

EXHIBIT A:

FINDINGS AND PREDICATES

ECONOMIC DEVELOPMENT PHILOSOPHY

The City of Austin believes that:

- 1. Economic development is an expression of Austin's values, not a compromise of them.** A deliberate, equitable, and sustainable economy is the foundation on which Austin funds everything it cares about. The goal is not growth for its own sake—it is prosperity that is broadly shared, ecologically responsible, and generative of the kind of city that Austin intends to be.
- 2. Austin is a full economic development actor.** The City does not merely respond to economic development opportunities, it shapes them. It brings to every conversation a clear statement of what Austin needs, what Austin offers, and what Austin requires in return.
- 3. Public incentives are public investments.** Every dollar of City incentive, every expedited permit, every infrastructure commitment, and every land use flexibility extended to a business is an investment of public resources. Like all investments, it must produce a defined, measurable, publicly reported return.
- 4. Austin's competitive advantage is its ecosystem, not its checkbook.** Austin Energy, the University of Texas at Austin, Austin Community College, Huston–Tillotson University, Concordia, St. Edward's, Texas State University, the Austin Infrastructure Academy, the City's development process, its global brand, its talent base comprised of skilled workers and trade unions—these are more durable and more distinctive competitive assets than tax abatements. The City will lead with its ecosystem.
- 5. The economy that Austin builds must work for all Austinites.** Wage quality, workforce mobility, equitable hiring, worker safety, minority and women-owned business enterprise contracting, and career pathway development are not add-ons to economic development policy—they are central measures of whether that policy is succeeding.

TARGET SECTORS

The City of Austin hereby identifies the following as its **Target Economic Sectors**, the industries in which Austin will concentrate its recruitment efforts, direct its incentive investments, build its workforce pipelines, and develop its innovation infrastructure. These sectors reflect Austin's existing competitive strengths, the region's observed growth trajectory,

alignment with Texas's statewide economic development strategy, and the City's long-term economic diversification goals.

Sector	Strategic Rationale (Partial)
Advanced Manufacturing	Growing industrial base; supply chain diversification; workforce pipeline opportunity; strong state program alignment
Aerospace Technology	UT research base; state and federal investment alignment
Automotive & Mobility Technology	Intersection with clean tech and advanced manufacturing; autonomous vehicle research
Clean Energy & Climate Technology	Austin Energy as a national anchor; solar, storage, and grid-edge innovation; alignment with Austin's climate commitments and the state's energy leadership goals
Corporate Headquarters	Decision-makers in Austin means long-term community investment, civic engagement, and supply chain anchoring
Creative & Digital Media	Austin's cultural identity and global talent magnet; SXSW ecosystem; gaming, interactive media, and content production at scale
Data Management & Artificial Intelligence	Explosive growth sector: three of Austin's four largest-ever venture funding rounds closed in 2025; enterprise AI and data infrastructure
Financial Services & Fintech	Strong job growth; McCombs School; dense startup ecosystem; emerging hub for digital asset innovation
Life Sciences & Health Innovation	Fastest-growing sector by employment; UT Dell Medical School; expanding diagnostics, biotech, and health technology cluster
Semiconductors & Microelectronics	Texas Institute for Electronics at UT; Texas CHIPS Act and federal CHIPS investment alignment; national leadership in semiconductor exports
Sports, Entertainment & Live Events	Austin's global brand amplifier; Formula 1, MLS, NCAA; SXSW; live music economy; generates foreign direct investment, supply chain activity, and year-round economic velocity at a scale that merits dedicated sector strategy
Mobility & Infrastructure Technology	Austin's \$25 billion regional infrastructure investment cycle—I-35, Project Connect, ABIA expansion, Wastewater Treatment Plant—creates not merely a condition for growth but a sector: workforce demand through the Infrastructure Academy, supply chain for

construction and technology, and a platform for Austin to lead nationally in infrastructure innovation and smart city technology

Small Business: Small businesses exist within each target sector, and the City's economic development policy shall strengthen and promote small business development, prioritizing a reduced administrative burden and a streamlined process that enables small businesses to access and invest in Austin's local economy efficiently.

Supply Chain and Innovation: For each target sector, the City's economic development policy shall explicitly address the recruitment and support of supply chain companies—the vendors, component manufacturers, and service providers whose presence deepens Austin's industrial clusters—and of early-stage and research-stage companies that represent the next generation of each sector. A strong cluster is not built on anchor employers alone.

The Sector Innovation Track: Within each target sector, the City shall establish a dedicated pathway for early-stage and growth-stage companies with a nexus to Austin's research institutions, including spinouts from UT Austin, Huston-Tillotson University, St. Edward's University, Concordia University, Austin Community College, Texas State University, and affiliated research programs. This track provides proportional incentives, dedicated staff support, expedited permitting access, and ecosystem connections—ensuring that Austin's homegrown innovation has a defined on-ramp to City partnership and that the City's investment in its research institutions pays dividends in its economic future.

ECONOMIC DEVELOPMENT TOOLKIT

The City of Austin's economic development policy makes full, active, and coordinated use of the following tools—and no company recruitment or retention conversation should be conducted without a comprehensive understanding of what the City can bring to the table.

Development Process & Permitting

- A dedicated economic development permitting concierge service, providing named staff liaison, concurrent plan review, pre-application coordination, and clear timeline commitments for qualifying projects;
- Pre-entitled, shovel-ready site designations in strategic corridors to enable rapid response to time-sensitive recruitment opportunities; and
- Land use flexibility—PUD agreements, use-by-right designations, density incentives—for qualifying employment uses in target sectors.

Infrastructure & Utilities

- **Austin Energy:** the City-owned electric utility is among the most powerful economic development assets in the nation: competitive commercial rates, green energy products,

demand response programs, rate certainty, and custom clean energy solutions. Austin Energy shall be an active and early participant in every major economic development recruitment conversation.

- **Water and Infrastructure Capacity Standards:** the City's economic development policy shall include explicit standards for evaluating the infrastructure carrying capacity of prospective projects, including water consumption, energy load, and transportation demands. Projects with extraordinary infrastructure requirements must demonstrate proportionally higher community benefit and co-participation in infrastructure investment. This is not a barrier to growth; it is a commitment to sustainable growth that protects Austin's long-term capacity to compete.
- **Capital Infrastructure as a Recruitment Asset:** the \$25 billion in regional infrastructure investment underway shall be actively marketed as a long-term economic development differentiator positioning Austin for the next generation of industrial and innovation growth.

Financial Incentives

- Chapter 380, Local Government Code, performance grants: pay-for-performance, claw back-protected, and publicly reported;
- Texas Enterprise Fund nomination and facilitation;
- Jobs, Energy, Technology and Innovation (JETI) Act and Texas Semiconductor Innovation Fund alignment;
- Opportunity Zone facilitation and New Markets Tax Credit coordination; and
- Kiva Funding Program for qualifying small businesses.

Workforce & Talent Pipeline

- Austin Infrastructure Academy as both a workforce product and a recruitment differentiator: the City will actively market the Academy to prospective employers and facilitate co-investment in curriculum and hiring partnerships;
- UT Austin, Huston-Tillotson University, St. Edward's University, Concordia University, Austin Community College, and Texas State University partnership facilitation: research collaborations, internship pipelines, and talent access;
- Workforce Solutions Capital Area: federally supported hiring assistance and targeted recruitment from equity populations;
- Skilled Labor Organization apprenticeship programs and other "earn to learn" programs to increase opportunities for involvement; and
- Sector Innovation Track research institution nexus as a supply of homegrown talent and companies ready to scale.

Land & Real Estate

- City-owned land and real estate as a strategic economic development asset: the City shall maintain an active inventory of development-ready sites and evaluate their highest-and-best use through an economic development lens, including major catalytic development opportunity sites where strategic investment can reshape a corridor or district.
- Undeveloped parcels that have the potential to create significant investments for the City of Austin: the City shall also maintain a separate inventory of development-ready sites that include adjacent sites, public land that is not owned by the City of Austin, and private land marketed for greenfield or brownfield development.

International Economic Development

- The City shall maintain an active international economic development posture, including participation in international trade missions, engagement with foreign direct investment networks, and partnership with organizations that facilitate international company soft-landings and U.S. market entry.
- The City shall pursue formal economic development partnerships and memoranda of understanding with peer cities and regional innovation hubs internationally, with priority given to relationships that align with Austin's target sectors and expand Austin's global presence as a hub for innovation, creativity, and enterprise.

COMMUNITY BENEFIT STANDARDS

The City's economic development investments are predicated on a clear and mutual exchange of value. Every incentive agreement shall include binding, measurable, and publicly reported commitments to community benefits, scaled proportionally to the size of the public investment. The following areas, while not exclusive and not all required, are examples and should be considered.

Economic Quality

- All positions at or above Austin's living wage, with escalation tied to the annual benchmark;
- Preference for Austin-resident hiring; and
- Capital investment that generates local economic activity through supply chain, construction, and operations.

Workforce Development & Economic Mobility

- Meaningful participation in Austin's workforce development ecosystem, including UT Austin, Huston-Tillotson University, St. Edward's University, Concordia University, Austin Community College, Texas State University, the Austin Infrastructure Academy, skilled labor organizations, and workforce development training and apprenticeship programs;

- Documented career pathway structure – the City is not merely interested in who gets hired, but rather who has the ability to grow and advance their career; and
- Hiring commitments for populations with barriers to employment: returning citizens, veterans, individuals with disabilities, and others.

Women & Minority Business Development

- MWBE contracting targets in local supply chains, scaled to project size;
- Support for women-owned businesses in vendor and partner relationships; and
- Pay equity transparency for agreements above a defined threshold.

Climate & Environmental Responsibility

- Enrollment in Austin Energy's commercial green energy product or a commercially equivalent clean energy commitment;
- Science-based or net-zero emissions targets with defined timelines;
- Building performance standards for new construction; and
- Responsible resource stewardship – projects with significant water or energy footprints shall demonstrate conservation commitments and efficiency investments proportionate to their consumption.

Civic Engagement

- Community benefit contributions scaled to incentive size;
- Senior leadership participation in Austin civic life; and
- Support for Austin's creative and cultural ecosystem.

REGIONAL AND STATE COORDINATION

The City values its economic development partnerships and recognizes that regional and state coordination produces better outcomes for the entire Central Texas economy. The City's target sectors align with Texas's statewide economic development strategy, enabling the City to actively leverage state and federal program resources on behalf of projects that meet the City's standards.

In regional and state partnerships, the City will:

- Bring its own strategy, assets, and voice as a full and committed partner;
- Align on target sectors and coordinate recruitment activities to maximize regional impact;
- Define clear operational lanes: what the City does, what regional partners do, and how those functions complement and reinforce each other;
- Establish regular cadence to coordinate with regional partners, including shared performance data on jointly pursued projects; and

- Expect regional partners, including economic development organizations, to advocate actively on Austin's behalf—for projects, for state investment, for policy—as the City deploys its full toolkit in support of shared economic development goals.