them in its constitution. Both Portland and Seattle have prioritized expanding state and local businesses over recruiting established businesses from outside of their regions. San Francisco concentrates its recruitment only on “key sectors” of its local economy. Denver’s major incentive program targets three goals: while recruiting job-creating firms is one, the other two are developing enterprise zones and encouraging startups and expansions. Though Austin has relied heavily on recruiting international and out-of-state firms, the examples of these other programs demonstrate that the city can develop other tools.

Workforce Development

Two workforce development policies are becoming prevalent in other cities: subsidizing education and skills-building, and pairing educational opportunities with specific career pathways. Boston sponsors an internship program in the fields of construction and hospitality for those without college degrees. Additionally, that city provides free community college to low-income high school graduates. With its Jobs Initiative, Seattle partners with local colleges to help low-income students earn their first 45 credits. (Research shows that after this point, students are much more likely to finish school.) Other cities, such as Atlanta, Boston and Raleigh, offer programs for workers that help with training and “soft skills” such as résumé writing and interviewing. Atlanta and Denver directly subsidize businesses that hire individuals who fall in specific categories. Austin has a growing manufacturing sector and so local businesses will require more “middle-skill” workers going forward. The policies that other cities have initiated might be helpful as Austin considers its options in this regard.

Real Estate

In facing significantly rising housing costs, Austin is not unique among American cities. Some municipalities have reacted to this problem with real estate development policies intended to counter rising commercial and residential rents. For instance, Denver requires by ordinance that 10% of units are affordable in all new developments of greater than 30 units. The city has also established a public-private partnership to create and preserve 1,000 affordable units near transit corridors. Atlanta’s economic development corporation has put together an initiative for \$75 million in “workforce housing.” (This term, typically contrasted with “affordable housing” as being slightly more upmarket, refers to dwellings that mid-level earners can afford within reasonable commuting distance of their workplaces.) It has also established a fund to give grants to developers who build affordable housing along the increasingly exclusive Atlanta Beltline. Portland’s economic development corporation provides development opportunities to underrepresented businesses in order to counter the problem of rising retail rents. In San Francisco, 42% of the 19,000 housing units currently being built are designated as affordable. In facing the same problems as Austin, these cities have enacted policies that Austin might want to consider.

Creative and Artistic Development

Most of the activity in the area of creative and artistic development consists of the funding of specific projects. Many cities and states also provide incentives to film companies to attract films or television programs. Austin is no stranger to either of those practices. Beyond those programs, however, one of the most prevalent concerns of the creative communities in the cities considered in this report is the cost of space for both living and working. Some municipalities have stepped in to address this issue. Boston has put in place a program that creates studio and live/work space for artists. New York's Brooklyn Cultural District provides up to 400 units of affordable housing for artists, and another initiative will create 1500 units of affordable housing and 500 workspaces. Should Austin be interested in addressing this issue, these programs might provide a useful guide.

Social Enterprise

A social enterprise is a firm that is incorporated in a non-traditional way that allows for it to incorporate goals other than its own profit. States have slowly been allowing these forms of business organization, and Texas only passed legislation to allow it in the most recent legislative session. Thus social enterprises have only been legal in Texas since September 1, 2017, and Texas is looking at a blank slate with regard to how to develop them. A look at other cities suggests that the institutions taking the lead with social benefit corporations are primarily universities. Brandeis in Boston offers an MBA in social entrepreneurship, the University of Denver recently founded the Barton Institute for Philanthropy and Social Enterprise, Nashville's Belmont University hosts the Center for Social Entrepreneurship and Service-Learning. In New York, both Columbia and New York University have social enterprise programs. Though Texas was the 33rd state to allow social benefit corporations, the movement still appears to be in its infancy. Should the city be interested in doing so, Austin still has time to position itself as a leader in this movement. A fruitful place to begin might be approaching the University of Texas at Austin or one of the other local universities about a center, program or partnership involving social enterprise.

With regard to nonprofits more generally, a significant issue is the same one facing creatives and workers: the lack of affordable space. San Francisco has sponsored a "nonprofit sustainability initiative" that grants money to organizations for the purpose of securing space. In facing similar problems, Austin might look to the San Francisco program as an example.

Small Business

Many cities are like Austin in viewing small businesses as the source of their unique culture and identity. Thus they, also like Austin, seek to counter the effects of rising rents and gentrification. The Raleigh Area Development Authority Community Investment Corporation makes loans to existing small businesses with good credit that might not be able to borrow from a bank. San Francisco has a similar program called "Main Street Launch." It has also established a legacy business registry which gives access to grants to businesses that are particularly woven into the fabric of the city. The mayor of Seattle recently formed a panel on "commercial affordability," aimed at reducing the "displacement of existing and legacy small businesses."

Startups might seem to be very different from old, local businesses. But they do share a difficulty in competing with larger national companies and can benefit from assistance from the cities in which they do business. Cities are obliging with programs that cater to entrepreneurs. Startup Atlanta provides support for new

companies, and Denver has created an innovation and entrepreneurship campus. Nashville provides a small grant to fast growing small business that add ten or more jobs in a year. Seattle supports a clearinghouse for new businesses and employs a “startup liaison.”

Finally, cities often demonstrate their commitment to veterans, minorities and women through their small business programs. Atlanta runs a startup incubator specifically for women; it is competitive and accepts only 15 entrepreneurs per year. Women Entrepreneurs Boston provides resources and networking assistance to women. Nashville has an Office of Minority and Women Business Assistance and New York runs the Women’s Entrepreneurs NYC program. Fort Worth has established an Office of Business Diversity. Raleigh is committed to contract or sub-contract 15% to certified minority- or women-owned businesses and San Antonio is committed by ordinance to a similar goal.

Small businesses are the lifeblood of American cities, and these municipalities see these enterprises as a vehicle for preserving their culture, energizing their economy and allowing for greater inclusion and diversity. In sharing many of these goals, Austin might look to some of these programs to advance them.

Healthy Outcomes

By far the least developed of any of the priorities listed in this report is healthy outcomes. Both the level of attention and the specific focus of these programs vary significantly from one city to another. One of the few concerns that are fairly consistently addressed is that of “food deserts.” Denver’s FRESH program helps businesses to open or expand grocery stores and their Healthy Corner Stores initiative helps bodega owners expand their fresh food sections. New York also has a FRESH program and North Carolina has also implemented a “Healthy Corner Store” program. In 2016, Dallas offered three million dollars to any grocery store willing to sell fresh produce in southern Dallas. No one accepted the offer. With regard to food deserts and other health concerns, Austin has the opportunity to create and enact new innovative programs and perhaps emerge as a national leader on these issues.

**Appendix One
Information on Comparable Cities**

ECONOMIC DEVELOPMENT BEST PRACTICES SURVEY COMPARISON CITIES TO AUSTIN, TX															
	Non-Texas US Cities											Texas Cities			
	United States	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO	Nashville, TN	New York City, NY	Portland, OR	Raleigh, NC	San Francisco, CA	Seattle, WA	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
City Population	321,418,820	931,830	463,878	667,137	682,545	654,610	8,550,405	632,309	451,066	864,816	684,451	1,300,092	833,319	2,296,244	1,469,845
MSA Population*	321,418,820	2,000,860	5,710,795	4,774,321	2,814,330	1,830,345	19,015,900	2,389,228	1,273,568	4,656,132	3,733,580	6,833,420	6,833,420	6,647,465	2,384,075
Population Density (residents/square mile)	91	3,004	3,485	13,794	4,460	1,375	28,259	4,738	3,130	18,443	8,164	3,808	2,446	3,829	3,188
% Nonwhite	37.2%	51.3%	63.6%	54.0%	47.1%	63.9%	67.3%	28.2%	46.0%	58.6%	33.8%	70.7%	59.1%	74.5%	73.7%
% Single	49.4%	58.3%	70.3%	68.5%	58.7%	57.9%	57.6%	57.4%	57.2%	60.0%	58.4%	56.9%	50.7%	55.0%	53.7%
% w/ 4-yr college degree (over 25)	29.3%	46.0%	47.2%	44.6%	43.7%	35.8%	35.0%	44.4%	47.6%	53.0%	57.9%	29.7%	26.7%	29.8%	24.9%
Unemployment Rate	5.2%	2.9%	5.9%	4.2%	3.8%	6.8%	5.1%	4.6%	4.3%	3.5%	4.0%	3.9%	4.2%	4.9%	3.8%
Comparative cost of housing (US = 100)	100	161	103	269	108	111	313	205	110	604	315	80	84	118	95
% of firms in MSA under two years old (2014)**	N/A	18.4%	15.8%	12.1%	16.1%	14.6%	15.5%	14.5%	15.4%	15.0%	15.0%	16.6%	16.6%	16.6%	15.2%

Unless noted otherwise, source for all data: Sperling's best places (<http://www.bestplaces.net/compare-cities/>)

* from United States Census Bureau: "Annual Estimates of the Resident Population" 2015 Population Estimates: (<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>)

** from United States Census table: firm age by MSA (https://www.census.gov/ces/dataproducts/bds/data_firm.html)

Appendix Two
Economic Development Programs in Comparable Cities

The chart on the following pages contains detailed information about the policies, programs and projects of the comparison cities mentioned on the first page of this report. The source of this information was the web pages of the economic development departments of the various cities. (These organizations occasionally go by a different title or manifest a different institutional relationship with the municipality itself than does the Economic Development Department here in Austin.) The absence of a specific policy or program, therefore, should not be interpreted as evidence of its nonexistence, but may mean that the city implementing it has not emphasized it online. Nor does the report represent an exhaustive list: programs that were smaller, not particularly relevant to Austin, or similar to other extant programs were often omitted. The entry “N/A” in a particular cell means that no evidence of any policies or programs in the relevant area was apparent on the given city’s website.

Appendix Two
Economic Development Programs in Comparable Cities

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Business Retention/ Business Expansion US Cities Page 1 of 4	<ul style="list-style-type: none"> • The Austin’s Economic Development Department (EDD) offers “expansion and relocation assistance” for companies considering a move to Austin. • Funding is available through the Texas Enterprise Zone program. Designated projects receive a rebate on state sales and use taxes. The city has nominated eight such zones, but the state has only approved two. • The city’s Chapter 380 Economic Development Program “provides performance-based incentives to qualifying companies with a competitive relocation or expansion project will make a significant investment in Austin.” 	<ul style="list-style-type: none"> • Atlanta’s economic development arm is a registered local government authority called Invest Atlanta (formerly the Atlanta Development Authority). A different entity, Atlanta Beltline, Inc., is developing the city’s largest project, the Atlanta Beltline. The city does not appear to have an actual development department. • Most of the recruitment and retention is done through the state. The Georgia Department of Economic Development offers a wide range of tax credits to businesses that expand in or relocate to Georgia, including \$4,000 for each new job created, \$,2500 to \$5,000 per job if over 50 jobs are created, and a bonus for activity that increases imports or exports. It also gives tax credits for particularly large projects, research and development, and retraining. 	<ul style="list-style-type: none"> • The Mayor’s Office of Economic Development (OED) “promote[s] policies that help businesses grow while fostering economic inclusion and unity.” Within the office, the Business Strategy Team handles “business attraction, expansion and growth.” • The Boston Planning and Development Agency is a “self-sustaining agency” responsible for “planning and economic development,” which it defines as “inclusive growth.” 	<ul style="list-style-type: none"> • The city’s Office of Economic Development (OED) lists three major incentive programs. <ul style="list-style-type: none"> ○ The Denver Enterprise Zone is a state program providing ten different tax credits to businesses in the designated area. ○ The Business Investment Program, which is designed to encourage startups and expansions in Denver with business and personal tax credits. ○ The Business Incentive Fund is a \$1.2 million competitive incentive that provides support to recruit and retain businesses that create local jobs and/or revenue. • The Metro Denver Economic Development Corporation advocates on behalf of the city, but does not provide incentives or purchase land itself. It lists dozens of relocations and expansions in Denver, but does not specify its role, if any, in these transactions.

Appendix Two
Economic Development Programs in Comparable Cities

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
<p>Business Retention/ Business Expansion</p> <p>US Cities</p> <p>Page 2 of 4</p>	<ul style="list-style-type: none"> • The Mayor’s Office of Economic & Community Development administers the regional foreign trade zone program, which allows companies to reduce or eliminate payment of US Customs on goods “assembled, consolidated, repackaged or otherwise manipulated” in the zone. • The office offers incentives through the Payment in Lieu of taxes (PILOT) program, cash grants for a large firm (500 employees or more) relocating to Nashville and TIF districts. 	<ul style="list-style-type: none"> • The New York City Economic Development Corporation (NYCEDC) is the primary entity responsible for economic development. It is a non-profit corporation that contracts annually with the city. The majority of its board is appointed by the mayor. • New York offers around 100 incentive programs, many of which are targeted for specific industries, projects, or geographical areas. • It is difficult to find information on specific recruitment and retention policies, but they do exist. New York, for example, paid \$200 million in 1998 to keep the NYSE from moving to New Jersey. • The city’s Relocation and Employment Assistance Program offers tax credits of up to \$3K per employee for twelve years to businesses renovating in or relocating to NYC. 	<ul style="list-style-type: none"> • Business Oregon’s (state development agency) “Grow Our Own” program emphasizes retention and startups over recruitment. • Greater Portland, Inc. is a public-private partnership including several of the cities in the area that “provides support and services to companies seeking to relocate or expand in Greater Portland.” It does not appear to offer incentives itself. • This year, the Portland Development Commission changed its name to Prosper Portland (PP) to reflect its shift toward economic inclusivity, shared prosperity and equity. With regard to retention and expansion, it helps businesses with referrals and information. Recruitment and retention incentives do not appear to be a large part of their portfolio, if they exist at all. 	<ul style="list-style-type: none"> • The Constitution of the state of North Carolina does not permit tax abatements. • Raleigh4U (R4U—the city’s economic development division) offers a Business Investment Grant which is a discretionary investment program providing cash grants to new and existing businesses that a) provide benefits to the city, b) are competitive with other locations, and c) need the grant to carry out a specific project. • The Building Up-fit Grant assists property owners and businesses with improvements, renovations and/or additions to their interior spaces. The Downtown Raleigh Up-fit Grant is a similar program specifically tailored to downtown retailers.

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Business Retention/ Business Expansion US Cities Page 3 of 4	<ul style="list-style-type: none"> • San Francisco’s Office of Economic and Workforce Development (OEWD) concentrates its attraction and retention efforts in a large number of “key sectors,” which include such diverse industries as (among others) financial and professional services, nonprofits, technology, tourism and film. • The “California Competes Tax Credit” is available to businesses that come to the state or grow within it. Credits are negotiated on a case-by-case basis. • The state will exempt up to \$200 million in sales and use tax for purchases and leases related to manufacturing and red in “biotechnology, physical, engineering and life science” as part of the Manufacturing and Research & Development Equipment Exemption. 	<ul style="list-style-type: none"> • The city of Seattle’s Office of Economic Development (OED) is a clearinghouse for information about local regulations and an aid to founding a business, growing it and making it more environmentally friendly. Neither OED nor the public-private Economic Development Council of Seattle and King County offer much in the way of retention and recruitment incentives. • One of the few sources of direct funding offered by OED is the Grow Seattle Fund, which loans funds for small business expansion. The city created its own LLC, the Seattle Investment Fund, to loan money against federal New Market tax credits to support projects to low-income areas. • Another is the “Only in Seattle” initiative, which supports neighborhood business districts though \$1.4 million in grant funding.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
Business Retention/ Business Expansion Texas Cities Page 4 of 4	<ul style="list-style-type: none"> • The backbone of Dallas’s efforts through its Office of Economic Development is its Public/Private Partnership Program (P/PP). Local firms receiving incentive offers from other jurisdictions are eligible to apply for the program with negotiable terms. • Dallas firms considering expansion projects that will expand their job base at least 25% are also eligible to apply for P/PP. • Companies considering relocation, expansion or new facilities may be eligible for an economic development grant or loan. 	<ul style="list-style-type: none"> • The Ft. Worth Department of Economic Development is instituting its “first economic development strategic plan.” They have hired a consultant and will be conducting outreach initiatives with “the business community and residents.” • Chapter 380 economic development grants are available “as a gap financing tool of last resort.” • State and local tax benefits are available for those doing business in Enterprise Zones. • Fort Worth boasts several active TIF and Public Improvement districts. • Ft. Worth’s Brownfields Economic Redevelopment Program encourages development of economically distressed areas that face environmental or other cleanup issues. 	<ul style="list-style-type: none"> • Houston’s Office of Economic Development is run out of the Mayor’s Office. Its Planning & Development Department appears to be more focused on physical infrastructure. • Houston’s Chapter 380 agreements (through 2015) are listed here. • The city also uses Tax Increment Reinvestment Zones, tax abatements for projects that increase job opportunities or redevelops an area, Texas Enterprise Zones, and the federal EB5 program, which encourage immigrants to invest in American companies in exchange for a visa. • The Greater Houston Partnership appears to be the area’s chamber of commerce. It assists companies in relocating to Houston, and can perform “incentive analysis” as part of that process, but does not appear to give incentives itself. 	<ul style="list-style-type: none"> • The Industry Development Division of the city’s Economic Development Department (“under the leadership of the San Antonio Economic Development Foundation”) sponsors the Business Retention and Expansion program. Its purpose is to coordinate efforts among the city, county, chamber and major businesses to “keep our valued employers engaged and successfully operating in San Antonio.” • The city’s Economic Development Incentive Fund (EDIF) offers development grants and/or loans (in accordance with Texas’s Chapter 380) to companies that seek to create or retain jobs in San Antonio. • The city offers tax abatements to those in targeted industries who meet criteria relating to capital investment, job creation, health care benefits and wages.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Workforce US Cities Page 1 of 4	No Chapter 380 funded programs (federal only).	<ul style="list-style-type: none"> • Workforce development is run out of a program called Worksource Atlanta (formerly Atlanta Workforce Development Agency), in the mayor’s office. This agency runs a lot of programs to aid workers and potential workers—job training, GED, mock interviews, even daycare—but does not offer incentives to business to promote hiring. • The state of Georgia offers a retraining tax credit of up to 50% of direct training expenses. 	<ul style="list-style-type: none"> • The Mayor’s Office of Workforce Development sponsors an internship program for those without college degrees, in the construction or hospitality fields. • The Neighborhood Jobs Trust collects fees from developers to fund jobs, training and related services. • The office supports a tuition-free community college plan for eligible high school graduates with low- to moderate household income. • The Mayor’s Office of Financial Empowerment offers free access to a financial coach and career specialists as well as income supports or workforce development. 	<ul style="list-style-type: none"> • The Technology Employment in Colorado Partnership is supported by a federal “Ready to Work Partnership” grant. It develops an education and career training career pathway in high-demand industries for long-term unemployed individuals. • OED offers a training subsidy of up to 50% reimbursement of wages to businesses that hire qualified individuals.

Appendix Two
Economic Development Programs in Comparable Cities

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Workforce US Cities Page 2 of 4	<ul style="list-style-type: none"> The Nashville Career Advancement Center works with individuals to develop career strategies and goals. The Nashville Construction Readiness Partnership ensures that the city’s workers “have the access and skills needed to engage in Nashville’s vibrant construction industry.” 	<ul style="list-style-type: none"> Some of the city’s many workforce development programs include the Excelsior Jobs Program (aimed at high-tech, biotech, financial services and other industries), Hire NYC (jobs clearinghouse for development projects), Job Creation and Retention Program and the Job Development Authority. City Point is a LEED-certified mixed-use development. It is on city-owned land and the project was catalyzed by \$20 million in bonds from NYCEDC. The developer will fill the news jobs with workers from HireNYC. 	PP’s Workforce Equity Program provides business opportunities for minority- and woman-owned businesses as well as emerging small businesses.	<ul style="list-style-type: none"> Workforce development is handled by a series of local boards that are part of a state program. The Capital Area Workforce Development Board provides job seeking and training services for workers, job- and life-skills courses for youth and assistance with connecting potential workers and jobs. For businesses, the Capital Area Workforce Development Board provides training to address skills gaps, help with recruiting and connection with labor market data. The only grant in this area appears to be the NCWorks Incumbent Worker Training Grant.

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Workforce US Cities Page 3 of 4	<ul style="list-style-type: none"> • The Workforce Development Division of OEWD coordinates a network of public, private and nonprofit service providers that work with job seekers and employers. It connects workers to jobs and provides training in growing industries such as technology, health care, hospitality and construction. • The OEWD exempts businesses located in the Central Market Street & Tenderloin Payroll Tax Exclusion area from the payroll tax. The state will issue tax credits to employers who hire a full-time employee in a designated economic development area. 	<ul style="list-style-type: none"> • The Pathways to Careers program provides avenues for education and training. • The local community college system offers foundational courses in high-growth industries such as business technology and health care. • The Seattle Jobs Initiative partners with colleges to help low-income students earn their first 45 college credits. (Research shows that after this point, students are more likely to finish school.) • “Bridge” classes are available for high-risk groups, such as the CareerBridge program for the formerly incarcerated and Ready to Work for English learners.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
<p>Workforce</p> <p>Texas Cities</p> <p>Page 4 of 4</p>	<ul style="list-style-type: none"> The Texas Workforce Commission (TWC) provides grants for customized training including up to \$500K for customized training programs in partnership with employers and providers and grants up to \$500K for customized training for residents enrolled in or at risk of enrolling in TANF. The TWC's Skills for Small Businesses program offers support for companies with fewer than 100 employees. In partnership with a public training provider, the program pays up to \$1,450 for each new employee or \$725 for existing employees using existing curriculum. 	<p>The Ft. Worth Department of Economic Development does not mention any workforce development programs on its website. The local chamber of commerce refers interested parties to the county Workforce Solutions and two state programs: the Skills Development Fund and Skills for Small Business program.</p>	<ul style="list-style-type: none"> Houston's business leaders have noted the need for industry-tailored middle-skill workforce training. The industry-led response has been the Greater Houston Partnership's UpSkill Houston campaign. The tactics recommended include raising awareness among potential workers, improving skills and employability training, coordinating employers and trainers and creating a workforce data system. The Greater Houston Partnership participates in the "Communities that Work Partnership" between the Aspen Institute, the US Department of Commerce and several cities around the country. The goal is to "strengthen regional economies by equipping workers with skills needed to 21st century jobs." 	<ul style="list-style-type: none"> Access to EDIF funds requires that companies meet various standards regarding a living, median and high wage. The city manages seven workforce development contracts through agencies such as Goodwill, Project Quest and Alamo Community College's Seguir Adelante Program. State sale and use tax refunds are available when jobs are created in areas that designated as enterprise zones.

Appendix Two
Economic Development Programs in Comparable Cities

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Real Estate US Cities Page 1 of 4	<ul style="list-style-type: none"> • The EDD’s Redevelopment Division lists a lot of big projects that it presumably helped to build. But the website says little about what developers need to do to get city assistance or what form that assistance takes. • The city offers grants to non-profits to build affordable housing. • The city has an entirely separate Development Services Department whose purpose is to “build a better and safer Austin.” But it appears to be more about permitting, zoning and the like rather than real estate development <i>per se</i>. 	<ul style="list-style-type: none"> • The population of Atlanta is growing as people move back to the central city. A high priority of InvestAtlanta is residential real estate. Thus the city has put together a \$75 million workforce housing bonds initiative. • InvestAtlanta lists financing opportunities on their website with instructions to developers as to how to apply. These include tax-exempt and housing opportunity bonds, as well as loans for developing affordable housing and building in specific neighborhoods. • The Atlanta Beltline Affordable Housing Fund gives grants to developers who build affordable housing along the Beltline. • Invest Atlanta administers ten different Tax Allocation Districts. 	<ul style="list-style-type: none"> • The Boston Planning and Development Agency works with developers to provide affordable housing via restrictions on thousands of units throughout the city. • The OED’s Back Streets Program offers assistance to light industrial and commercial companies seeking to do business in the city’s neighborhoods. 	<ul style="list-style-type: none"> • Denver’s Inclusionary Housing Ordinance requires that in all new developments of 30 or more units, 10% of the units must be affordable. The OED has supported gap financing and direct investment in several affordable- and mixed-housing projects. • A public-private partnership called the Transit-Oriented Development Fund seeks to create and preserve 1,000 affordable housing units in current and future transit corridors.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Real Estate US Cities Page 2 of 4	N/A	<p>Many of the city's incentive programs deal directly or indirectly with real estate. The city offers rent abatement to qualified businesses through its Commercial Expansion Program, reductions in real estate and sales taxes to manufacturers and industrial businesses (IDA Industrial Incentive Programs), and tax credits for the redevelopment of abandoned areas (the state Brownfield Cleanup Program).</p>	<ul style="list-style-type: none"> • PP buys properties outright in order to develop them. • PP serves as the local sponsor of the state's enterprise zone programs in Portland and East Portland. • PP offers financial assistance for property development that furthers economic development in urban renewal areas through its Commercial Property Redevelopment Loan Program. • PP's Enhabit Financing Partnership offers home upgrades like solar panels and seismic strengthening. • The Affordable Commercial Tenanting Program from PP addresses the rise in retail rents by providing development opportunities to underrepresented businesses that offer needed goods and services to the community. 	<ul style="list-style-type: none"> • Raleigh's Urban Design Center (a city agency) plans at "multiple scales": both specific projects and a broader urban plan. • The Urban Design Center administers the Façade Grant Program in the city's Targeted Economic Development Areas and the Neighborhood Streetscape Program.

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Real Estate US Cities Page 3 of 4	<ul style="list-style-type: none"> • The OEWD manages large public and private real estate development projects for the city. • The Public Land for Housing Program redeveloping public land into housing with an eye toward providing revenue and public benefits such as affordable housing. • There are currently 19,000 new housing units being built in the city, 42% of which are designated as “affordable.” 	<ul style="list-style-type: none"> • The Port of Seattle has its own Economic Development Division, which has helped to develop the land near the airport, including the new FAA Regional Headquarters and the Des Moines Creek Business Park. • There were more construction cranes in use last year in Seattle than in any other American city, and newspaper reports showcase many large developments. But the city does not publicize its involvement, if any, in any of these projects on its website. The extent to which it was involved as a funder appears to be minimal.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
<p>Real Estate</p> <p>Texas Cities</p> <p>Page 4 of 4</p>	<ul style="list-style-type: none"> • Retail businesses that meet age and investment minimums and that provide previously unavailable retail options in target areas are eligible for reimbursement grants under the P/PP. • Dallas’s TIF program allows the city to work with private developers to implement plans for redeveloping under-performing real estate. • The Public Improvement District program allows property owners to be taxed above typical levels in order to receive special city services. • The Dallas Development Fund uses federal New Markets Tax Credits to provide equity funding in underserved communities. 	<p>Property owners who build in Neighborhood Empowerment Zones can receive tax abatements, free waivers and releases of city liens.</p>	<ul style="list-style-type: none"> • As part of its “align targets,” Houston has committed itself to developing retail and mixed use projects and increasing residential density. • Houston gives tax abatements for projects that are built in a declining part of the city or that increases job opportunities or otherwise redevelops the area. • The Bayou Greenways 2020 program creates parks out of underused land. The goal is to have 60% of Houstonians living within 1.5 miles of a park by the project’s completion. This is a public-private partnership that will cost the city \$220 million and encourage “development, density and connected living.” 	<ul style="list-style-type: none"> • The city has created two non-profit corporations for the purposes of financing developments in health care or education through bonds or loans. • The city and the San Antonio Water System promote growth, especially in targeted areas of the city, in accordance with the Inner City Reinvestment Infill Policy (ICRIP). They award \$4 million in fee waivers as development incentives, at least \$2 million of which will be in the targeted area.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Creative/ Artistic US Cities Page 1 of 4	<ul style="list-style-type: none"> • The Cultural Arts Division of the EDD sponsors a variety of programs for the arts, such as Art in Public Places, Arts in Sacred Places and the People’s Gallery. • The city provides funding to hundreds of individual art projects, in amounts from \$4K to over \$200K. • Austin works to attract filmmakers, offering two free police officers on set, no rental fees for filming on city property and incentives of up to 0.75% of wages paid to local workers. The Texas Moving Image Industry Incentive Program also funds such projects, but many feel that these subsidies are uncompetitive with those of neighboring states. • The EDD has a music division. It works on permitting, serves as an ombudsman for live music venues and offers loans for enhancing sound quality or improving the experience of neighbors. 	<ul style="list-style-type: none"> • The Georgia Film, Television and Digital Entertainment Tax Credit provides up to 30 percent tax credit for projects filmed in the state. • The state of Georgia awarded 80 arts organizations a total of \$1M. 	<ul style="list-style-type: none"> • The Boston Planning and Development Agency’s ArtistSpace Program creates studio and live/work spaces for the city’s artists. • The City of Boston owns the Strand Theater, which it uses as a cultural and educational resource for artists and audiences. • The Department of Arts and Culture offers Program Grants (for specific artistic projects), field trip grants and public art grants. 	N/A

**Appendix Two
Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
<p>Creative/ Artistic</p> <p>US Cities</p> <p>Page 2 of 4</p>	<ul style="list-style-type: none"> • The Music City Music Council develops “strategies toward heightening the awareness and development of Nashville’s worldwide reputation as Music City.” • The Tennessee Film, Entertainment and Music Commission will rebate 25% of the expenses of filming any Tennessee project that costs more than \$200,000. Production staff who stay over 30 days can have their hotel occupancy taxes refunded. 	<ul style="list-style-type: none"> • New York state provides a 30 % refundable tax credit to qualified film projects; they city adds 5%. • NYCEDC promotes and supports the Brooklyn Cultural District, with investments of more than \$100 million, to support 50,000 s.f. of cultural space, new arts facilities at existing institutions, 23,000 s.f. of retail and 300-400 units of affordable housing. • Much of the arts and culture funding goes through the New York City Department of Cultural Affairs (DCLA). Its annual budget is \$156 million and it funds cultural organizations as well as provides capital spending for construction and renovation of cultural institutions. • The Affordable Real Estate for Artists initiative will create 1500 units of affordable housing for artists and 500 artist workspaces. 	<ul style="list-style-type: none"> • The Oregon Arts Commission provided over \$2 million in grants to 158 organizations in 2015. • Oregon Creative Industries is a networking and organizing consortium aimed at accessing statewide and national promotion for Oregon arts. 	<ul style="list-style-type: none"> • The state agency FilmNC offers a Film and Entertainment Grant that rebates up to 25% of a production’s qualified in-state spending. • The city funds an arts grant program that gave away \$1.8 million last year. Recipients, who must be nonprofit organizations, are eligible for up to 25% of annual operating expenses.

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
<p>Creative/ Artistic</p> <p>US Cities</p> <p>Page 3 of 4</p>	<ul style="list-style-type: none"> • Film SF is the government office that supports filmmaking in the city. Its Scene in San Francisco rebate program will refund payroll tax and city fees up to \$600K per production. • The San Francisco Arts Commission is a city agency with members appointed by the mayor. Their Community Investments Program grants \$6M to artists directly, to organizations that bring art to youth, to initiatives that support arts education and to cultural centers that present art to communities and neighborhoods throughout the city. 	<ul style="list-style-type: none"> • The Office of Film and Music promotes the city and aids artists in getting the requisite permits and so forth, but does not directly fund artists. • 4Culture is the “cultural funding agency” for the county. It receives dedicated tax funds and “supports a diverse array of cultural endeavors,” concentrating on arts, heritage, historic preservation and public art. • The city commissions occasional economic impact studies of the local music scene. In 2008 (the year of the most recent study), Seattle’s music industry generated \$1.2 billion in sales and \$148 million in tax revenues while creating 11,155 jobs. • The Seattle Nightlife Initiative has eight components that aim to improve urban vibrancy while growing the local economy.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
Creative/ Artistic Texas Cities Page 4 of 4	<ul style="list-style-type: none"> Dallas’s Office of Cultural Arts offers avenues for the funding of artistic projects. The city’s Arts District is the largest contiguous urban arts district in the world. 	<ul style="list-style-type: none"> Most of the cultural development in Ft. Worth appears to be spearheaded by a local nonprofit, the Arts Council of Ft. Worth. Fort Worth Public Art is a city program that commissions works of public art. 	<ul style="list-style-type: none"> EDD partnered with several organizations to finance the Midtown Arts & Theater Center Houston (MATCH), a theater and destination for visual and performance arts. The Houston Arts Alliance (HAA) is a “local nonprofit arts and culture agency” that provides artistic and cultural grants and “endeavors to expand the overall creative economy.” In 2012, the HAA, the University of Houston and the Greater Houston Partnership commissioned a study called The Creative Economy of Houston. It argued that Houston’s creative industry is growing faster than that of other comparable cities and that there is still room to grow. It urged that Houston publicize these facts, incorporate creative industries into its brand, invest in its creative economy and prepare students for the creative economy. 	<ul style="list-style-type: none"> “Creative Industries” are one of the categories that are eligible for EDIF grants or loans. The city’s Department of Arts and Culture offers a series of grants (supported by the HOT) to support arts non-profits, festivals and neighborhood projects.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Social Enterprise US Cities Page 1 of 4	The Grants for Technology Opportunities Program offers grants (from \$10K to \$25K) to local non-profit agencies that “create digital opportunities and foster digital inclusion.”	N/A	<ul style="list-style-type: none"> • The Heller School for Social Policy and Management at Brandeis University is a business school that is specifically oriented around a “social justice mission.” Its MBA program offers a concentration in social entrepreneurship. • Massachusetts allowed benefit corporations in 2012. 	<ul style="list-style-type: none"> • The University of Denver recently founded the Barton Institute for Philanthropy and Social Enterprise. • The city has created a Social Impact Bond program. Its first project involves housing and serving 250 homeless people. • Colorado began to allow benefit corporations in 2014.

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Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Social Enterprise US Cities Page 2 of 4	<ul style="list-style-type: none"> Belmont University in Nashville offers an undergraduate major in social entrepreneurship and hosts the Center for Social Entrepreneurship and Service-Learning. Vanderbilt also offers popular courses on the subject. Nashville is home to several social enterprises and recently opened a chapter of the Social Enterprise Alliance. 	<ul style="list-style-type: none"> Columbia has a center for social enterprise and there is a social entrepreneurship program at NYU. The Centre for Social Innovation, a Toronto incubator and community center, has opened a New York location. 	PP offers \$1.2 million annually in Community Livability Grants that prioritize projects that benefit communities of color or people with low incomes.	<ul style="list-style-type: none"> The city makes awards to nonprofit organizations through its Community Enhancement Grant and its Human Services Agency Funding. Neighborhood organizations are eligible for up to \$1,000 in Neighborhood Improvement Funds.

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Social Enterprise US Cities Page 3 of 4	<ul style="list-style-type: none"> • There is a large nonprofit presence in San Francisco; these organizations employ 17% of the city's workforce. A huge problem in the city is nonprofit "displacement." • The mayor sponsored a "nonprofit sustainability initiative" that is focused primarily on granting money to organizations in order to help them secure space. • San Francisco State University offers an MBA in "Nonprofit and Social Enterprise Leadership." 	<ul style="list-style-type: none"> • The State of Washington passed a law in 2012 allowing for the existence of social purpose corporations. (Texas passed a similar law allowing "public benefit corporations" this session.) • The University of Washington's business school used to host a "Global Social Entrepreneurship Competition" and Seattle Pacific University currently sponsors a Social Venture Plan Competition.

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Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
Social Enterprise Texas Cities Page 4 of 4	N/A	N/A	<ul style="list-style-type: none"> • Houston is one of the most racially diverse cities in the US, but also one of the most economically segregated. • Houstonians point to Good Works Houston and Fruition Labs, both social enterprise incubators. But they complain that there is not enough support for social enterprise in a city this big. The city government does not appear to be very active in this area. 	N/A

Appendix Two
Economic Development Programs in Comparable Cities

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Small Business US Cities Page 1 of 4	<ul style="list-style-type: none"> • The Small Business Program of the EDD offers “counseling and assistance” to small businesses. • The EDD recently announced a \$250K micro loan pool (funded jointly with the VA) to make loans (up to \$35K apiece) available for veterans who own small businesses. • The Family Business Loan Program is a partnership between the city, HUD and private lenders to offer low-interest loans to qualified small businesses. 	<ul style="list-style-type: none"> • InvestAtlanta provides gap financing to small, minority- and female-owned businesses to expand in or relocate to Atlanta. • The mission of Startup Atlanta, which is supported by InvestAtlanta, the Atlanta Chamber and other organizations, “is to introduce, connect, support, and expand the entrepreneurial ecosystem within the greater Atlanta region to bolster the creation of jobs, companies and wealth.” • The city’s Women’s Entrepreneurship Initiative selects 15 women entrepreneurs for a business incubator, which includes funding assistance and mentorship. • The New Markets Catalyst Fund (part of Invest Atlanta) makes loans of up to \$250K to small businesses in distressed neighborhoods. 	<ul style="list-style-type: none"> • The Small Business Development Team is the part of the OED which helps owners and entrepreneurs “start, grow and build” businesses. • Through its ReStore Boston and Design Services programs, the Office of Small Business Development offers grants for designing storefronts, signage and exterior design and supports businesses with designing these things as well as logos, websites and other forms of graphic representation. • Women Entrepreneurs Boston (WeBos) provides resources and network help to female entrepreneurs. 	<ul style="list-style-type: none"> • The Denver Office of Economic Development Small Business Lending Group offers gap financing to businesses that locate or expand in targeted areas through its Revolving Loan Fund and Neighborhood Business Revitalization program. • Denver has several initiatives for small businesses, such as a public innovation and entrepreneurship campus, an award series for local startups and a mentoring program for minority- and women-owned businesses. But none of these efforts appear to involve direct incentives.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Small Business US Cities Page 2 of 4	<ul style="list-style-type: none"> • The Office of Minority and Women Business Assistance assists in the development of minority, disabled veteran, small and women owned businesses. • The Fast Growing Business Employment Incentive awards small businesses that add 10 or more jobs in a year a \$500 per job grant. • The Infrastructure Investment Incentive awards 10% of the investment in improvements made to exterior property value less than a million dollars. 	<ul style="list-style-type: none"> • The city has a Department of Small Business Services. • Separate certification programs are available to minority and women-owned businesses, emerging businesses and locally-based business. The city has set targets for awarding specific amounts of contracts to firms in each of these groups. • The city's Women Entrepreneurs NYC program is a dedicated initiative for helping women to start and grow businesses. • New York's Neighborhood 360° Fellows promote neighborhoods by organizing, business attraction/retention, and "placemaking." • Neighborhood 360° grants award up to \$500,000 to community development organizations for commercial revitalization programs. 	<p>Prosper Portland offers an Inclusive Startup Fund for high-growth companies founded by underrepresented groups and ran the Startup PDX Challenge for three years.</p>	<ul style="list-style-type: none"> • The city has a goal to contract or sub-contract 15% of its business to certified minority- or women-owned businesses. • The Raleigh Area Development Authority Community Investment Corporation is funded by the city and local banks to make loans to existing small businesses. Loans from \$15,000 to \$75,000 are made on projects that are "creditworthy but for whatever reason are not 100% suitable for bank debt."

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Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Small Business US Cities Page 3 of 4	<ul style="list-style-type: none"> • The city has partnered with nonprofit Main Street Launch to offer access to capital to businesses at low interest rates. Businesses can borrow up to \$50K from the Small Business Revolving Loan Fund and the Emerging Business Loan Fund will loan amounts from \$50K to \$250K. • The Small Business Commission has established a Legacy Business Registry, which allows older businesses access to grants from the Legacy Business Historic Preservation Fund. 	<ul style="list-style-type: none"> • The Seattle OED supports “StartupSeattle” as a resource for new businesses. It also employs a “Director of Entrepreneurship and Industry” as a “startup liaison.” • The mayor recently formed a panel on “commercial affordability,” which issued a report featuring its recommendations on how to “reduce the displacement of existing and legacy small businesses.” The mayor plans to implement several initiatives, including financial support for microbusinesses.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
Small Business Texas Cities Page 4 of 4	<ul style="list-style-type: none"> Dallas Economic Development offers small business loans, including one under the Community Development Block Grant and another under the Southern Dallas Small Business Revolving Loan Program. For the latter, one job must be created for every \$50K borrowed. The Small Business Adaptive Reuse Program assists owner-operators in southern Dallas with improving buildings that are underperforming or being converted to a new use. 	<ul style="list-style-type: none"> The Office of Business Diversity helps small, minority- and women-owned businesses gain access to contracting opportunities with the city. The IDEA Works business incubator “was formed” to help the area’s “entrepreneurs and small business owners find and navigate paths to achieve their personal and business vision.” 	<ul style="list-style-type: none"> Houston provides loans to encourage the expansion of small businesses that create jobs for low-income persons through its Small Business Revolving Loan Fund. The Business Information Center “provides financing resources and business services in one location.” These small business resources are provided out of the Housing and Community Development Department rather than the Office of Economic Development. 	<p>The small business economic development ordinance ensures that small, minority, African-American and women-owned businesses have an opportunity to compete for city contracts.</p>

**Appendix Two
Economic Development Programs in Comparable Cities**

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Healthy Outcomes US Cities Page 1 of 4	<ul style="list-style-type: none"> • The Office of Sustainability is dedicated to reducing food insecurity. It collected data in 2017 to assess the availability to nutritious food throughout the city. Results are scheduled to be released in fall 2017. • Its Austin Area School Garden Collaborative brings together individuals to create gardens on local K-12 campuses. • Austin is a pilot site for the Good Food Purchasing Program, which encourages cities, school districts and other public institutions to purchase food that, while not necessarily the least expensive, supports the local economy, protects the environment and provides appropriate nutrition. 	N/A	<ul style="list-style-type: none"> • The state established the Massachusetts Food Trust Program in 2014. It provides loans and grants to support new and expanded healthy food retailers in low and moderate income communities. • Boston’s Healthy Incentives Program provides to low-income Bostonians an amount that matches SNAP funds and can be used to purchase local produce. • The Boston Green Links program seeks to connect the entire city through a greenway network, so that people can walk, bike or use a wheelchair to get from any neighborhood to any other one. 	<ul style="list-style-type: none"> • Denver FRESH (a collaborative project between OED and the Office of Environmental Health) provides “a wide range of tools” to open or expand grocery stores. The website does not mention incentives as one of those tools. • Denver’s Healthy Corner Stores initiative “helps corner store owners expand and promote their healthy and fresh food selection.” • Be Healthy Denver is a city initiative that conducts a community health assessment and a community health improvement plan to focus and guide public health improvement efforts.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Healthy Outcomes US Cities Page 2 of 4	<ul style="list-style-type: none"> The state of Tennessee has an Office of Minority Health Disparities Elimination. Former US Senator Bill Frist has founded Nashville Health, a nonprofit dedicated to minimize gaps in healthcare and improve the overall health of the city. 	<ul style="list-style-type: none"> NYECD’s Food Retail Expansion to Support Health (FRESH) program provides incentives (and rezoning if necessary) to grocery store operators who open or expand stores in “food deserts.” Take Care New York 2020 is the city’s health initiative, focusing on outcomes that differed significantly by neighborhood. It focuses on four categories: healthy childhoods, healthy neighborhoods, healthy living and quality care. The city’s Office for Health Equity addresses violence, eating, mental health and other issues that correlate with inequitable conditions. Healthy Start Brooklyn provides support programs for new and expecting parents. 	N/A	<p>The state of North Carolina has established a “Healthy Corner Store Initiative to combat food-related conditions like obesity and diabetes and provide an outlet for farmers’ produce.</p>

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Healthy Outcomes US Cities Page 3 of 4	<ul style="list-style-type: none"> The San Francisco Department of Public Health, the city's non-profit hospitals and the Clinical and Translational Science Institute at the University of California San Francisco have combined to form the San Francisco Health Improvement Partnership (SFHIP). SFHIP's primary mission is to measure the health of the city's residents; it publishes an annual San Francisco Community Health Assessment. Healthy San Francisco makes health care services available to uninsured city residents. 	N/A

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Houston, TX	Fort Worth, TX	San Antonio, TX
Healthy Outcomes Texas Cities Page 4 of 4	<p>In 2016, the city of Dallas offered \$3 million to any grocery store willing to sell fresh produce in the food desert of southern Dallas. It received no takers.</p>	<ul style="list-style-type: none"> • There was a lot of activity in this area in 2012: the city and county commissioned a health equity report, Houston’s Department of Health and Human Services proposed an initiative to sell produce out of city vans to combat food deserts. Those programs do not appear to exist any longer. • Houston has established a Diabetes Awareness and Wellness Network to “offer free wellness programming” to those with, or at-risk of getting, diabetes. 	<p>N/A</p>	<ul style="list-style-type: none"> • Healthy Neighborhoods sends <i>promotors</i>, or community health workers, to various neighborhoods to identify neighborhood leaders who will coordinate asset mapping and then community action plans for various neighborhoods. • The city’s Poor Vida program places a logo next to healthy menu items at area restaurants. • San Antonio’s Healthy Start program provides home visitations to pregnant women and new mothers until the baby reaches two years of age.

**Appendix Two
Economic Development Programs in Comparable Cities**

	Austin, TX	Atlanta, GA	Boston, MA	Denver, CO
Other/Case Studies	Stenholm District , Robert Mueller Municipal Airport Redevelopment , The Domain	725 Ponce , Atlanta Beltline	Dudley Square and the Ferdinand Building , E+ Energy Positive buildings , Brighton Guest Street Planning Study and New Boston Landing	N/A
US Cities				
Page 1 of 4				

**Appendix Two
Economic Development Programs in Comparable Cities**

	Nashville, TN	New York, NY	Portland, OR	Raleigh, NC
Other/Case Studies	N/A	Made in NY Campus at Bush Terminal , Brooklyn-Queens Connector (BQX) , Kings Theater , NYC Ferry , Coney Island revitalization	Portland Union Station , Lents Town Center , Cascade Station	Union Station , Exchange and Market Plazas
US Cities				
Page 2 of 4				

**Appendix Two
Economic Development Programs in Comparable Cities**

	San Francisco, CA	Seattle, WA
Other/Case Studies US Cities Page 3 of 4	<ul style="list-style-type: none"> • Recently completed and/or approved projects: Warriors Arena, California Pacific Medical Center, MOs cone Center Expansion, Daggett Plaza, and 5M. • San Francisco has several incentives related to environmental initiatives: <ul style="list-style-type: none"> ○ one extends financing for reducing building carbon emissions, ○ another encourages the installation of solar panels, and a third offers a ten-year payroll tax exclusion for small businesses that produce or install clean energy. 	Prologis Georgetown Crossroads , Industry Space Seattle

**Appendix Two
Economic Development Programs in Comparable Cities**

	Dallas, TX	Fort Worth, TX	Houston, TX	San Antonio, TX
Other/Case Studies	Mercantile Block, Trinity Strand Trail Phase I, Pecan Lodge	N/A	Bayou Greenways , Greens point Skate Park , Bagboy Street Project .	N/A
Texas Cities				
Page 4 of 4				

Appendix Three
Report on Origin of Austin’s Entrepreneurialism

Austin’s Entrepreneurial Genesis in a Nutshell

From a university town to a high-tech entrepreneurial city

Elsie Echeverri-Carroll, IC² Institute, The University of Texas at Austin

September 1, 2017 | AUSTIN

Figures refer to the infographic posted at: <http://ic2.utexas.edu/aeg>

The *Kauffman Index* rated the Austin MSA as the number-one U.S. city for entrepreneurial activity in 2015 and 2016 among the 40 largest metropolitan areas in the United States. Figure 1 shows Austin entrepreneurial trend measured by registrations with the Texas Secretary of State. The trend matched the Kauffman foundation’s rankings as it shows Austin’s entrepreneurial activity exploding in these two years. How did Austin become a top entrepreneurial city? Generous funding from the Kauffman Foundation has allowed a team at the IC² Institute at the University of Texas at Austin, under the leadership of Dr. Elsie Echeverri-Carroll,¹ to unveil the genesis of Austin’s entrepreneurial ecosystem. Using qualitative (more than 50 interviews with local influencers) and quantitative methods (e.g., analysis of large databases²), the teams find that Austin’s entrepreneurial evolution has gone through five stages depicted concisely below.

1. Capacity Building at the University of Texas at Austin (1960-1980)

Until the 1980s, Austin’s economy was largely based on income generated by the state government and by its large research university, the University of Texas at Austin (UT). UT’s computer science department was created as an independent department in 1966, only three years after the first independent computer science program in the United States was established at Purdue University.³ The competitiveness of UT’s computer science department has been fundamental to attracting an important cluster of large high-tech companies to Austin in the hardware (computer and semiconductor manufacturing) and software industries. As shown in the infographic, UT’s computer science department ranked among the top eight in the nation in R&D expenditure in 1973, 1993, and 2014. The department has provided talent and worked closely with the local industrial community in curriculum design and collaborative R&D.⁴

UT’s collaboration with local businesses and government has a long tradition. UT teamed up with the Greater Austin Chamber of Commerce, the state and city governments, and the private sector to successfully bid for the location in Austin of the first two large

Appendix Three Report on Origin of Austin's Entrepreneurialism

computer and semiconductor R&D consortia: MCC (Microelectronics and Computer Technology Corporation) in 1983 and Sematech (Semiconductor Manufacturing Technology) in 1988. According to Admiral Inman (chairman, president, and first CEO of MCC), UT's "commitment to excellence" was one of the two major factors (besides quality of life) that convinced MCC to locate in Austin.⁵ Moreover, UT provided direct incentives for MCC and Sematech to choose Austin including offering professional opportunities (in the form of fellowships and teaching positions) to MCC employees and allocating \$12.3M to acquire the site for Sematech. MCC chose Austin over 57 other cities in 27 states, and Sematech chose Austin over 137 competing cities. Winning this vigorous national competition put Austin on the high-tech city map and set the stage for corporate spinoffs that would accelerate the local entrepreneurial ecosystem.

UT's early contributions to the local entrepreneurial ecosystem were also represented by startups that spun out directly from the university and became important multinational companies such as TRACOR in 1955 and National Instruments in 1974. As the bottom of the infographic shows, two institutions, the IC² Institute founded in 1977 and the Austin Technology Incubator (ATI) founded in 1989 (within the institute), were pioneer contributions of UT to Austin's entrepreneurial ecosystem. They were the vision of Dr. George Kozmetsky, dean of UT's school of business (1966-1982)⁶ and important knowledge broker in Austin's entrepreneurial ecosystem. It is estimated that between 2003 and 2012, ATI graduate companies yielded \$880M in terms of local economic impact.⁷

UT's capacity building, particularly the presence of a strong computer science department and its close collaborative networks with local institutions, was integral to the attraction of multinational corporations to the Austin region, which set the basis for the development of Austin's entrepreneurial ecosystem.

2. Continuous Attraction of Large High-Tech Companies (1960-today)

Few large plants moved to Austin in the 1960s and 1970s including IBM (1967), Texas Instruments (1969), Motorola (1974), and Advanced Micro Devices (1979). The tendency to attract branch plants of large high-tech firms, many from Silicon Valley, accelerated exponentially in the 1990s after the arrival of MCC and Sematech. The reasons these corporations chose Austin were carefully documented in research conducted at the IC² Institute in the 1990s by its founder George Kozmetsky jointly with some of the institute fellows.⁸ This research shows that a key ingredient of Austin's continuous attraction of large high-tech firms has been careful collaboration among government, business, and the University of Texas.

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3. Corporate Spinoffs and Entrepreneurial Spawning (1990-today)

The semiconductor, computer, and software clusters of large corporations became a training ground for future technology-oriented entrepreneurs, who in some cases became frustrated with the decision process to approve new innovations at these corporations and decided to start their own business. Many early local entrepreneurs, such as the three IBM engineers who founded the software company Tivoli, had previous experience working in large corporations.

Most empirical evidence for other high-tech regions⁹ shows that large technology firms can act as corporate incubators and have significant impact by spawning founders and top executives of successful local startups. Similarly, these locally founded startups can have important entrepreneurial cascade effects by becoming a downstream source of more founders. We document this trend by studying the family tree of founders from Tivoli, a local independent startup from 1989 to 1996. Tivoli was founded in 1989 by former IBM employees Robert Fabbio, Steve Marcie, Todd Smith, and Peter Valdez. The company completed an initial public offering in 1995, one year before IBM acquired it for \$743 million. Tivoli's family tree, startups created or managed by ex-Tivoli employees, is a great example of local corporate-spawning cascade effects.

Tivoli operated as an independent startup for just seven years, but the company legacy remains a significant part of the city's entrepreneurial landscape. The company produced a group of entrepreneurs who have been able to launch or operate at least 29 startups in Austin between 1990 and 2013. Using data from LinkedIn, the infographic shows the effect of Tivoli employees on Austin's entrepreneurial ecosystem extended through 2013. What is more intriguing is how successful many of these companies have been, as evidenced by the fact that only three of the 29 companies were not acquired or recipients of outside funding. Indeed, most of these spinout companies were acquired by large corporations—including Lucent Technologies, Sun Microsystems, and SolarWinds—or were able to raise funding from venture capital firms or angel investors. The Tivoli startup was also an important source of top managers for 27 startups. Most of the literature focuses on the spawning of company founders from large corporations; Tivoli is evidence that startups are also an important downstream source of startup founders and managers.

4. Entrepreneurial Community (2010-now)

Egan and Garber from the Center for Entrepreneurship and Innovation at Rice University note that Austin, Dallas, and Houston all had a similar number of startup companies receiving their first round of investments in 2006.¹⁰ However, by 2009 Austin started building momentum, and in the past three years has seen between 30 and 40 new companies financed each year, while both Houston and Dallas have flatlined. They

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maintain that an entrepreneurship ecosystem needs to reach approximately 40-50 startups per year securing venture capital, with the right ecosystem components participating appropriately, before it can achieve a self-sustaining virtuous cycle and notes that in Texas, only one urban area, Austin, is (just) at this level.

Austin now has a community of entrepreneurs, making it possible for founders with little previous experience working with large corporations or fast-growing startups but strong linkages with the entrepreneurial community to create successful startups such as BuildASign (founded in 2005) and Mutual Mobile (founded in 2010). What is a tangible example that Austin has a community of entrepreneurs? During the interviews Capital Factory was repeatedly mentioned as a tangible example of a community of entrepreneurs. This accelerator/incubator/co-working space, founded in 2009, has an impressive accumulation of entrepreneurial talent. About 129 Capital Factory partners and mentors founded 157 startups between 1970 and 2016, of which 121 were founded in Austin. More important, almost all of the startups founded in Austin have been successful, as indicated by the fact that 62 are still active companies and 36 were acquired.

5. Large Corporations, Significant Expansions, and Economic Incentives (2010-now)

Many large corporations continue to expand in the city and have taken advantage of economic incentives from the city and the state. These expansions consist of increases in both the physical size of large high-tech firms' campuses and in their workforce. As shown in part five of the infographic, in 2015, Oracle acquired 27 acres of land for its new 560,000 square-foot campus south of Lady Bird Lake, which will focus on cloud computing, and received a \$1M incentive from the Texas Enterprise Fund (TEF). Additionally, Oracle purchased the adjacent Azul Lakeshore Apartments with the intent of eventually converting this into housing for Oracle employees, since the company has expressed plans to increase its Austin workforce by 50 percent.¹¹ Similarly, in 2016 Apple moved thousands of its employees into its new 1.1 million square-foot campus in north Austin and into a smaller 216,000 square-foot campus in southwest Austin—the technology giant has built its second-largest campus in Austin. In line to receive a total of \$36 million in tax incentives from the city (\$8.6M), county (\$6M), and state (\$21M from TEF) for its Austin expansion, Apple has pledged to create 3,600 new jobs while retaining at least 3,100 existing jobs.¹² If Apple reaches those hiring figures, it will become the second-largest technology employer in Austin behind Dell.

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Notes

- ¹ In collaboration with Professor Michael Oden at UT's Community and Regional Planning Program and a team at the University of North Carolina at Chapel Hill, under the leadership of Professor Maryann Feldman.
- ² For example, the National Establishment Time Series (NETS) and business registrations from the Texas Secretary of State.
- ³ University of North Carolina, Chapel Hill. (1999, May 14). A personal history of computer science at UNC-Chapel Hill: Gestation and birth 1962-64. Retrieved from <https://www.cs.unc.edu/History/Gestation.html>
- ⁴ Porter, Bruce. (2016, August 8). UT Austin's Computer Science Department Chair. Personal Interview.
- ⁵ Downing, D. E. (1983, August). Thinking for the future: The promise of MCC. *Austin Magazine* 25(8), 105-110.
- ⁶ George, K. (2010, February 23). George Kozmetsky 50 Acres Scholarship. Retrieved from <http://www.today.mcombs.utexas.edu/2010/02/george-kozmetzky-40acres-scholarship>
- ⁷ Bureau of Business Research, University of Texas at Austin. (2014, January). The economic impact of Austin Technology Incubator alumni companies on Travis County, 2003-2012.
- ⁸ Smilor, R.W., Kozmetsky, G., and Gibson, D.V. (1987). The Austin San Antonio Corridor—the dynamics of a development technopolis. Working paper. Austin, TX. The IC² Institute.
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- ⁹ Spawning of new startups from large corporations has been fundamental in the development of the entrepreneurial ecosystem in Silicon Valley (Gompers, Lerner, and Scharfstein 2005, Lerner 2009) and the Research Triangle (Avnimelech and Feldman 2010a, 2010b).
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- ¹⁰ Egan, E. J., and Garber, R. (2016, March 7). The state of venture capital in Texas. *Issue Brief* 03.07.16. Houston, TX: Rice University's Baker Institute for Public Policy.
- ¹¹ In 2015, the Greater Austin Chamber of Commerce estimated that Oracle employed about 1,100 people in Austin.
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- ¹² Hawkins, L., and Novak, S. (2015, September 6). Apple rises in Austin. *Austin American-Statesman*. R Retrieved from <https://www.pressreader.com/usa/austinamericanstatesmansunday/20150906/283012578510584>
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