

BRIDGING THE ECONOMIC DIVIDE



EXPANDING OPPORTUNITY

CENTRAL TEXAS REGIONAL SUMMIT

2021 **CENTRAL TEXAS
REGIONAL SUMMIT**

**ENSURING AN EQUITABLE
ECONOMIC RECOVERY**

**KEY MESSAGES
AND TAKEAWAYS**



PFLUGERVILLE
TEXAS





CAN 2021 CENTRAL TEXAS REGIONAL SUMMIT

KEY MESSAGES & TAKE-AWAYS

Welcome by Council Member Rudy Metayer

Council Member Metayer set the stage by stressing the importance of Regionality – of “getting on one page, operating with one set of values, utilizing one coordinated system” for getting things done.

CAN’s ability to identify critical issues before others identify those issues is so important. A great example of this is CAN’s work to look at equity and diversity through a different lens.

He noted that Pflugerville is the most diverse city in central Texas. It now has a majority-minority city council. Its residents have expressed that they value equity and diversity as one of their top three issues in their community.

The economic development model used by Pflugerville highly values diversity. The approaches includes a focus on historically underutilized businesses (HUBs) and have established an equity council.

We need to talk more. To be around people you usually are not around. To be comfortable being uncomfortable. That’s when things happen.

Value ... there are things all people want. They want to have a good life...they want to have a good job ... they want to be able to take care of their families.

On Issues We Disagree – We can do it respectfully.

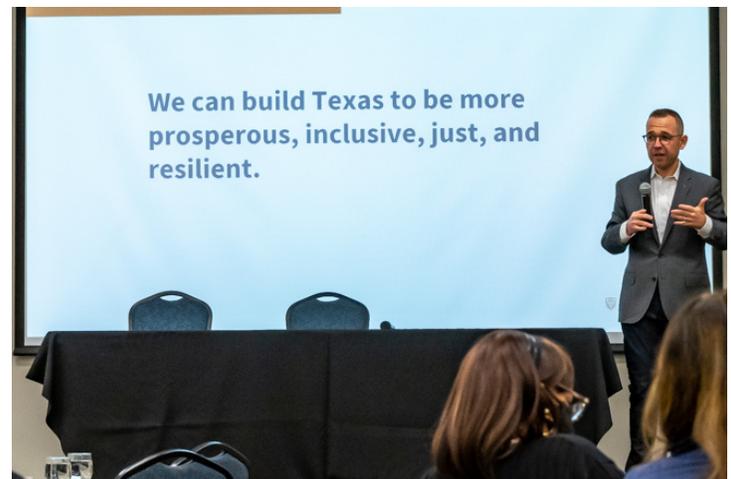
CAN’s ability to convene... no matter what ... is indicative of their commitment and an example of what it takes to tackle difficult issues.

We need to change how we do business ... how we look at our region, our view points and ideas...because it is all integrated...working towards collective success for the region.

The only way we succeed is if we are united.



Rudy Metayer Welcoming Attendees to the 2021 Expanding Opportunity Regional Summit in Pflugerville, Texas.



Keynote presentation by Steven Pedigo, University of Texas professor of practice LBJ School of Public Affairs



“A Spotlight on Central Texas” presentation by Paul Fletcher, Workforce Solutions Rural Capital Area and Tamara Atkinson, Workforce Solutions Capital Area,

Our regions are performing better for job growth and employment than Texas, U.S.

Region	Population	Labor Force	Employed	Unemployed	Unemp. Rate
Capital Area	1,226,805	778,043	751,157	26,886	3.5%
Rural Capital Area	1,008,890	587,546	566,261	21,285	3.6%
10-County Region	2,235,695	1,365,589	1,317,418	48,171	3.5%
State	28,260,856	14,254,432	13,549,183	705,249	4.9%



A PATHWAY TO MORE INCLUSIVE TEXAS – STEVEN PEDIGO

Dr. Pedigo noted that his focus has been to create platform/foundation for thinking about economic growth going forward. The changing demographics (of Texas) is so important. This means inclusivity must be an important part of the strategy going forward.

Texas is now a better predictor of what will happen in the US than California. Texas has seen a 40% growth rate in the last 20 years. The US growth rate was 20% during that time. Most of the growth in Texas (95%) has been people of color. Much of that growth is happening in metro areas (9 of 10 Texans now live in urban areas).

One transformative issue in Texas is urban growth. Metro areas are transforming in the sense that they are becoming increasingly knowledge based...world class...and focused on the creative economy. There is innovation but with it comes many challenges.

The pandemic is another transformative issue. It has reshaped our communities and economies. The economic impact of the pandemic has exposed the need for racial and economic justice. The talent-based and free-lance economy is booming. Because this “talent” pool is very mobile, we’ve seen significant populations shifts.

Remote work has changed the ball game. It is estimated that 20% of workers will continue to work remotely permanently. Another 20% will work remotely several days per week. This will impact downtown areas and commercial districts. There are challenges with regard to equity & inclusion that relate to remote work.

Other issue affecting economic growth:

“Quality of “Place” has become an economic development asset. While it is helpful, it also accentuates existing divides.

Education and Health Access: less than 1/3 of Texans are college educated; 2 in 10 Texans don’t have access to health insurance.

We need a “Texas approach” or, in other words, an approach that works in Texas. Regional coalitions will be really important for success. In addition to recruiting businesses to Texas, we also need to invest in Texas.

10 ideas for creating a more resilient/equitable Texas:

1. Build partnerships instead of rivalries: We need more regionalism. It is how we can more effectively address growth patterns. Robo-work is an opportunity for this.

2. Foster resilience through economic inclusion and diversification: We can’t just focus on local sector jobs (retail/hospitality). We need to create opportunities for export industries also. We must also invest in innovation.

3. Invest in the skills of Texans: It is in our interest to align Workforce Development and Economic Development. Wrap around services are critical.

4. Support essential workers to address inequities: Child care & health care are essential to these workers.

5. Increase healthcare investments for economic development: Health care can help catalyze economic growth. The job growth it can spur must be combined with pipelines to those jobs.

6. Lead the energy future: Energy transition is coming. Let’s work to identify how we can create economic opportunity in this sector. This new kind of job may interest younger job seekers.

7. Promote growth in smaller and rural communities: Three million Texans work in rural areas. We must work to connect rural communities/residents with the economic opportunity in metropolitan communities.

8. Engage colleges and universities as community hubs: We need to better leverage the power of these institutions to catalyze local economies.

9. Reimagine role of commercial and entertainment districts: With the growth of remote work, there will be an increased need for social interaction. Using these spaces differently can help facilitate such interaction,

10. Invest in equitable development and placemaking: We must more effectively utilize all economic development approaches (including skills development and firm development/recruitment) without ignoring the key issues of affordability and land use planning.



A SPOTLIGHT ON CENTRAL TEXAS

PAUL FLETCHER & TAMARA ATKINSON

The main focus for the workforce boards is to support and connect local people to local jobs. These agencies are hyper focused on the local workforce, preparing them for the jobs growing in the area. The end goal is to help people develop the skills to compete for the best possible, good quality jobs, that pay wages that allow people to grow and prosper in this community and this region.

The work entails looking at a lot of data to see where the jobs are going to be in 5 or 10 years and work with education system so students are ready for job opportunities that will be available.

Labor participation is at highest point in 24 months. The unemployment rate is very low. These are good signs, but those two indicators don't necessarily paint a complete picture of some of the lingering challenges emerging during and from COVID. Labor force participation is still lower than before COVID. That means that are still people who are not benefiting from the strong job growth and have not been able to go back to work, with child care and health concerns being contributing factors. There is also fatigue, confusion as well as concerns about the wages being offered. People are weighing the risks of going back to work with the benefits of going back to work.

Many people took advantage of the opportunity for upskilling that arose during the pandemic since they were at home. They were able to get a credential and move into a different industry. As business continued to grow, people have moved from the entry level positions to those middle skill jobs. This has created a shortage of workers in other industries, such as hospitality.

Workforce Solutions Capital Area (Travis County) has seen growth in creative industries (movie production; artists; performers) as well as electronic shopping and mail order houses (due to changes in shopping habits).

For Workforce Solutions Rural Capital Area (Bastrop; Caldwell; Hays, Williamson), computer system design has been a growing field. That type of field lends itself to remote work. Also, there are still a lot of opportunities in hospitality and leisure industries.

For Workforce Solutions Capital Area (WSCA), the fastest growing occupations are in both low-skill/low-wage and high-skill/high-wage positions. What is concerning is when there is a proliferation of jobs that don't have a career pathway. As a region, we don't want to attract businesses on the basis of having a low-wage/low-skills workforce. We want to see high growth in jobs that are tied to career pathways so people can increase earning level as they increase skill level.

A common question workforce boards get is ... "where did everybody go? Where are the people that need jobs?" We have already mentioned the reasons arising from the pandemic. There are also residual impressions of what it means to work in industries like advanced manufacturing. It no longer entails working with steel in a factory. The work environment is much cleaner, and climate-controlled.

Both Workforce Boards have undertaken strategic planning to identify strategies for: helping local people get local jobs; and ensuring that they have the skills to compete for these good jobs. We want to be able to show employers that the workers they need are here.

In 2019, Austin/TC adopted the community workforce plan. COVID limited the ability to meet that goal, but an updated plan will continue that focus, factoring-in the impact of affordability (e.g., childcare and housing).

For Workforce Solutions Rural Capital Area (WSRCA), the pandemic provided an opportunity to speak directly with both employers and job seekers to identify gaps and determine how to bridge those gaps. This greatly helped to inform the planning process.

Each agency focused on delivering different solutions with: WSCA focusing on health care apprenticeships (via public-private partnerships); WSRCA focused on enhancing upskilling opportunities. They have also worked to outline career paths to: progress within industries; or to transfer to another industry with transferable skills.

WSCA and WSRCA are an example of how entities can work collaboratively to meet community needs, since that is what is in the best interest of residents in Central Texas and the businesses that are creating the jobs.



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KEY MESSAGES & TAKE-AWAYS

Panel on Public-Private Partnerships

Garrett Groves – Austin Community College (Higher Education Perspective)

Our world has changed and is changing. Key questions to ask are: who are we building this economy for; and how do we change/adapt the college system?

Samsung is one of best partners for earn and learn pathways. With ACC, they have created an apprentice program and grant program to help meet their workforce needs. This model can now be replicated in that industry with other partners.

Baylor Scott & White & Tesla offer other partnership examples where companies basically pay students to go to ACC to get training and credits. These kind of earn and learn opportunities are too few and far between.

Another unique approach is United Way's piloting of a universal basic income project with 60 ACC student receiving \$500 per month to increase credits and get wrap around supports, including childcare.

Information economy challenges are real and our systems are not built to respond to those needs.

We don't yet fully understand all of the ways Central Texans are gaining or losing out in terms of this new economy. So, gaining that understanding is incredibly important. Hopefully, sooner rather than later.



Panel presentation by Garrett Groves, Amy Madison, and Neeraj Aggarwal.



Amy Madison, Pflugerville CDC

Amy Madison – Pflugerville Community Development Corporation (Municipal Perspective)

PCDC has focused a great deal of attention on strengthening and broadening the workforce pipeline.

PCDC has an agreement with Skillpoint Alliance to provide free training in different certification programs. The City of Pflugerville, PCDC and Skillpoint Alliance just announced a training program with a local company for which Skillpoint Alliance would provide training for people who want to work for that company.

Another partnership example is the Pflugerville Manufacturing Academy which is supported by Texas Workforce Commission and Workforce Solutions Capital Area. PCDC worked with ACC to develop a curriculum for that program through which participants would learn about manufacturing and then received training.

PCDC has also worked with PISD to establish teacher externship, using a curriculum developed by ACC.

There was also partnership with a company who produces PPE with whom Pflugerville worked to get a contract with the National Guard. That led to other government contracts and eventually an expansion of their operation in Pflugerville.

PCDC also has a "Business Retention and Expansion" function through which they get feedback from current employers about their needs and future plans. This information helps PCDC select their priorities and communicate those issues to local officials.



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Neeraj Aggarwal – Michael & Susan Dell Foundation (Philanthropic Perspective)

An approach utilized by MSDF is to invest in programs (for-profit or non-profit) who can create market-based solutions. The foundation funds these kinds of experiments in a particular sector, hopefully leading to others scaling-up that solution.

One strategy for expanding economic opportunity that is supported by MSDF is referred to as “impact sourcing.” Instead of outsourcing business services internationally, why don’t we “outsource” those services to domestic companies (and create jobs in the process). Two companies, People Shores and Rural sourcing, are working to do this with support from MSDF and private sector funding.

Another such “experiment” is to develop successful apprenticeship programs. These opportunities are an important part of the workforce landscape in Australia and Europe, but not in the U.S.

One of the MSDF-funded partnerships is with “New Apprenticeship” from San Antonio that offers an apprenticeship program that leads to a permanent job after 12 months. There is a proposed “National Apprenticeship Act” that, if passed, would authorize \$4 billion for apprenticeships over 10 years with the goal of creating 1 million new apprenticeships. Programs funded by MSDF can help inform how such funding is directed.

Question: How do we incentivize the provision of apprenticeships in our community?

In other countries, it works because there is federal support for large scale programs. We need to create a culture where companies embrace the idea of having apprenticeships and staff members at those companies know that they are going to serve as a mentor for an apprentice. We need to get the major employers interested in this concept since they can provide these opportunities at a greater scale, especially if there are federal and/or other outside sources so offset some of the needed investment. The process involves a pipeline

that includes higher-ed who helps identify people with the skills to serve as apprentices. The apprenticeship process itself has to be articulated and the eco-system for the program developed.



Attendees engaged in the panel presentation.



Attendees engaged in the panel presentation.



Attendee asking a question during Q&A.