

RESOLUTION NO. 20090226-022

WHEREAS, the City of Austin has adopted economic development programs under authority of Texas Local Government Code Chapter 380 and other statutes; and

WHEREAS, the City revises, on an ongoing basis, its economic development programs over time to adapt to changing economic conditions in an effort to maintain a vibrant and diverse economy, assure economic opportunities for its citizens, encourage the creation of quality jobs, and to enhance the tax base so that current citizens benefit; and

WHEREAS, the City Council adopted Resolution No. 20030612-15 establishing the city's economic development policy and Resolution No. 20050113-52 revising certain aspects pertaining to economic development agreements; and

WHEREAS, the City Council adopted Resolution No. 20071206-049 revising certain aspects of City economic development programs and Resolution No. 20081218-074 directing the City Manager to prepare an ordinance requiring compliance review to be verified by an independent party

and made available for public inspection for all future and existing economic development agreements, and removing from the City's economic development programs the use of project-based incentives for large scale mixed use projects that include a retail component; and

WHEREAS, it is in the best interest of the public and the city's policy makers to have access to clear and concise information about the costs and benefits of Austin's economic development initiatives, as well as a transparent public process, to provide for serious deliberation and effective decision-making about allocation of public resources; and

WHEREAS, it is in the best interest of the public and the city's policy makers to have a process for review of economic incentive proposals that balances the needs for both competitiveness and transparency; **NOW, THEREFORE,**

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

That the City Manager is directed to prepare an ordinance for council consideration regarding an enhanced process for review of economic incentive proposals. The City Manager shall work with interested

stakeholders, including but not limited to, CAPCOG, local chambers of commerce, Austin Interfaith, and Liveable City to:

- a. Make recommendations for augmenting the assessment of direct and indirect costs and for integrating a formal cost-benefit analysis into the City's evaluation process
- b. Use the process timeline attached in Exhibit A which is approved in concept to increase time for citizen review and comment prior to Council taking action on firm-based economic incentive proposals.

ADOPTED: February 26, 2009

ATTEST:

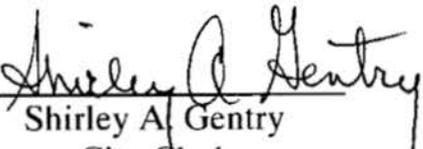

Shirley A. Gentry
City Clerk

EXHIBIT A

Council Action Timeline for City Manager-Recommended Firm-Based Economic Incentive Proposals

1. City Manager places proposed economic development agreement on City Council Agenda for time-certain agenda item with staff presentation in a manner that citizens may sign-up to make public comment.
2. Proposed economic development agreement, back-up materials, and all unrestricted information relevant to proposal are made available to the public on the sixth day prior to the agenda item with staff presentation.
3. Proposed economic development agreement, back-up materials, and all unrestricted information relevant to proposal are also posted to EGRSO website for written public comment once the proposed agreement is placed on City Council Agenda for agenda item with staff presentation. Public comment will be reviewed by staff and given to City Council in a timely manner.
4. A public hearing and City Council action shall occur seven days after the agenda item with staff presentation.