

City Council Meeting Transcripts - 6/20/2013

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>> Mayor Leffingwell: Good morning. I'm austin mayor lee leffingwell and we'll begin today with the invocation. The scheduled pastor is reverend margot perez-greene from tarrytown united methodist. Is ms. Greene in the chamber? Just wanted to check and make sure that she wasn't. In that case, mark washington of the city of austin will give us the invocation. Please rise.
[04:03:43]

>> Let us pray. Gracious and eternal god we thank you for your devine presence here today. We ask your mercy and wisdom as city leaders begin to deliberate over the affairs of this city and we pray god you will give us a devine revelation that decisions might be made in the best interest of our community. We thank you and in your name we pray. Amen.

>> Mayor Leffingwell: Amen. Thank you. Please be seated. Before I call the meeting to order, yesterday

-- day before yesterday a city of austin employee, a firefighter was critically injured in a bicycle accident, struck from behind by a vehicle. Colin camp is in very serious condition. He's in the intensive care unit at brackenridge hospital, and if you would, please, let's observe a moment of silence for colin. [Moment of silence]

>> Mayor Leffingwell: Thank you. Best wishes to his family and friends and there are plenty of folks down there, firefighters included, who are sitting with him and his family. A quorum is present so I'll call this meeting of the austin city council to order on thursday, june 20, 2013, at 10:05 a.M. We're meeting in the council chambers, austin city hall, 301 west second street, austin, texas. We'll begin with the changes and corrections to today's agenda. Item number 2, add the phrase, the phrase is "unanimously approved by the water and wastewater commission," with the change incorporated in the draft ordinance, not approved by the electric utility commission on a vote of 7-0 due to questions regarding the billing section of the ordinance. On items number 3 and 4, add the phrase "unanimously approved by the electric utility commission on a 7-0 vote." Due to lack of quorum the resources management commission did not vote on this item. On item number 9, add the phrase "approved by the water and wastewater commission on a vote of 6-0 with one abstention." On item number 14, 46 and 57, these items are withdrawn. On item 44, add the phrase "unanimously approved by the electric utility commission on a 7-0 vote." Item 87, note that at its 4:00 p.M. Time certain, there will be a request to withdraw this item. Our time certain items for today, at 10:30 we'll have very briefings, first on the colony park sustainable community initiative, and second on the downtown planned density bonus program. At 12:00 noon we'll have our general citizens communications. At 2:00 p.M. Bond sales. Again at 2:00 p.M. Zoning matters. And at 4:00 p.M. Our public hearings. At 5:30 live music and proclamations. The musician for today is este varo. Consent agenda is items 1 through 63 with several items pulled off the consent agenda which I'll go through in a moment. First I will read the appointments in item 53, appointments to our boards and commissions. That item will remain

on consent for now at least. To the mexican-american cultural center advisory board, veronica forsyth is councilmember tovo's nominee. And intergovernmental bodies criminal advisory committee dr. Jerome schmidt is the council nominee. We have two waivers. First approve a waivers of the tenants requirements of section 2-2-26 of the city code for the service of corey kohl's and angelica noala on the community development commission. The waiver includes absences through today's date. Second to approve a waiver of the attendance requirement in section 2-1-26 of the city code for the service of kathleen knightsly on the sustainable food policy board. The waiver includes absences through today's date. The following items were pulled off the consent agenda. Item number 2 is pulled by councilmember tovo, item 15 by councilmember martinez, 18 and 19 pulled by councilmember morrison. Items 21, 23, 24, 32 and 51 pulled by councilmember morrison. Items 22 and 52 will be pulled off consent and heard along with item 90 after 4:00 p.M. Item 37 is pulled by councilmember martinez. So that is the consent agenda. We have several speakers on the consent agenda. First is cyrus reed. Cyrus reed. You have three minutes.

[04:10:25]

>> Thank you, mayor, councilmembers. My name is cyrus reed on behalf of the lone star chapter of the sierra club. I'm here in support of both items 3 and 4 which are to authorize negotiations with two wind companies, one being eon climate renewables, the other duke energy. These are companies we've worked with before. The proposal is add 570 megawatts of coastal wind energy. I've given you some information including a table. Don't trust my numbers. The numbers might be slightly wrong, but I think what they show on table 1 is with these contracts if they go forward we would already meet our 20 goals for wind energy by 2016 assuming these contracts go forward. The other great news if you look at table 2 is these wind contracts are being proposed at prices from a 23 to a 33 dollar per megawatt range is actually if my math is right, and it may not be right, is actually about the same price or slightly cheaper than the energy we get from the coal plant. These contracts will not directly replace the energy from the coal but they will help us reduce the use of that coal plant. And I know you'll be looking at in the future months what our plan is for getting off coal entirely. These wind contracts will help us get there. Table 3 is, again, don't trust my math, it's just me using 2009 numbers and some information I had from the generation task force, but assuming these contracts go forward, we add a little more wind and we push forward on higher solar goals. I think it shows for the same cost we can get out of the coal plant by 2020. So I think these contracts help us push us on the way towards getting off of coal. We support it. My one caveat, and I'd hope you would do this, is one, as you know, there's a requirement in the generation plan that city council has to at least consider major purchases twice. I believe you will have, you know, assuming you go forward with this contract negotiation, there will be another chance for the public to look at it so i assume that is happening, i hope it is. The other thing we required in the generation plan is that about every two years we have some sort of a public meeting to relook at the numbers. So my request would be sometime later this year as we consider the solar goals, as we look at these contracts, we get a fresh look at the generation plan to see where we are in terms of the goals and consider updating it. I know that austin energy is already updating internally. I think there should be some sort of public process to do that. My third caveat I would say is we love wind. They are not without some issues particularly with birds and bat populations.

[04:13:26]

[Buzzer sounding] so I would ask if it's possible when it comes back if we can have some information from the two companies about

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>> Mayor Leffingwell: Thank you.

>>

-- To mitigate problems with birds and bats.

>> Mayor Leffingwell: Your time has expired. I signed up for two items.

>> Mayor Leffingwell: You still only get three minutes. Councilmember morrison.

>> Appreciate it.

>> Morrison: Hold on a second, cyrus. I wanted to answer your comment about it coming back and I had asked that questionnd folks can see the answer in the q and a under the agenda, but just to let you know, it says per council resolution information relating to generational

-- generation resource acquisitions, austin energy will bring forward for consideration at two separate council meetings any proposed long-term purchase power agreements or new generation for anything over 10 megawatts. So this on today allows the negotiation of the contract AND THEN ON JUNE 27th, That's next week, next thursday, they will come back and I will ask staff to please note your request to get information about the bats and the birds and wildlife.

>> And what they are doing to mitigate any potential impacts.

>> Morrison: Exactly. Thanks for being here.

>> Mayor, is mr. Pena signed up on this item or different?

>> Mayor Leffingwell: Resay your question.

>> Martinez: I was wondering if mr. Pena signed up on this item I wanted to respond to

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>> Mayor Leffingwell: He is not signed up on the austin energy item.

>> Martinez: Just to follow up further, cyrus, i agree I think this is a move in the right direction. I'm committed to going beyond coal but not if it means we sell fayette and we continue its operation and i will be mindful with moving forward with purchase power agreements as relates to solar, wind and gas knowing full well that as we adopt these moving forward into our portfolio, it's going to be harder not to fayette up for sale and that's a big concern for me. I want to make sure while we are achieving our generation goals we're not getting into a situation it's a foregone conclusion we have to sell fayette and it continues operation because I think that's counter intuitive to what we're trying to do.

[04:15:57]

>> Good morning, mayor, councilmembers, gus pena, native east austinite, proud united states marine corps veteran. Served during vietnam and item number 16, neighborhood housing, it relates to an ordinance designating black land community and guadalupe neighborhood and you can read the rest granting these corporations tax exempt, this is a very good, very important item in the agenda, good expenditure of taxpayer money. I want to give a shout out to mr. Mark rogers, I've known him 47, 48 years. We've been here in council several times, but as you know we need a good supply of affordable housing and i would like to make sure i have a clear-cut definition of affordability. Item 59 requesting city manager

-- provides free meals for senior citizens. We have a growing population of senior citizens. I am one also but thank god I'm not too hungry. Meals are very important for those needy, seniors.

They paved the way for us, the children are our future and we need to provide nutritious food, but don't forget about the good work meals on wheels is doing, they need funding also. Mayor, councilmembers, the need is great for affordable housing and food and thank you very much and have a good day.

>> Mayor Leffingwell: Thank you. James young. James young. Apparently not here. Paul robbins.

>> Roy whaley has donated his time to me. Look for the handsome young man behind me.

>> Mayor Leffingwell: I believe you still only get three minutes. Which are our rules. Each speaker on the sent agenda get three minutes.

>> I understand. I'm sorry. Council, I have a few comments on austin energy's proposal to buy more wind power. First I support it with almost no qualifications. If the numbers that have been made public are accurate, this is a very good price to the city. Second, it reminds me of what things were like when i first started being an advocate for clean energy in 1977. If we predicted that austin energy would be getting 35% of their electricity from renewable energy in 2016, they would have dismissed us as mad. Third, I hope that this new purchase will lead to a substantial revision in the green choice rate for customers who want to buy 100% renewable energy. Remind you that the city of austin buys 90% of its power from renewable electricity and does so at a substantial price premium. This premium should have been reded when the new wind power contracts went online at the beginning of this year or late last year. I am proud that our city has chosen to be a leader in the purchase of green power. But we should not have to pay more than necessary. Last, I have to ask why i was the one to point this out and not the city government or individual city departments such as austin water. The water utility is one of the largest electric customers in austin. It could well be the largest green choice customer on the grid. It certainly is one of the largest. Had the water utility gone to austin energy and asked for a green choice rate reduction, due to lower cost wind contracts, they might be paying less this career and their water rates would be lower because of it. When I in acting as austin water utilities broker to get a lower rate, something is definitely wrong.

[04:20:00]

>> Mayor Leffingwell: Roy whaley, did you want to speak?

>> Yeah, sure.

>> Mayor Leffingwell: You don't have to. You signed up so

-- I know .>> I know you are always on the edge of your feet, mr. Mayor. Roy whaley, austin sierra club. Endorsed what cyrus reed said. We're certainly in lock step with lone star on this and so the local chapter of sierra club also endorses this position. And please don't hold it against paul robbins on his inability to accurately describe another activist, but we also agree with his position and his statements, and that's it. Thank you very much.

>> Mayor Leffingwell: Thank you. Those are all the speakers that we have. I'll entertain a motion to approve the consent agenda. Mayor pro tem approves, councilmember martinez seconds. All those in favor please say aye. Opposed say no. Passes on a vote of 7-0. Without objection, council, I'd like to bring up items 21 and 23 together first. We have a number of folks waiting to hear this. It's pulled by councilmember morrison. We have some speakers signed up. The first speaker is courtney dehaas. Courtney dehaas.

>> Good morning.

>> Mayor Leffingwell: Courtney, hold on just a second. Folks, could I ask to you hold the conversation down until you exit the chamber so we can hear our speaker. Thank you. Go ahead.

>> All right. My name is courtney dehaas. I am

-- serve as president of austin rowing club. Arc is very excited and supportive of the developments our city is investing in waller creek. As stewards of waller creek boat house, we are direct beneficiaries of the tunnel development and its relate projects. Of equal importance to us is the lady bird lake boating community. We have a well developed and cooperative ecosystem of city concessions on lady bird lake. We are sensitive to the access and growth of boating activity on lady bird lake and wish to manage this access and growth responsibly. Austin rowing club and its neighbor concessions want to make sur pontoon proposal is driven by stakeholder input and especially by the lady bird lake boating community. Any fixture placed in lady bird lake must consider the full range of use cases and possibilities of public interaction. I recall fondly the process by which the pfluger pedestrian bridge was designed in a way that considered both the needs of land and water users. We're hoping for a similar engagement with the community and planners in consideration of any bridge structure associated with the waller creek design plan. Texas rowing center, capital cruises and lone star riverboat who will be affected this the design have all expressed interest in participating as stakeholders and providing feedback to guide this design. In separate emails to council I have provided specific comments from arc and its neighbor con investigations that I hope city planners will carefully consider in this project. Those comments include reference to factors that compel to bias operations east of congress avenue on any given weekday or weekend, the density of canoes, kayaks and standup paddle boards makes waters west of congress avenue impossible to and a half date for larger or faster boats. This results in a eastern bias that puts greater pressure on the demand for access and free navigation of the waters east of congress avenue bridge. We hope any bridge decide will respect the needs of the entire community and provide continuous access to all water on the lake equally for all the concession operators. Thank you for hearing my feedback and we look forward to the opportunity for input on this design.

[04:24:41]

>> Mayor Leffingwell: Mayor pro tem.

>> Cole: I completely understand your desire to be involved and I'm sure that's going to happen. I just wanted to know if there has been any formal votes taken by your organization in connection with any of the design.

>> Are you asking if the planners or the designers have contacted the rowing club?

>> Cole: No, I was just wondering if the rowing club had taken any positions yet.

>> A lot of people were surprised by the information.

>> Cole: But no formal position?

>> There hasn't been a formal position developed. As president of the club i kind of represent that.

>> Cole: I understand. I just wanted to make sure that hadn't happened yesterday.

>> Mayor Leffingwell: Councilmember morrison.

>> Morrison: I think you highlight an increasing trend. Have you all done any measures or do we know the increase in the number of people on the lake? Especially with the paddle boards. I see gaggles of paddle borders. It's getting to be more and more

-- more and more of an issue.

>> Well, you may recall from our r.F.P. Response to the boat house opportunity, it was -- it included, you know, population counts, head counts, things like that. That was all done I think two years ago, and it sounds like we can use that history to then make another population count and have a good growth reference.

>> Morrison: Because i think that will be good information just to fold into the mix as the dialogue about the bridge occurs. And I wonder if staff is here and could just confirm that yes, it is within the construct of the documents that we're looking at that there will be dialogue with the stakeholders including, for instance, the boating community as the design work goes forward.

>> Good morning, council, george adams, assistant director of planning and development review. Yes, that's the case. We will definitely involve the stakeholders in this process.

[04:26:48]

>> Morrison: Great. Thank you. Thanks, courtney.

>> Mayor Leffingwell: Mike pierce.

>> Hello, council, mike pierce, owner of the lone star river boats directly across the lake from where we are right now. Been down there about 27 years now and just wanted to go on record, I think courtney pretty much said it all. All we're asking is to be involved in the process and look at all the problems that a pontoon boat like that may put on all the concessions and lake users.

And you ask about the number of boats, my contract came up for bid recently and it's been shelved for a couple of years, but the parks department does have numbers, they did a survey of all the concessions on the lake and basically the boating

-- the number of boats on lady bird lake, i think it was from 2011 to 2012, basically doubled. So like you said, any given day you can stand on any bridge on the lake and it looks like mopac at 5:00 sometimes especially in the summer. So to cut the lake in half and put an increased stress on navigation for all of those boats, especially with the bats there every night, people

-- I think it would be chaotic. And I do ask that we are at least involved in the process if we move forward with the pontoon bridge portion of the design. I'm all for the waller creek redesign.

It looks great and I think it's going to be really a great thing for the city, but just keep us involved in the process, if you would, before you approve something like that. And like courtney said, we

do have an email list of all the people that use the lake on a daily basis, and any time I think we've created a good atmosphere. Any time there is a rowing regatta or triathlon on the lake, we coordinate with each other and go the other way to try to stay out of each other's way. I've increasingly gone east more than west and I used to go west all the time, but because of the growth downstream from seaholm it makes it worse and a majority of the smaller vessels like paddle boards and canoes and kayaks are west. So we go east more often for safety and to stay out of the rowing club's way. So I think that would be, you know, a huge problem to deal with.

Thank you.

[04:29:32]

>> Mayor Leffingwell: Juan olivedes.

>> Good morning, mayor and council. I'm here in the weird position of being against the

proposal as it is because the slide that you see in front of you was presented to you on JUNE 6th, AND THE NIGHT Before at our macc board meeting, this slide was not presented to our board and to the community that was gathered there. And so that night I remember asking the executive director what impact that would have on the macc. She said it would be none, but obviously I would see foot traffic, possibly pressure on our parking lot to park there to use the bridge, perhaps lighting issues, I suppose. I'm just not sure, but i wanted to make sure and ask you to please involve us in these discussions because this proposal is here and it's in front of you ready to be approved and we've had no input on it at all. And we're just -- I was shocked to see this the next day after we had just seen the presentation at the macc board. So we just want to keep things transparent and we want to be involved. I believe we are definitely stakeholders here and maybe we can work through some issues as far as the location of the pivot for the pontoon bridge and maybe have some other discussions about compatibility with the macc in general. That's all I have to say.
[04:31:46]

>> Cole: Thank you. Mayor, I have a question of staff.

>> Mayor Leffingwell: Mayor pro tem cole cole is george still here? I thought I saw him. I know today we are approving a portion of the design plan, but it is a plan, and just a few minutes ago you talked about including the rowing club and I wanted to make sure that the macc board will be included in discussions also as we get

--

>> yes, absolutely.

>> Cole: Okay. Thank you.

>> Thank you very much.

>> Mayor Leffingwell: Roy whaley.

>> I'm roy whaley, conservation chair of the austin regional group of the sierra club. Appreciate your time this morning. I want to speak generally in favor of this. There are a few concerns and the pontoon bridge is one of them because we're not entirely certain how that will work. Overall, of course we're in favor of more pedestrian and bicycle connectivity. And so it is an odd position to be in to be opposed to this, but we also are aware that it could conflict with another project in the future that could include rail.(and so at this time we're

-- we don't support the pontoon bridge. We do support the idea of having bicycle access, pedestrian access and more green space in the center of austin. That's exactly where we need it. I know we're limited on what we can require, but the idea of having a series of parks along waller creek is just outstanding. If I'm not mistaken, i recently read that denver, colorado, and I know mr. Mayor, you like to compare us to denver from time to time, they are in the process of finding a way to add 500 acres of additional park space. That's phenominal. And that's what we need to be doing is finding a way to add more green space. So we are in favor of this, on the pontoon bridge, we think it will work nicely with item 58 that's on your agenda today, the sinclair black plan to do the cut and cap on i-35. This will increase our tax base in this area. We hope it will increase connectivity between east and west austin, north and south austin. But our other concern on this issue is

-- and we certainly appreciate waller creek conservancy, but when we enter into a partnership like this, we're going to fulfill our side of it, we need to make certain that they can fulfill their

financial side of it, and that's always an uncertainty. But we certainly appreciate the work they have done, we appreciate the work you in particular, mayor pro tem cole, have done on these issues. Let's make austin

-- this is

-- we have so few opportunities, let's make this something really good to add park space where we need it. We need it everywhere, but this is a rare opportunity. Let's make the best of it. Thank you for your time.

[04:35:24]

>> Mayor Leffingwell: Thank you. And I didn't know you spoke french, but I'm glad to know that. I am glad to know that you speak french. You said you approved the plans sans the pontoon bridge.

>> [Inaudible]

>> Mayor Leffingwell: So those are all the speakers that we have. I'll entertain a motion on items 21 and 23 together.

>> Morrison: Mayor, I have some comments if a colleague of mine would like to make a motion, then we can discuss the individual items, that might be a good way to go.

>> Mayor Leffingwell: Mayor pro tem cole.

>> Cole: It's a happy day in the words of one old negro spiritual. All of y'all have been with me since you've been on council following this project and councilmember morrison was actually chair of the waller creek, councilmember tovo served on the committee, councilmember riley rock solid on the design and the sierra club was one of the early signers of this project and the process of finding people in the conservancy who would commit to take this project was not easy because it has not been done in austin. A true public-private partnership where individual private citizens come together and say let's make our downtown, our central downtown a crown jewel for the entire city. So with that, mayor, I move approval of both items 21 and 23.

>> Mayor Leffingwell: Motion by the mayor pro tem and I will second. Is there discussion? Councilmember morrison.

>> Morrison: Thank you, i appreciate all the work that everyone has done. Obviously it's going to be a beautiful design. A lot of work ahead, a lot of investment to make and these items that we have in front of us are the result of some rather complicated, I'm sure, legal conversations about how to actually capture all of the

-- the construct of how this is going to work as a partnership with

-- with the conservancy and the community and there's something called the local government corporation also that has a part in it. And so in fact I think that it's really critical that we make sure the details of this are right and serve the community in a successful way. So with that, I and my staff did go through the

-- i don't know, 100 or so pages of the documents and a few things came out that i wanted to raise to my colleagues for discussion to see if we want to adjust them or have some other minor considerations to make. The first part of it is one of the big jobs that the folks have done, our design team and I'm sure working our staff, they took the master plan that the community worked to develop and the council approved for waller creek and they recrafted it, remolded it so it would align with the design that we now have in front of us because the

-- the sections are divided differently and things like that. So that was an important piece of

work. There were a few additions and omissions in creating that design that I wanted to raise to see if that's really the way we wanted to move forward. So I

-- I actually submitted my question yesterday and got answers back, and unfortunately our agenda office was overwhelmed yesterday with what I hear are 23 resolutions that council submitted for posting for next week's meeting, and as a result these questions didn't get posted and the answers didn't get posted. And I know they are up there scurrying to get copies and get them posted but we don't have them yet so we're going to have to forge ahead without them and I will explain the issues that I raised. The first question had to do with their were some things that were in a few items in the master plan recommendations that were left out of the recommendations

-- of the design guidelines that are in the documents that we're looking at in front of us right now. One of them was that originally in the master plan regarding public easements there was a recommendation that we identify easements that might be useful that we would want to capture to be able to make the

-- waller creek actually more usable and the question was why was that left out of the design guidelines. And I do understand the answer that there was concern that if we identify the easements, it could inflate the expense of future acquisitions. Is that an accurate description, George?

[04:40:37]

>> Yes, councilmember, George Adams, PDR, that's correct. As we, you know, in the lead up to combining or, you know, refining the design guidelines, you know, we got some advice from real estate services that, you know, they felt like, you know, obviously those easements are still important to implementing the project but it might be better just to keep that internal for the reasons that you mentioned.

>> Morrison: Okay, so in fact it will be work that's done internally, just not as a public discussion.

>> That's correct.

>> Morrison: I wanted to make sure we were still going to go forward with the effort to find ones to consider because those are really critical. The second issue, one of the more concerning to me, is that in the master plan there was a recommendation that cocktail lounge use be a conditional use, and that was left out of the new design and the understanding I have is that since it was taken out of the downtown plan, you thought that would be aligning this plan with the downtown plan.

>> That's correct. You know, as you probably remember, the Waller Creek master plan was approved prior to the downtown plan. They both included that recommendation so it was included in the original adoption of the Waller Creek district master plan, but when the downtown plan was approved, that recommendation was

-- was taken out of the downtown plan. So when we came to this point, we felt like that we had council direction in regard to that issue and that was the reason that we omitted it from the current draft.

>> Morrison: O I WOULD Like to

-- I think it makes sense to having cocktail lounge use as conditional use, it's something that we've struggled with in different sections of downtown. We've seen how prone new sections of

downtown are to becoming over-- I think it makes sense with this incredible opportunity that we have here that we careful consider and have the ability to control the number of cocktail lounges. So I would like to make a motion that we amend, and i suppose we should probably take a vote on this, that we amend the design guidelines here to actually include the recommendation that cocktail lounge be a conditional use. Now, of course, this isn't going to actually put it into code. We would still have to codify it, but I would like to ask us to consider carrying that recommendation forward.

[04:43:29]

>> Mayor Leffingwell: Amendment offered by councilmember morrison, i would consider that unfriendly. Is there a second? Councilmember tovo seconds. Is there discussion? Any discussion? Councilmember riley.

>> Riley: Mayor, we did recently talk about making cocktail lounges a conditional use in the rainy and I believe we did that.

>> That's correct.

>> Riley: Is there any overlap between the rainy district and the waller creek area?

>> There is. Rainy is within the boundaries of this larger waller creek.

>> Riley: So with this

-- if we

-- with the adoption of this plan, if we said that cocktail lounges are no longer conditional use, that would change

-- the rainy regulations would control.

>> That's correct. The rainy are this the land development code. At this point these are guidelines which we anticipate taking forward to a stakeholder process to codify some or all of these.

>> Riley: Why wouldn't that have been considered council direction in the same way the discussions in the downtown plan were

--

>> well, I think the rainy subdistrict change was

-- i viewed it this the context of rainy with the, you know, the issue that was raised of the number of cocktail lounges that have popped up in that area over the last few years.

>> Riley: Right. Right.

>> Mayor Leffingwell: Councilmember morrison.

>> Morrison: When we addressed rainy street, a lot of comments was this is a little too late. So it's not that this is going to prohibit by any means cocktail lounges, it's just going to allow us to control the concentration of them which I think is really important to the future success and vision of this district.

[04:45:33]

>> Cole: Mayor, I have a question.

>> Mayor Leffingwell: Mayor pro tem.

>> Cole: George, we did it in the downtown plan and the underlying rationale was what?

>> Well, I think the

-- you know, the conditional use process still allows cocktail lounges to be approved. I think the
-- if I recall correctly, there was concern expressed in the downtown plan over the proliferation
of cocktail lounges in downtown, especially in some areas of the downtown. So this would
-- would have allowed just kind of a more focused look at the process for implementing or
putting in place new cocktail lounges.

>> Cole: Let me ask stephanie McDonald a question. So we have addressed this with the rainy
street, but I really want to know what would be the conservancy's position on conditional use of
cocktail lounges.

>> We would be happy to have cocktail lounges be a conditional use and not a permitted use in
the district.

>> Mayor Leffingwell: Okay, so the motion for the amendment is on the table. All in favor of
the amend say aye. Opposed say no. No. I didn't see anything from councilmember martinez.

>>

>> Martinez: Aye.

>> Mayor Leffingwell: The amendment is passed on a 6-1 vote and I voted no.

>> Morrison: Mayor, if i may tiny have a few other items and I believe people have the questions
and answers in front of them. Another thing that we noticed have been removed from what's in
want from of us is the master plan had a recommendation that ground floor uses be separated
from the public space by stairs or a ramp, and that had been deleted and I wonder if you could
give us explanation of that.

[04:47:38]

>> Yes, councilmember. The actual guideline was that ground floor residential uses should be
elevated. I think it was 18 inches above grade. And the mvva suggested deleting that. Their
concern was, and you see this around downtown where in order to make the grade work we'll
end up with a ramp or stairs in the right-of-way which needs into the
-- sometimes eats into the usable space within the right-of-way. So their concern was not, you
know, the separation of residential uses, they were just trying to discourage those intrusions into
the right-of-way.

>> Morrison: I guess i completely understand that and I wonder if it might be reasonable to
replace that with a statement to the effect that for ground floor residential, we would recommend
promoting a separation between the residential and public space by design which could be, say,
materials or

-- or or ornamentation. That would be my amendment.

>> Cole: Is that flexible enough for both alternatives?

>> Yes, I think so.

>> Cole: That's acceptable.

>> Morrison: Great.

>> Mayor Leffingwell: I have to

-- yes, I'll accept that. Go ahead.

>> Morrison: Thank you.

>> Mayor Leffingwell: The rule is it has to be accepted by the maker and the second.

>> Morrison: Absolutely. And we had asked staff to let us know of other things we might have

missed and in fact one major change I want to note that they highlighted is a recommendation to extend the creek setback an additional 30 feet beyond the requirement for downtown creeks in certain sections of the creek which will certainly open up the enjoyment of the creek for the public, which is great. Let's see. There was also something added about fencing facing waller creek. Could you talk a little about the recommendation that showed up for us?
[04:50:12]

>> Yes. The

-- once again, mvva suggested adding some language that essentially i guess put some parameters on the types of fencing that can be put in place along the creek. I think the concern was, while, you know, most of the creek is not fenced, there are a few areas where i think probably based on the old perception of the creek, inappropriate materials that are maybe not the most aesthetically pleasing have been put in place and they wanted to have some language that would focus on a higher quality set of materials.

>> Morrison: Great. And as I was talking with my staff about that and thinking about it, I guess the bottom line is for some properties the creek has been the back door.

>> Right.

>> Morrison: For many years, and now we're trying to put parameters in place so that we'll encourage it to be a front door for the public. I think that's great. And then I had a question about open space, but that was answered. And then one thing that we noticed is that there was a recommendation added in the refuge subdistrict allowing for encroachments within the creek corridor if utilized for outdoor restaurant or cafe seating, and the question that I had raised was about ensuring there was still public access through there. And staff has a recommendation for what we might add to address that. I can just read it off here. It suggests adding a number 4 here, the encroachment maintains a minimum 8-foot clear zone to facilitate and ensure public circulation and access way through creek corridor encroachment areas. Could you talk about that, george?

>> Yes. The

-- I think it's a good point you raise and by having a standard in there we can ensure that we have adequate area for pedestrians and bikes to move through in addition to the active uses that we want to encourage along the creek in certain areas.

[04:52:22]

>> Morrison: Absolutely, because that's going to be fabulous to sit out by the creek at a cafe. So I have an amendment to add that language that staff has suggested, proposed an amendment.

>> Cole: That is acceptable, and actually i remember one picture where there was early on in the process a skateboard that went through a restaurant, an outdoor restaurant, so i think the idea of orienting

-- having cafes and open access is good so that's acceptable.

>> Morrison: Mayor?

>> Mayor Leffingwell: That's acceptable.

>> Morrison: And then a couple of items on the joint development agreement. Section

-- let's see. We have something called exhibit b in the joint development agreement that places limitations on the authority of the local government code, including adjusting the m.B.E. Requirements, they are not allowed to make agreements on city property

-- restrictions on city properties and things like that. In section 8.01, it states that the local government corporation may not modify or delete the limitations unless specifically referenced in a phased plan. And I was concerned about some of these major issues that are limitations in exhibit b being approved going forward, a waiver of them possibly going forward without council approval. And so could you talk to me about how that works or doesn't work?

>> Yes. Lela fireside for the law department. And councilmember, the way that we've [drafted@it](#) right now and your input is helpful because we are asking for authority to negotiate and execute so if there are direction from council on the negotiations, we can incorporate that. The way that this is envisioned to work is if there is a change that needs to be made to one of these requirements, it has to be consistent with the phase plans which are envisioned to be the planning document to actually construct the various projects. If it's inconsistent with that, it would come back to council, but if it's consistent with that but needed to make the phased plan go forward, then that's something that the local government corporation can consider, but they have to consider it unanimously with both city and waller creek conservancy at a public meeting so there will be input and an opportunity for the public to participate.

[04:55:14]

>> Morrison: Can you remind me who the voting members of the local government corporation are?

>> Yes. Currently they are sue edwards and elaine hart and melba what they and tom meredith and melanie barnes.

>> Morrison: So obviously all very expert and thoughtful people. My concern is that there might be some of these that

-- like the phased plan, it's basically a project plan for doing a new project. Is that correct?

>> Yes.

>> Morrison: And so the

-- my concern is that some of these things are not necessarily about physical attributes of the plan and so

-- and because they do get into some policy areas, my belief is that we ought to consider putting something in here that says going to waive one of these that has to be considered explicit by by council. Because for instance one of the limitations is on m.B.E. Requirements. They are not allowed to

-- I'm not sure exactly what this means. It's a limitation and it states m.B.E. Requirements for any work or contract unless set forth in a phased plan in the sole discretion of the city. Does that mean our staff can waive the m.B.E. Requirements?

>> That means our staff has control over whether or not mwbe language is adequate and appropriate and whether the good faith efforts have been complied with. So we're trying to make sure to the extent there's any discretion it's with our smbr office.

>> Morrison: Okay. Do we do that on other contracts, give discretion like that to our staff or do those waivers come to council? Or do those decisions come to council, I should say?

[04:57:14]

>> I don't know that I have a comparable type of a situation. If they are city funds, obviously we have to meet the requirements, but some of these phased plans may be funded entirely by the conservancy. And so there may be some flexibility that they are seeking on some of their plans. It's really hard to envision at this point so we're trying to build in something a little bit perspective, but at the same time require input by the city so it's not just that they can do this unilaterally.

>> Morrison: Right. Well, obviously we would hope that projects that are being done by the conservancy about public land are going to be adhering to our policies, and so for me those are things that it really would make sense to come forward to the council. The other one that jumped out at me was about agreeing on restrictions on any property owned by the lgc or the city. That too seems

-- if we're going to be restricting city property, if we're going to consider waiving that and actually restricting city property in a phased plan, i would really like to see that come to council for decision. So my

-- my proposal is that we consider an amendment that says if there is in section 8.01, if there is a waiver to any of the limitations in exhibit b considered as part of our project plan that that would require council approval.

>> Cole: Let me ask some questions of sue and stephanie and I guess lela all together. I know a lot of this language has been worked on for a great amount of time, and sue, I guess first of all, this is something new that we're doing and lela couldn't give us a specific example how we're doing it before. Tell me about the discussions regarding this item. I know it's going to be sensitive in terms of balancing the weight of decisions between the conservancy and the city and the lgc.

[04:59:18]

>> It is. We had a lot of discussion

-- sue edwards, assistant city manager. We did have a lot of discussion about that because it is a very sensitive matter. One of the things we were trying to do was make sure there was a good balance, and one of the reasons we wanted some flexibility was because we may be in the middle of a project and would have to stop and bring something back to council and it would stop the project. And we were hoping that we would be very judicious making anything different than what the city has. I'm not uncomfortable bringing back a mwbe issue and I think the council would be very interested in that. We would like the flexibility to do certain other things that are in there. If,

>> Cole: So councilmember morrison, I can see needing to bring something back just as ms. Edwards has said of a critical policy nature like mbwe. Could you consider language that is limited to specific policy items like that as out of concern for stopping a project or the sensitive nature of the relationship?

>> Morrison: Absolutely. And as I mentioned, that was one that jumped out at me as well as number 9 in terms of imposing restrictions on property owned by the city.

>> Cole: Now, let's talk about that one a little bit, sue and stephanie or lela, I'm not sure who is best to answer this question. We have a significant amount of property along waller creek that is

owned by the city. And I know that the final decisions about how we're going to handle all of that land have not been made but are still in discussions even just within the city even before waller creek was a reality. So tell me what this language actually means.

[05:01:19]

>> Well, I think again we're trying to create a framework into which these projects can be put. The decisions would have to be consistent with the design that council would be approving and the other requirements that are set out in the agreement, but it would just have as a

-- if there was some change that a phased plan consistent with the design needed to make it actually work, that that could be brought to the local government corporation and they would need to all agree on it and the staff people would need to all agree on it

-- city staff, before it would be something that would be approved.

>> Cole: Okay. Sue, tell me what the discussions and thoughts were regarding this language.

>> I'm going to use the example of mueller because i think it's a good example. We had a plan that was approved by the council. Once you begin putting that plan on the ground, even though you don't change the parameters of the plan, there may be things that you need to move around or there may be land, things that would hamper us from doing something in the exact place that we thought we were going to put it, ie construction. If there are minor changes in construction when we go out to see, when we actually get on the ground, he would with be allowed to do those minor changes. It doesn't change the plannist.

-- The plan itself.

>> Mayor Leffingwell: Let me just say I'm certainly not going to accept this as friendly. I would accept direction during the negotiation process to give deference to major city policies such as mwbe and so forthment but the whole idea the way it's constructed, the principles involved giving a lot of authority to third parties. That's the way conservancys work. In return they raise money, but they also have a lot of management authority over this entire project. If we start chipping away at that, I think we run the risk of sabotaging the entire project and certainly losing the ability for this organization, the conservancy, to raise money. This is a

-- this is a game changer. I'm not for other people, people are doing this all across the country, but for us this has the potential to have a better way to operate and fund our parks so that we can do that a lot better than we are today. So I think this kind of starts the process of putting it back into a city park, which it's not supposed to be. It's a public park. Councilmember morrison.

[05:04:16]

>> Morrison: If I may, your point is well taken and I think we have amazing folks in this town that are willing to step up and really be, you know, be committed to making something great this the city and I appreciate that. And striking the proper balance is what we're trying to do here and I appreciate the points you've made, ms. Edwards. And just to be clear, we're talking about the lgc, not waller creek conservancy. So I would be happy if staff could help me craft some direction that suggests that

-- that we ensure that waivers to city policies are

-- are not allowed without council approval. And then also, sue, what you were talking about,

sohow craft, especially with number 9 where we are talking about restrictions on city property, to make it clear that that

-- that those are waivers would be limited to minor adjustments that are needed for construction -- for successful construction purposes.

>> Councilmember, we'll be happy to do that.

>> Morrison: I'm going to change my motion to that direction.

>> Okay.

>> Mayor Leffingwell: You have one more item, i believe, don't you?

>> Morrison: I have actually two more. One that didn't make it on the list. This is the issue of naming rights. Maybe can you give us a description about how the naming rights are crafted in the agreement?

>> Certainly. The way the naming rights are envisioned is that

-- and I think the naming policy and I think I talked about this a little bit@ on THE 6th, BUT TO THE EXTENT That something is already named, it's going to stay that name. And if it was going to change, it would have to go through the city process to change a name. If there are things that are not named and they meet the requirements that are set out in the agreement, then the conservancy has the opportunity to get them named and to go through that process which is very critical to I think their fundraising. And so this is similar to the type of arrangement that we've had in other public-private partnerships. We have a list of names that are inappropriate and they can't

-- and we would check to make sure that those names didn't meet those requirements. Those are set out in the agreement. And then also if there's bond funding, tax exempt bond funding for particular areas, then there are some legal requirements that would prevent the naming to be something that would benefit a commercial or even a nonprofit entity in a way that would create some private activity issues. So we would run that by bond counsel or I would review it to make sure we were in compliance with those bond covenants. But within that we've left a great deal of flexibility for the conservancy to be able to get people and corporations and whatnot to raise funds for the projects.

[05:07:24]

>> Morrison: So the two examples you gave in the answer, they actually require council approval. You talked about the butler trail and

-- I mean the zach scott, I'm sorry.

>> No, they didn't

-- I mean we did it similar to what we're doing here where the

-- the

-- they actually could use that as fundraising mechanism. We only checked to make sure there weren't private activity, the staff people did that. The names for the top theater

--

>> Morrison: We voted on that. I remember, it was my first year.

>> And the internal materials, the names that are going up within the facility that are used for fundraising are not things that each come back to council. A plaza whatever.

>> Morrison: Okay. So, well, that's my concern and I understand that it's going to be important in fundraising for them to have a lot of consideration in the naming rights. My big concern is that

it allows corporate naming. And I don't

-- I for one can't support anything that would allow, you know, half the park to be

-- half of waterloo park possible TO BE named McDonald's park or coch park because those are -

-might not jive with future visions for the city. What's the contemplation

-- do we have examples of any of our public spaces being named for corporations? Private corporations?

>> I don't know that I can answer that at this time.

>> Morrison: Because i can't think of any. And I guess question for stephanie might be is there contemplation of accessing private corporations for fundraising that might result in wanting to name some of the public spaces for corporations?

[05:09:34]

>> Well, councilmember morrison, I don't think that if you know the founders

--

>> Morrison: I do know them.

>> That they would permit kind of the wholesale sale of a park to a corporation. I think they are people of extreme and high integrity and values and I don't believe at all that

-- they are members of the this community too and I think they are very conscious of what the community would support. With that being said, i think we want to look at corporate investment in our civic and public spaces. I think that's somewhere that the city lags behind other cities. We do want to make sure there are opportunities for our

-- for-profit corporations to contribute to the vitality of austin. And so, you know, I'm not suggesting at all that we would make waterloo park McDONALD'S PARK, BUT IF IT Were the logic plaza, i think that's something we would have to consider especially if they could support and maintain that plaza after it was constructed. I think it's a balance and i think I trust our directors and the lgc to make good decisions, and we have a really amazing development staff that's starting to form and I think they are very sensitive to these issues and what the community will support.

>> Morrison: Do you have

-- and I appreciate

-- we know the folks that are there.

>> [Indiscernible]

>> Morrison: And I did not want to suggest that. In the future, you know, this

-- hopefully this conservancy and this partnership, it's envisioned it will last for generations. And so can you suggest anything that could help this comfort level about the naming rights, the naming parameters really staying within the values of the community and having something to that effect in there so that even without, you know, as we pass on to other generations, let's say someone goes astray, to just get some protection in here for our future.

[05:11:37]

>> I think we could support language, a value statement, something like, you know, that is consistent with

-- or adheres to the values of the community. I think you should know that there's not a significant corporate base here. We would be pretty lucky right now to get a sizable gift that would rise to a naming opportunity I think from the local corporations, but that's not to say we aren't going to try. And I think that we would like to see our corporate

-- corporations in the city contribute more and this is a real way for them to give back to a city that, you know, might give them a lot in terms of quality of life for their employees.

>> Morrison: Okay, thanks for that. I'm gooding to propose a motion that we have the value statement added to the naming section.

>> Cole: I would accept a value statement. I also want to point out that we have locally owned businesses that may want to have a bike rack at Waterloo Park and so it's kind of hard to parse that line between something we would consider inconsistent with our values to some that is consistent with our values so I think that broad language gives thaws flexibility.

-- Gives us that flexibility.

>> Mayor Leffingwell: First of all, I want to say if we prohibited or refused to name any part of this development after corporations, we would be severely crippling it. We would

-- I would envision a lot of large corporations making significant contributions in exchange for naming rights. Not only in Waller Creek but in other parts of the city too. I wish we would get a large corporation to sponsor the new library, for example. But I have no objection to a value statement which basically puts the charge on the conservancy and local government commission to at least consider that when they are making that decision.

[05:13:45]

>> Morrison: Great. And then I had one other question that didn't get included that I wanted to point out a concern about and that's in section 6.01 talking about commissions. It says the city and the LGC will be responsible for approving, accepting, displaying and determining the maintenance of any public art for the district to ensure consistency with the design plan. The city waives the requirement of a city code related to public art including the requirements of city code chapter 7-2 for a separate approval of public art by the arts commission. I wonder if you could speak to that. Our current process is to have an art in public places panel look out and judge and recommend to the arts commission our public art. Is that correct, sue?

>> That's correct, however, we did waive that in the Mueller agreement to give the individuals the flexibility to design what they thought was comparable to what they were doing in that particular development.

>> Morrison: So we don't even take our Mueller as there?

>> No.

>> Morrison: I guess I wish there were

-- I wish there were some way to at least get some input from the arts commission on it because this is

-- well, and I understand we've got

-- there's some similarities with Mueller. It's different because these are our parks and, you know, Mueller is

-- is a lot more than that. Do you have a comment?

>> Yes. I think Stephanie has said they would certainly be willing to present to it the commission.

>> Morrison: So my motion was that we add a statement that the art projects will be presented

for discussion to the commission, arts commission.

>> Mayor Leffingwell: Mayor pro tem accepts that and I accept that.

[05:15:47]

>> Morrison: Thank you. And that completes my comments. Thank you all for your work and for considering these detailed issues. I guess I do want to say that, you know, we have the concepts, but the devil is in the details so I appreciate the ability to go through these documents and I want to give a shout out to my staff and team who went through exhaustively comparing the design guidelines to make sure we understood what was going on.

>> Mayor Leffingwell: Councilmember Tovo.

>> Tovo: Thanks. I have a few additional questions primarily about the agreement. Page

-- let's see, page 3 in the executive summary talks about

-- it comes up several times that substantial changes to the agreement or the design plan will come back to council for approval. Can you point me to the definition of substantial change or describe what a substantial change would look like?

>> We don't have that as a defined term. I think that we anticipate that the work of the conservancy and the staff to identify that. We didn't want to highlight it

-- to highlight it.

>> The substantial change would be, for instance, you have the poppy as a design. If the poppy didn't work and we could not put the poppy in the park, then that would be a substantial change. Any time there is a design where there is a definite visual change, then we would come back to council. If it were having six poles in the poppy as opposed to two we don't see that as a substantial change.

>> Tovo: The design listen that's before us, there's no text. It's pretty much just images. So can we expect that other kinds

-- if there are other structures that are contemplated those would constitute a substantial change?

[05:17:52]

>> If other structures were added?

>> Tovo: Yes.

>> Yes.

>> Tovo: And I know the master plan will still guide the development of it. We had a discussion at our last council meeting about the natural, the areas that are contemplated to remain more natural, and I think I just want some assurance that there will be some areas that are more natural. There's a very long discussion in the original master plan about

-- about the native riparian landscape and preserving that and there are moments along the Waller Creek that remain more natural, that are not going to be constructed to look natural. So I just -- again, I just want some assurance, because there is no text in the design plan, there's not language to that effect so I want to hear some assurance that the feedback was part of the public process would be honored and there would be very constructed moments and more natural moments.

>> Councilmember, I think if we changed anything that did away with any of that wonderful

green space and the natural space at either watershed protection or the three founders of the conservancy would have our heads.

>> Tovo: Good. Thank you.

>> Mayor Leffingwell: That sounds like assurance to me. [Laughter]

>> Tovo: Okay. Let's see. There is an intent to allow the city to sponsor events and public functions at no charge and I wondered if you had a sense of how many events would happen in a typical year and will that ten or increase.

>> We're still working on the operating agreement. And I think to the extent that there are numbers that will be contained in there and it will be something that will need to be reviewed because as the projects develop and as the parkland improves, there may be additional events that need to happen. So we're trying to be flexible and recognize that we're committed to making sure that that happens, but not necessarily in the development agreement to state it, to try to tie it more in the separating agreement and to make sure also that to the extent the conservancy is funding the upgrades to the park with revenues that we don't unduly interfere with that but still keep it open and public as much as possible.

[05:20:19]

>> Tovo: It is like everything else we discussed balancing, but the city will still have the ability to have public events there at no charge and we anticipate that number will be at least consistent to what we can do now and perhaps enhanced.

>> Yes.

>> Tovo: And there is

-- i did notice language that talks about the ability for

-- for other smaller nonprofits and others to use that will have ability to have access at low or no cost as well.

>> Yes.

>> Tovo: So I appreciate seeing that in there. I want to talk a little about open meetings. Our resolution talks about that the board shall meet, this is the local government corporation, that the board shall meet in accordance and the m.O.U. Talks about the conservancy board meeting from time to time in open settings. And then the joint development agreement talks about the local government code having open meetings. So can you just explain, the local government corporation will always have open meetings?

>> Yes.

>> Tovo: But some of the conservancy meetings are closed.

>> The conservancy is a nonprofit and it's not necessarily under those requirements.

>> Tovo: But the local government corporation will always be in open session.

>> Yes.

>> Tovo: Okay. Good. I would like to talk about the city contributions and be sure I understand those well. So on page 17 of the joint development agreement, it says the city will make payments as contemplated and subject to amendment number 1 and 2 to the m.O.U. To the extent such payments have not been fully paid as the effective date. It not clear looking at the m.O.U. What amendments 1 and 2 are. Is it just in regard to the design competition?

>> There was a design competition and then there was additional funding for

-- for some design fall and staffing.
[05:22:24]

>> Tovo: So are all of those contributions referred to the once listed on the waller creek development and funding schedule that's included as backup?

>> I believe so, yes.

>> Tovo: So on that schedule it looks as if the city has

-- the city's contribution is at at this point for startup waller creek conservancy operating support at about 750,000?

>> I think these are numbers that have been put together by the budget office and they can best walk through them with you.

>> Tovo: That would be great. Thank you.

>> Deputy budget office.

>> Tovo: These questions refer to the schedule 3.01 c to the waller creek funding and redevelopment document. It's the last item listed in our backup. And so looking through the waller creek conservancy operating support

-- to back up, the question I had asked was about the city contribution described in the joint development agreement that talks about

-- it talks about those having been described in amendment 1 and 2 of the m.O.U. Let me stop and say my big purpose here is to try to figure out whether we are committing the city to incur any other expenses that we haven't already discussed.

>> No. The reference to

-- those two reference, one is the \$400,000 that was half of the contribution for the design award, the competition. There is a portion in there that was for

-- there's a portion in there that the original one for stephanie McDONALD'S SALARY, A Portion of that salary, that is an ongoing cost but it is a very small portion of your salary. And the third part was for a \$75,000 one-time contribution for the project coordinator for the conservancy.

[05:24:31]

>> Tovo: Okay. Thank you. So the joint development agreement costs have been incurred it looks from the schedule as if those were approved. There is one cost, and again, it looks as if the city's contributions to the point for the conservancy operating support have been about 750,000? And the conservancy's were about 400,000. 400 for the design competition, outside legal services, executive director, salary, contribution, and then the project coordinator. So it's about 750.

>> Correct.

>> Tovo: So there's another 150,000 listed on our schedule called conservancy operating startup costs. There's not

-- there's not been a funding source identified. It's listed as a city responsibility. Can you tell me a little more about that and

--

>> that will be in the proposed budget for this upcoming year and council has the ability to vote on it at that point.

>> Tovo: And would those just be general operating?

>> Yes.

>> Tovo: But that's not a decision we're making today in the approval of those documents?

>> No.

>> Tovo: Okay. Thank you. I think that was my last question. And I just want to add my thanks to the staff and conservancy founders and say this is a very exciting project and I look forward to seeing it move on forward.

>> Cole: Mayor, I have one last coent.

>> Mayor Leffingwell: Mayor pro tem cole cole sue, you talked about the public owned land and I would just like to give direction that we include language that we will maintain flexibility with respect to the public land.

>> We will. That was our intent. I think

-- yes, we will.

>> Cole: Mayor, I move val.

>> Mayor Leffingwell: Motion already on the table as amended. All those in favor please say aye. Opposed say no. Passes on a vote of 7-0.

[05:26:35]

[Applause]

>> Mayor Leffingwell: So some degree of enthusiasm out there. Now we'll get the -- we'll go to the morning briefing on the colony park sustainable community consultant selection.

>> The purpose of this morning's presentation is to provide you background in this important project on the colony park neighborhood. Providing you information on the commitment process and then give you the opportunity for the two firms, the two short listed firms to provide information in terms of, you know, why they are considered an expert in terms of providing this master plan for this community. With that said, I'm going to transition over to miss spencer to provide information on the background of this large tract of acreage. Thank you.

>> Good morning, councilmembers, betsy spencer, it is truly an honor and privilege to b here to present this to you. I'd like to give you a little background on the colony park area and this grant. Colony park was annexed by the city of austin in 1973. In 2001 the city of austin purchased 258 acres of land near loyola lane and the colony loop lane. 50 acres dedicated as parkland, 258 acres transferred to the austin housing finance corporation at that time to be developed for low-income and moderate-income housing. Since that time between four and 2011, the city has completed improvements to loyola lane and conducted the turner roberts recollectization center. In november of 2011, the city of austin was awarded a three-year, \$3 million sustainable community challenge grant from the u.S. Department of housing and urban development or h.U.D. That partnership is agreement between h.U.D., the u.S. Department of transportation and the u.S. Environmental protection agency to foster reform and reduce barriers to achieve an aforwardability, economic vitality and sustainable communities.

[05:30:23]

>> ... And to support capacity building and community transformation goals of colony park area residents and stakeholders. I want to tell you a little bit about the anticipated master plan. Based

on pub input, the community impact will have best practices for the zero waste policy standards to create a livable mixed use mixed community and rezoning for subdivision and site planning and removal of the city of the austin, austin infrastructure designs and architectural templates and plans for new sustainable designs which creates community and buildings during public and environmental well-being. We will also complete an economic analysis and a market study. Here is a map, if you aren't familiar with the colony park, the 208-acres we own is east of 183 south of 290, south of 969 and inside of 130. Here is a closer view. It is pretty much at the corner of loyola lane and decker lane. A little bit about the public engagement. Due in great part of the contributions of the colony park association, we have entered into an interlocal agreement with the university of texas at austin, division of diversity and community engagement, the austin community college department of behavioral sciences and colony park association. Signature on that and there is a huge contributor partner to that on the leadership of barbara scott and some of the other individuals who are here today. This innovative collaboration will hopefully create a replica model

-- excuse me, represent political able move tell for those

-- a model across the country for living parts which include, providing more transportation choices, promote equitable affordable housing, enhance economic competitiveness, support existing communities, coordinate policies and leverage investment and value communities and neighborhoods. To that I will hand it back over to rolando.

[05:32:40]

>> Hi there again. Towards the end of the participation, I want to go over some of the things we embarked on and walk you through the process we will have for the two firms to provide presentations. Before we go through the solicitation schedule, I want to talk about the community engagement we embarked on prior to solicitation. The colony association has been invested in this effort. They have given of their time and effort to, you know, talk to us, with contract management and also work with the housing department in terms of insuring the firm that is selected for this project is the most competent qualified firm to do the job. How did we work together? First we sat down and listened to them in what they were looking for in terms of this and then we took that and did it in the feedback of the scope of the rfq and the other part of qualification collection process is a two phase approach, one is review by submittals of the firms and staff performs that review. The second part is preference of their skill set responding to the scope in terms of, you know, what we are looking for and also some interview questions. And so in working with the colony association

-- colony association, we derived core content they wanted to see in the presentations that is going to be established and evaluated. They also provided questions that staff asked of the firms. Virtually we are looking for the important things of these firms in terms of what was derived from the conversations with the association. Secondly, we also got some evaluation times with the firms for the individuals we will speak to. We worked hand in hand with the association. We want to ensure that we got the important things in the rfq and we were asking the right questions, again, to make that a determination of who was the most competent, most qualified firm for this master plan project. And so council member morrison, you mentioned earlier today that austin has a lot of folks who are invested in our efforts and the projects that we do and I want to highlight real quick, for those folks we worked through this during the process, mr. Meldon lynn, margarita and helen miller and barbara scott. I appreciate the effort. Thank you. Let me now focus more on the schedule that we embarked on. So we issued the rfq on february 22nd. The

responses due on the 29. We sent notice over 2100 firms and we received

- 196 firms obtained the rfq, this is a combination of prime firms or subconsultants. As part of the rfq process we received five statements qualifications and these are the firms that are interested in continuing on the rfq process. We had two joint ventures, the first was a sakura robinson company with workshops and the other was farr work 1407 with design group and we had design workshop, kpff consulting engineers and also mccann adams feud yo. The evaluation process by city staff led by ardy megan on april 8 and was finalized on april 22nd. Again this is just a review of the information that the firm has provided in response to the rfq. We. Based on the process, we listed short list firms and began the evaluation interview process by allowing the firms to give us presentations and then also asked some questions to them, again, this is where the feedback from the community was integrated into the process. What kind of information do you want to hear from the firms and the questions that we asked, five of those derive association. Here we are today, june 20, with the two short list of firms providing presentations to mayor and council. Following the presentation today we will join on the 27th for your consideration and action and staff recommendation will be provided with the release of the final council agenda tomorrow. Quickly, I am going to walk you through the criteria that the firms will be focused on in terms of providing you during the presentations. And ms. Spencer talked to you about these and, again, these were incooperated in the rfq scope. The first item is approach to incorporate h.U.D.'S six liveability principals. Approach incontinue the imagine austin comprehensive plan. Their plans to obtain participation from the diversity of stakeholders and this was a really key item that we got from the association and so we
- we put this one in the I don't rfq and continue to see that in the evaluation process and part of the final presentations for you all. Lastly, their approach to
- to look at the site development constraints and again, while meeting the aggressive schedule that this project has. I want to note that the final presentations today are not scored by staff as part of the evaluation process. Staff's recommendation was derived from phase one and phase two of the rfq process. So based on the evaluation from staff for phase one and two, we have two short list of firms. One is the joint venture of farr associates with the ourgan designs group and the other is mccann adams studio. Today's purpose we will allow each firm to provide a presentation to mayor and council in the length of 15 minutes. Following each firm's presentation, will allow you to provide some questions and allow each firm 3 minutes to answer the questions in the revolving door process so each firm will take the time answering the question. I want to close with the
- sort of the final process for allowing for some citizen input for this process. Following today's presentations by firms, there will be head
- they will be heading to the atrium where they will be able to share their presentations with the community and answer any questions that they may have. The community may have a chance to provide you the feedback based on the conversations that they have with the firms. The second item that we are going to have is a specific one on one with the colony association, so they will have a chance to, you know, meet each of the firms, see the presentations, ask questions and then provide you that information as well. Finally, tonight, we are going to have an event with the associate
- with the community, in fact, and they will also see the presentations. They will be able provide you that feedback as soon as possible. Again, next thursday we will
- we will bring back the item for your consideration and action and then we will begin on the contract negotiation and execution. We are hoping to that have completed by august of this year.

So with that, mayor and council, I can take any questions. If there is none, we could begin the process of the firms providing the presentations.

[05:39:53]

>> Spelman: Council member morrison.

>> Morrison: I notice it's 20 to 12:00, which means we won't have time for both of the firms before our break, and frankly, I would rather have them both back to back than split between executive session, so I don't know if there is a way that

-- if that's going to be doable, that I think it will be fairer to have everything fresh in our minds.

>> That will be fine. We have some flexibility in our schedule, understanding that your schedule is pretty complex and can change at any moment, so we will be happy to come back after the citizens communication session and have those presentations.

>> Spelman: Sounds like a perfectly reasonable proposal there. Any objection to doing that, council member martinez.

>> Martinez: Thanks. I don't have objection. I just know there are community members here that are going to have to understand they will be waiting around for quite some time. It could be several hours.

>> Spelman: There is no requirement that we have executive session after our citizens communication. We could do citizens communication at 12:00 o'clock and come right back to do this.

>> Morrison: I could prefer that. It would work for me. I do have a question for staff -- should we

--

>> Spelman: Perhaps we should get closure on that. What is your pleasure, guys? Let me recommend that we

-- how long will the

-- the downtown density bonus program has 64 slides. I presume it's going to take longer than 20 minutes to go through that.

>> I can't answer that question.

>> Spelman: I imagine there is somebody here who could

-- is there anybody here who could verify this is going to take longer than 20 minutes to go through this thing? I will assume this is true until further notice. At 12:00 o'clock, we typically have citizens communication. It would be legally permissible if we put off citizens communication by, say, a few minutes. It would be about 15 minutes for at least to get the presentations. Then we would have to take the questions from the presentations which would take a little bit more time, however, and I think we probably would prefer to have the questions right after the presentations right rather than to cut the citizens communication and then come back so we are probably talking about something like a h hour's delay of citizens communication. It is legally permissible but it is not usually what we do. Council member tovo.

[05:42:11]

>> Tovo: If I hear your summary correctly, are you suggesting we delay citizens communications to have the presentations?

>> Spelman: I haven't got to a formal proposal yet, but, yes.

>> Tovo: Is that what you were discussing? My strong sense is we probably should hold zilkers communication as scheduled from 12 to 12:30

-- hold citizens communication from 12 to 12:30 because people have taken off time from work to speak. How long are the presentations?

>> They are 15 minutes, each, so 30 minutes for both firms and then any time that council wants to take up on questions and answers. I will say that the community

-- the community, the folks that have been part of this process from the very beginning will have an opportunity to participate in the conversation with the firms later today and, again, this evening. Understanding that they may miss this presentation, but there is still some other, you know, opportunities for them to kind of hear the same presentation that you are going to provide to you this

-- that we are going to provide to you this morning and later this evening and then after council hears the presentations. Just wanted to make sure you understood that.

>> Tovo: Thanks.

>> Spelman: All right. If you would prefer

-- if it is a general rule of those of us who are in the room to hold citizens communications at 12:00, it might be the best thing for us to do to take a recess of 15 minutes. Hold citizens communications as usual and pick up our presentation and questions and answers on this item immediately afterwards. Any objection to that? Council member morrison.

>> Morrison: We have 15 minutes, we could lay this on the table and take up some other items that are in front of us.

>> Spelman: That's an excellent idea. Any objection to that? Okay. Sir, we will be back with you at about 12:30.

>> We will be ready, sir, THANK YOU.

>> Spelman: Thank you very much. I believe item 2 has not yet come up. Council member tovo, did you pull that item?

>> Tovo: I did. Thank you. This is the item that the electric utility commission

-- net ask staff, actually, so that I have exactly the right information. It was not approved by the eec on a vote of 7-0 due to some questions regarding the billing section of the ordinance. I know staff has made some revisions. What I would like to suggest is that we postpone this item, allow the electric utility commission time to review it and to offer any additional feedback and take it up again after their next meeting. But I guess I will ask staff if there is any

-- are we causing any chaos for you that can't be managed if we delay this until after the eec has had an opportunity to discuss it and review it further?

[05:44:57]

>> Dewana gut, vice president customer care, austin energy, and we had considered as well postponing this item and allowing the euc one more chance to review the proposed changes.

However, we are running up a couple of items that are time sensitive. One is the summer

-- the summer, the citizens may have issues that come up this summer, most definitely, that this change, this proposed change allows the citizens to request hearings for. One in particular, code -- the austin water compliance code, which is we are requesting to be a comparable issue is not currently reflected that way in the city regulations. And so that item would not be heard on the current

-- via the current process. The other item that we are adding or broadening in the changes to this is that of citizen tampering and not prosecutable tampering. We are actually allowing that be a hearable item as well. These two items began

-- may be more prevalent during the summer, so postponing this item could prevent customers

the ability to hear either of those topics throughout the summertime frame.

>> Tovo: If they put it into place today and there were

-- well, let's talk about the opposite. If we pe it until our first meeting in august, would there be an opportunity for customers to have something happen and they wanted to have an appeal on their water bill to just do it after

-- just do it in august, or would it be

-- would there be a situation where they would need to actually have a hearing in july?

>> There could be a situation and that's where the 90 day from the date of the occurrence timeline comes into place and so anything that's occurred, anything that's occurred in may, 90 days later is the restriction by which they have to request a hearing, so if we postpone these items until august, we may not allow some of those things that occurred 90 days previously to occur. So there is a 90-day restriction for when a customer has to identify or request a hearing from the date that the issue occurred.

[05:47:35]

>> Tovo: But that would be

-- I mean, our process to this point hasn't allowed for a hearing so that could be said of any of the previous months, they haven't had an ability to appeal because we didn't have a process. But in terms of capturing the summer months which i agree are important and we may be likely to have situation where is customers would like the appeal, they would still have the ability do that in august?

>> Yes, because we would have roughly 60 days and another 30 days with which they could request a hearing. Yes.

>> Tovo: Would there be an ability for us to craft language that allowed a little bit more time for the appeals this summer?

>> That is possible. We actually tried to address the time within the corrections or the changes we've made to the regulation. We've added

-- we've moved from a three day process. We have a process that currently says within three days the customer must

-- within three days of receiving administrative review, they must request a hearing and we've elongated that to 10 days but give that customer a little bit more time to gather information, gather documents, prepare for the hearing. And so we definitely can consider elongating that time, allowing customers more time to prepare for the hearing.

>> Tovo: Right. At least during this period. I am wondering this that might mitigate

-- if 90 days is appropriate amount of time going forward but because we have a glitch in scheduling, if we allow them a little more time now.

>> I believe the city regs prescribe 90 days, so in order to

-- for this short period of time to allow additional days, I would have to seek legal to allow that change.

>> Tovo: I see. Would that be the main

-- the main concern about postponing it today? The 90 day window for people to appeal?

[05:49:35]

>> That is the c and also the concern is we also have the contract for our hearing officer up for renewal and the changes made in these city regs would be reflected in that contract scope of work and so it all kind of ties together in order to get that contract renewed and not allow that

-- there to be a gap in services. We were hoping that this information could be reflected, and so that's just another concern. It's administrative, but it's another concern as well.

>> Tovo: I see. What is the timing on that?

>> The contract expires in July. So the writing of the r.F.P. is actually occurring now and the thing that it's waiting for are the changes that we are seeking for the reg.

>> Tovo: So did you make the euc aware of this? Of all of these various issues when they say they needed more time and wanted the opportunity to review it?

>> We did not speak specifically about these times, considerations or concerns. At the euc, the largest concern

-- well, there are two main concerns, one brought by citizen and advocate with regards to the billing adjustment portion of what we were requesting to change, and because that wasn't as critical to this hearing in administrative changes, we actually pulled the billing adjustment changes out and we will address those as separate at a future date. The second issue, I think, was more pertinent to what is in the document still and that is what are hearable issues, and we did discuss that with the euc and at the time they were in support of the changes that we were making in that section. They were not in support of the changes to the billing adjustment. It wanted more data on that section so we removed that.

[05:51:43]

>> Tovo: Thanks for that additional information. So I guess

--

>> Mayor Leffingwell: We haven't heard from a speaker yet on this item?

>> Tovo: We have not.

>> Mayor Leffingwell: Raneta Cooper. You have three minutes.

>> [Indiscernible].

>> Next meeting

-- Austin Energy decided to delete certain portions of the ordinance and move it forward to the council. In short, Austin Energy is asking you to consider its draft ordinance twice. Once now and once again. It's very inefficient and it's an attempt to circumvent the euc's decision to deliberate one more time on this draft ordinance. In addition, Texas Legal Services today and before the euc proffered a series of amendments and also Commissioner Haden had some additional concerns relating to exempting people from the public hearing. There is two processes. There is an administrative review that you have to go to before you can get to the public hearing, around I -- I have a little disagreement with Ms. Gutierrez because it's my understanding that most of this draft ordinance is more or less just a simple recodification of many of the things, particularly relating to the public hearing, and so to that extent, I don't really view looking at the language and the proposed changes any extraordinary circumstances that would merit having to vote today. Texas Roads, I know is aware, sent you some communication telling y'all to wait and I also ask. I have a series of amendments, a lot of them deal with the series of issues they are asking you to push through now and that is the public hearing and I will be happy to share the amendments and talk with you more about it. I also want to point out that their current operating practices are inconsistent with this code language and it seems to me that y'all should ask Austin Energy to take a step back and if they truly want to recodify this to look to see if the code is still consistent with state law and their own business practices and take a more comprehensive review, instead of just winnowing in on the specific section, which, it is my understanding almost everything is more recodification than a substantive change to the ordinance. Thank you

very much.
[05:54:41]

>> Mayor leffingwell: Those are all of the speakers that we have. So could you comment, for my benefit

-- I was off the dais for a minute

-- just very concisely, not the long explanation, the short one, as to why we can't wait until mid august to make this decision?

>> Yeah. Mayor and council, with respect to the comments that were made by the previous speaker

-- and again, I am Carrie Overton deputy general manager, Austin Energy, with respect to those comments, what we are asking you to do here is to move forward with the administrative hearings to the EUC and the community debate around the bill adjustments and the most content issues, the proposal we have before you now, we are asking those be removed out of the way. They can be dealt with separately when we are able to spend more time with the community and come back with the language that is sufficient and negotiate with understand at a later date. What we are asking for today is the administrative hearings process to continue to go forward and what it does is a couple of items: Number one, it allows for

-- in August of this year, council put in directives to allow for water conservation code provisions.

By moving forward with the hearings, it allows any items that are part of disputes over the hot summer months, that customers can bring these forward in hearings as disputable items. That is in support of the community. There are other items such as nonprosecutable electric termination -- electric tampering issues that allow customers to bring these forward during the summer. So this is actually, in our mind, an improvement to the hearing section of it, and it also allows us to administratively continue to move forward to finish the contract for our

-- for the examiners themselves because we need these provisions clarified on the hearings so we can do the contract for the examiner. This does not preclude council to come back and do any amendments to the sections on hearings just because we are going to pull the billing section.

[05:56:53]

>> Mayor leffingwell: So what you are asking

-- a motion that you are asking for would just give you the authority to go ahead with the administrative reviews and hearings only?

>> That's correct. That's correct.

>> Mayor leffingwell: Okay. Do we have a motion to that effect? Council member Spelman so moves. Second by the mayor pro tem. Council member Tovo.

>> Tovo: I am looking at revised backup and part of the challenge here is that

-- I believe we got a revised draft ordinance

-- a revised draft ordinance yesterday at 5, and I am trying to make sure I have the right one in front of me, and this

-- this does very few changes actually.

>> Mayor Wynn: Yes.

>> As I see it, it looks like the only change

-- the only change is the additional language that says or settings on equipment

-- the customer is responsible for utility service, et cetera, et cetera, et cetera, including excessive function caused by faulty equipment or additional languages or settings on equipment. Are we

really adding an administrative process here? This is not marked as new language. This is marked as existing code language unless there is a mistake on the draft I've got in front of me.

>> I can answer that. I believe the revised ordinance was actually put in the backup the day before yesterday. The language that you are looking there

-- at right now was actually underlying in the original backup, the only difference is that there is an entire section that was dealing with the billing adjustments which has been taken out, so everything that you see in the ordinance before you was in the original backup. It's just that there is an entire section with billing adjustments that's no longer there and that's the section that was

-- ...

>> Tovo: Right. I remember the section but i don't have it in front of me here. I am not clear that article 12, administrative review, 159, review, et cetera, is that new?

[05:58:53]

>> That was all part of the original backup.

>> Tovo: I don't mean original backup, is it in our code or is it new?

>> There is an article 12 in our code. This is a rewrite of that. It's

-- it's a repeal and replace, so it is not underlying so everything you see here is essentially reworded.

>> Tovo: Okay. So this is indeed new. It is not underlined because it is replacing ...

>> Yes.

>> Tovo: Okay. Thank you.

>> Mayor leffingwell: Council member morrison.

>> Morrison: I am going to support this motion but i want to add the direction that we

-- that we

-- that understands that there are continuing issues to be discussed and that hopefully this section that we are passing today will be considered for improvement or recommendation from the euc.

>> Mayor leffingwell: All those in favor, say aye. Aye. Opposed say no. Passes on a vote of 7-0. So that brings us to citizens communication. And city manager, could you clarify for me, there is a couple of time constraints that we are operating with. One is the 2:00 p.M. Bond discussion and usually those things are

-- have to be done on a timely basis to meet the requirements for filing and so forth, so does that need to be done at 2:00 precisely? And the second thing we need to find out is

-- understand we did not finish the first briefing and council member spelman

--

>> Spelman: Mayor, in view of the fact that farr associates, urban design group and mccann adams studios also have briefings with the community and other meetings scheduled and floor farr associates is coming from out of time and will be here for the day. Their meeting starts at 2:30 and we have community members who would like to hear the presentations and have some answers and it seems the best course of action for the dais was to hold citizens communication at 12:30 as usual

-- pick up the presentations and have them answer our questions and then go into executive session after that. So that was the proposal on the table.

[06:01:19]

>> Mayor leffingwell: That's what I wanted to ask about. So the folks making the presentation and the first briefing item have a time commitment at 2:30. Okay. So we will go now to citizens

communication. First speaker is kunda wicce. And you can feel free to correct me if I mispronounce your name. Talking about the costs of fayette.

>> Good afternoon mayor and council members, and I am representing austin coal and we appreciate your implementation of more wind energy and we urge you to close the coal plants as soon as possible. Coal burning is the least efficiency source to fill in when we need renewable back up and coal burning kills. Some people think the coal plant could be sold for oh, a billion dollars, the estimated health costs for people living near us exceeds a quarter billion each year. They pay in debts, heart attacks, asthma, hospital admissions, chronic bronchitis, er visits and impacts are severe for elderly, children, and those with respiratory disease. The plant has been in operation for 33 years. Multiplying 33 times the quarter billion a year, the estimated total health costs today has been almost 10 billion-dollars. In other words, people surrounding fayette power plant, assuming it's valued at 1 billion, have already bought and paid for it 10 times over. Assume it's worth 2 billion. They have paid for it five times over. Six times more people have died from breathing sulphur, acid, soot, arsenic, lead and mercury than are currently employed at the plant and while it's 2% of the value of the plant on sulphur scrubbers, the 2% of the sulphur that currently still bill us from the stacks is one to be a year. The national -- there is a national medical study that I have taken these costs from and it didn't look at cancers but there is a study by the university of texas health science center that found a definite correlation between higher autism rates and proximity to texas coal fire plants. These costs do not also include the tremendous agricultural losses suffered in the most direct fallout zones among fayette power plant. They have documented thousands of pecan trees in their orchards and it does not include cleaning up groundwater contamination under the coal ash landfill which lcra staff known about last ten years. There is nothing benign about coal. Please work to get it closed, not just sold and i will email you my sources for these stats. Thank you.

[06:04:14]

>> Mayor leffingwell: Just for the record, we have had this discussion so many times. I want to make sure everybody understands

>> the city of austin is not the sole owner. In fact, we are the minority owner of the fayette plant. We own one-third of it. Lcra owns two-thirds of it. Lcra is the managing partner. We do not manage the plant. Lcra probably has authority to keep all three units running at their discretion, whether or not we have a demand on our power. Ercot probably has the authority to require those plants to run whether we want them to run or not, so the city of austin does not have the discretion on this council necessarily for us to just vote to close the coal plant. It's a lot more complicated than that.

>> We ask you to raise your voice, though, in favor of that.

>> Mayor leffingwell: I think those voices have been raised for quite a while. Next speaker is susan rittenberry, the same subject.

>> [Indiscernible]

>> okay. Paul robbins. City issues which means no topic specified. Council, I am here to discuss the franchise fees that austin energy is paying to suburban cities. About 13% of austin energy's customers live outside of austin's city limits. In a settlement to the electric rate case, council awarded special group of citizens, most of whom are relatively wealthy, a rate break. This amounts to a 5.6% reduction in gross revenue from these customers. This figure is revised upward from the speech i gave a few weeks ago. And slide

-- next slide. Okay. In addition, about 25-30% of these special customers live in six cities that

austin energy pays franchise fees to. The franchise fees is 3% of gross revenues, so the special customers actually receive an 8.6% rate break, compared to people in austin. You add the 5.6 to the 3%. Some receive even more. The special rate break rewards customers who use more electricity. In westlake hills, for example, the rate break is 6.7%, and the additional franchise fee takes it up to 9.7%. If you compare this to austin energy's 8.3% estimated profit of gross revenues in 2013, customers in suburban cities are getting their electricity below cost. Surely, council will be deliberating on how to raise property tax

-- how much to raise property taxes. The franchise fee for these 6 cities amounted to about \$1.2 million last year. How can you justify paying this money to people who are already getting a substantial rate break? How can you justify giving them electricity below cost? The alternative I to charge a franchise fee specific to the customers in these cities. That is what texas gas service does. That's what the telecom companies do. That is also what investor on utilities such as intergrid and el paso do and they operate in other parts of the state. They don't pay franchise fees on gross revenues. They pay it out of a fee extracted there customers they serve after other costs are charged for. Council in, you need to

-- council, you need to start this change so that it is included in the next budget

-- in the next year's budget. You were elected

-- excuse me. You were not elected to serve westlake hills. You were elected to serve austin.

Good afternoon.

[06:09:00]

[Buzzer alarming]

>> mayor leffingwell: Kathy correa and your subject is lamar/justin lane, austin energy site development scenario report.

>> Thank you mayor and council members. On behalf of crest view neighborhood association i will respond to the ryan drive scenario report released last month. We believed that the austin -- that the januar resolution and this report would show real solutions for rethinking the possibilities on the site but it seems that only zilker park, hike and bike trail, auditorium shores receives the city's interest, time and money. Central austin, north of the river needs the same. The reports' opening statement about the justin/lamar tod makes it clear that the city doesn't know what a real neighborhood park is. Street elementary elementaries and other elements to soften edges is good urban design but not park land. And artificial landscaping and turfposites are not park land. This is required by ordinance to have park land but it suggests vmu and extra train parking for the only spot identified as potential park land in crestview. The report highlights other success stories. The triangle of 20-acres and able to preserve 6-acres of park land. This is 30% park landlar triangle residents and visitors. And the newer one is of park land, ponds, interactive parks and miles of trails and that's 20% park land for the mueller residents and visitors. The north burnet gateway master plan showing 2800-acres of redevelopment with a network of public open space throughout. I don't know how many acres of park lands that up there but look at the green on that map. The justin lamar tod is 193-acres of housing, vmu, the crestview train station and bus stops and we would love to have the whole austin energy site become apart, but still that would be 3% park land for the tod. How can the city offer a half acre park to a neighborhood of nearly 5,000 residents? While development scenarios bmc have a number of problems such as misplaced retail, high density redevelopment on residential street, access on justin lane that creates angle three way sec surance not to mention lack of meaningful park land, we hope the city is aware of these problems. I ask council and staff to refocus on

scenario a, using entire site for park land. In our view, the opportunities and challenges were not presented from a pro-park angle but rather from a pro-development angle so of course the park concept seems unacceptable. There were creative solutions to be found if the desire is there. So please take this development report and recycle it. Let's go back to the drawing board because we do not accept a half acre patch of grass as a park. Thank you.

[06:12:08]

[Applause].

>> Walt olenick. Water fluoridation.

>> Start with a brief clip.

>> Mayor leffingwekay. We need to get started.

>> [Indiscernible]

>> mayor leffingwell: I am on number 5 speaker.

>> Okay.

>> [Indiscernible] that now children

-- american children that are born today are expected to have a lifespan in general shorter than their parents. I think that's stunning. It's the first time in american history that we have that, and it's

-- it indicate that is we clearly need a multistrong approach to addressing this trend.

>> There is a statement that I can absolutely agree with. Children today will have shorter lives than their parents. That's because they are so much sicker than their parents, only to the ever escalating add adoptives including fluoride but other things that the fda put in our environment generally. Those remarks were made at a forum of childhood obesity in the cdc grant money risk attractive to focus on and childhood obesity is important to focus on, better food, more exercise for kids would be great, better carrots sticks but the childhood obesity, necessity points straight to the very familiar child obesity child diabetes link which in term would lead inevitably to the diabetes fluoride connection. The 2006 national research council's report on fluoride in drinking water underscored what's already been known for a long time, mainly that fluoridated water is diabetics, including children. Now both council members morrison and martinez know diabetes for what it is and both have eloquently talked about watching loved ones struggle with the condition. Council member morrison's husband is a diabetic and he has to have a coping strategy that provides an alternative to the city's drinking water. I can't speak t details but when my grade school educated neighbor buying purified water with food stamps saying she needs to avoid fluoride on account of their diabetes, that a college professor would have access to the same information. My handouts include joints statesman by morrison and martinez expressing profound concern over today's diabetes epidemic. A paragraph from the national research council's 2006 report, expressing the link between diabetes and fluoride in drinking water and the ada's much high pendium of fluoride supporters showing that no diabetes association endorses fluoridation today.

[06:16:14]

[Buzzer alarming]

>> mayor leffingwell: Thank you. [Applause]

>> mayor leffingwell: Heidi johnson. Speaking about crestview park.

>> I am heidi johnston. It was recently suggested we need to gather experts for this, I am a ph.D. In linguistics and historical analysis and I am here to reject some of the biases in the recent

report. The. The main report provides

-- on the front page, we have a park versus a development that's loaded with praise words, we can equally well have loaded the park with praise words. An energy efficient family friendly community building environmentally sustainable neighborhood park. There is nothing more family friendly than a park and it is de ja vu, there were many phrases extracted directly from previous versions of the city council and inserted in this report. I hope you didn't pay much for it. Nothing that the crestview park association presented in timely fashion in april appears in april, not a phrase, not a image. The report describes a patently undesirable park, easy to blow down. It shows bare strips of bermuda grass with nothing on it and cute kids playing with colorful toys. Why isn't this used in a park? Lots of cute kids can do that in a neighborhood park. We notice about money. Tax money is a desirable goal but they are hypothetical. How many of midtown comments is empty. I am sure half of the retail space has not been rented and it has been five years. I go past that every day. Parks shown to be expensive and look at the words, large cost, lack of opportunity, we have limited partners. Their bias is evident throughout this document. Parks actually save city's money. It is hard to monetize the benefits but the benefits are real. We consulted another specialist at t a&m university, I am a longhorn but go where the expertise is. Studies after studies show the environments benefits on human health. We spend money on social services, environmental services and others if we were a solar panel we could return the energy to the energy grid and calculate exactly how many nickels and dimes were saved. Health and human services have a grid but if you did you would see parks constantly recharging it. What is an act of violence that doesn't get committed? How do you calculate that value? A pocket park is not a compromise. It is, in fact, oxymoron. They are two different things, by national guidelines defining parks and it is not a compromise because the city has lost us a 16-acre park, the north austin optimist ball field and it describes the ball fields that are not an option without everything on an option because the city council dropped the ball during a period of -- of important negotiations and we lost that opportunity. Bust buzzer.

[06:19:25]

>> Mayor leffingwell: Thank you.

>> Okay.

>> So anyway.

>> Mayor leffingwell: Jamie lezine. [Applause]

>> hi, I would like to speak about the transitions that are proposed at the austin energy site on ryan drive. I understand there are three proposals related to resolution 54, one becoming a park, two, becoming a housing development with a small green patch, or, three, a housing development with an even smaller green patch. I would like you to consider plan a. A park provides a neighborhood with much more than place to walk, rest, read and play. It provides a space to create community. I am a mother of a 2 year old and spent most of her life driving to the park in the mornings where we befriended other parents doing the same thing. As a woman struggling to balance work life dilemma. This group has become invaluable to me. We provide each other solutions to day-care, finding each other jobs and giving mental support we should not have had had we not met at a park. Community is a key to a successful neighborhood. A park in this location would allow people who are too far away from brentwood park to gather. This weekend I took daughter to the closest splash pad which is a 10 minute drive where I met up

with five separate families from crestview. Those are the people I knew. This park would surely be well utilized. Another benefit that this proposed park could provide is an off leash dog park. There is no off leash dog park within walking distance for anyone living in crest view, brentwood, wooten, highland and most of rosedale and allendale combined. A socialized and exercised dog is a benefit to everyone, reducing unruly behavior and reducing the number of animals abandoned to shelters. It also provides yet another outlet for people, young and old, to come together to create community. And finally, traffic. The crestview station is a wonderful thing. I love there is public transportation close-by and I applaud the city in light rail efforts. However, traffic at the intersection of justin and lamar is a traffic nightmare, even off peak hours. If anyone on the feasibility study, have they considered adding more density to that section? As I leave you with these thoughts, I want to ask you, what do you want to leave behind for this city? Knowing this is the last publically owned plot in this neighborhood for a park and knowing there are near limitless locations for higher density housing else where, what kind of legacy would you term and office leave behind? What will my children think of your planning decisions when austin doubles or triples its population? What about their children? New york city or san francisco would look like today if these cities didn't protect their park lands. I you get one shot to do this right. I hope you way the options and choose what is right for this city and this community. Thank you.

[06:22:37]

[Applause].

>> Mayor leffingwell: Thank you. Hope young. Hope young's topic is indoor air quality health risk concerns, smoke related.

>> Good afternoon. My name is hope young. And I am the owner of the center for music therapy. The center has been a business here in austin since 1990. We are nationally and internationally respected facility respected by the american journal of medical association, cbs, 48 hours, and many more. Since the opening of the good night restaurant in october 2012, we have experienced multiple smoke inhalation incidents, three of which required medical attention.. The smoking coming into our clinic is from a wood burning restaurant operated by good night restaurant that goes in our fresh air hoods through them downwind. I have talked to multiple state and city officials since february of 2013 and have been repeatedly told there is nothing the city or state can do. The city health department says they respond only to city's ordinance covering cigarette smoke. The state health department does not address indoor air quality and the texas commission on environmental quality only addresses outdoor air quality. In may 2013, I closed our facility to the 325 plus people it serves due to increasing health risk concerns. Initial testing shows higher particulate levels outside our suite than -- inside our suite than outdoors which is abnormal. I am here today because my patients, my staff and myself are, our health and jobs are at risk in this situation. I am proposing for your consideration amending the city cigarette smoke ban to include this type of indoor smoke for health clinics and other health and childcare related facilities. Our qualified medical officials, allow them to assess risks and empower them to reduce these risks to our vulnerable citizens when the city health officials deem it necessary. The center for music therapy is not only an austin original business, it is the first for profit music therapy center in the world. Like the lives within it that cannot be replaced once damaged or lost. The center will not be easily replaced. If we do not succeed in extending this law to equally protect the most vulnerable of our austin citizens, we let litigation as the only check on property owner's power to make bad decisions

regarding the hemiptera of its tenants. Our humanity being diminished every time rules and ethics are put aside for profits. We are here asking your help. Do not let this powerful line of treatment and healing through music. Go out in the live music capitol of the world. Thank you.
[06:25:56]

[Applause]

>> mayor leffingwell: Thank you. Adrian moore. Roy cavanaugh. Adrian moore. Are you adrian moore?

>> [Indiscernible]

>> mayor leffingwell: Okay. You must be next. You must be roy cavanaugh you are next.

>> Yes, council members, mayor, adrian moore, a member of council on at risk youth. I appreciate to spend a of minutes with you. You will receive a packet that shana is bringing around to you. There are several items the packet. One is a copy of the recent university of texas consultant evaluation of carrie programs. I have shared that with several of you. I want to highlight those findings and also wanted to comment on the community action network dashboard report on crime. There is a relationship between, I think, what we do in the way of prevention, intervention and impacting our juvenile and criminal justice system. First, on the evaluation, this is the seventh evaluation report that we have had in the years of operation, of five independent university-based consultants. This year, interestingly, the consultants were able to take two years of data, two school years of data. They were able to construct a comparison group of students who have like characteristics to those youth who are served by carrie, and so really that is the traditional evaluation report with some exceptionally positive results. First, they found that the carrie group of kids who completed a program did much better in the way of school attendance rates and grades. Comparison group kids slipped in that regard, while carry kids did better overall. Second, there were significant decreases in disciplinary activity. Carry kids have fewer disciplinary reports than did the comparison group kids. Carry kids who went through the program also have fewer disciplinary reports for drug abuse related kinds of incidents as well. The control group kids went up. Parents, aisd, principals, counselors give the program really very, very high marks so carry is making a difference with kids. Secondly, that kann report, you have seen this I think but crime rates have gone down the last five years and austin and travis council, violent crime gone down, property crime gone down, juvenile referrals have dropped significantly and a drop in state prison sentences. Is there a crelation between what all the different youth service programs are doing, all of these support that you are providing the carry program? I think there is. Carry conducts an evidence-based program. It gets results. To conclude, how do we pay for carry and we are coming up for our need on the ninth year of funding, october 1, we can reduce arrests, detentions, prosecutions, adjudications, convictions, sentences. We will save money. We need to turn that money back into prevention intervention programs.

[06:29:26]

[Buzzer alarming] like the evidence-based program that is conducted by carry. Thank you very much and have a good afternoon.

>> Mayor leffingwell: Roy cavanaugh. Speaking on the managed growth agreement application.

>> Good afternoon. My name is roy cavanaugh. I run a small business on spicewood springs road where the low water crossings are. I employ approximately 20 people there. I have been in business for 27 years. One of my main profit centers is a junkyard. We are in the middle of

environmentally sensitive area. To the south of my business is a beautiful bluff, formed over the millennia of the rushing waters of bull creek, visible above is preserve land, which runs all the way to 620. To the west I share a property line 750 feet with city of austin park land, through which a trail is planned. To the north and to the east is an upscale neighborhood, ten homes worth near half a million dollars border my property. A junkyard is a athima through an environmentally sensitive ara. I want to close that junkyard but I need the cooperation of the council. In 2008, jenny plumber visited me seeking trail easements across my property. The mayor is familiar with that. He signed a resolution. I told her I would donate those easements to the city but I wanted to discuss redeveloping my entire property, in closing the junkyatd in exchange for transferable development rights. These are referred to by their acronym tdrs. Meetings ensued with the city. I met with greg guernsey, joe pontalia, nancy, stewart strong, gene drew, chuck glasniak, pat murphy. These are fine, dedicated professionals and i compliment them on their willingness to take on this issue proactively. In 2011, staff made me an effort of tdrs. We were pleased that the staff agreed tdrs were the solution to the problem. Unfortunately, the amount of tdrs was too low. The preconditions connected with them with too onerous and the risks were too great. We had r an impasse. The staff appeared uncomfortable making decisions of this magnitude. I needed to get this matter before council, the ultimate decision makers. I filed a site plan in 2012 to redevelop 25% of my site, which I was entitled to. I accompanied the site plan with a managed growth agreement. Staff would not review the managed growth agreement, citing that city code had been rescinded. My attorneys insisted and argued vehemently that I had the legal right to propose this managed growth agreement. They argued I was entitled to chapter 245 because i submitted my site plan before the city code was rescinded. Staff was unresponsive. Legal remedies were available but they are costly and time consuming. And I don't really have time for the acromony myself. I chose to take this matter directly to council via a citizens communication. I request that council recognize my right.

[06:33:11]

[Buzzer alarming] and review my proposal to close my junkyard under an mga or alternately under section 212 of the state code which also gives mi this same right. I request this matter.

>> Mayor leffingwell: And that is your time.

>> Thank you.

>> Mayor leffingwell: If you will contact andy mormon in my office, he will be happy to discuss this with you.

>> Thank you, mayor.

>> Mayor leffingwell: Those are all of the speakers that we have. So I believe we had the briefing on colony park on the table. We take that off the table and try to finish that up before we go into executive session.

>> Thank you, mayor, row rowlong doe fernandez and we are going to allow two firms provide presentations, 15 minutes each, first will be the joint venture of farr associates with urban design group.

>> Mayor, if we may, we can start the clock when we are ready to go with the first firm. Do you want to come up?

>> Three minutes?

>> Fifteen minutes, sir.

>> Mayor leffingwell: Doesn't hurt to try.

>> Good afternoon, mayor and council. We are really excited to be here, too, I am laura tubes,

managing partner of urban design group and I will be the project manager for this project. Urban design group has teamed up with farr associates as the prime for this project and we are here today to tell you why us. First off, I want to commend the city. You have taken advantage of some federal funds that will allow a community to step up, think outside the box and let us create a truly equitable and sustainable community. These grant funds, though, it is a challenge grant and, therefore, it is about implementation. The slide that's on the screen now is our team and we believe we have taken the best of national experience and local expertise to give you a team that can create, plan, design and implement this project.

[06:35:27]

>> Thank you, good afternoon, mr. Mayor, madame mayor pro tem, distinguished council members. My name is doug farr, president of farr associates and honor to be laura's partner in this project. I also get the opportunity to begin to present our team's qualifications and approach for making colony park what we have in mind as a model sustainable, affordable, beautiful neighborhood on austin's northeast edge. The graphic before you, you can study at your leisure, there is quite a bit of detail. Two things I want to talk about. One is the end game. We are a team of implementers. It is

-- the easy part is drawing the plan. The hard part, we believe, especially at colony park may be getting it done. We want to talk about that. The second thing is, there is a column on the graphic before you called lead for neighborhood development. Council may be aware leed, a standard for green buildings and I believe this building may be leed certified. I have the honor of chairing the foundation called leed neighborhood development. The first standard for applying the principles of leed at the scale of the neighborhood. If it wasn't simply green building principles, it was of equity, affordability, community input, walkability, high performance infrastructure. We eat, drink, sleep this standard and this approach all day long. The second thing I want to mention is from my friend scott burnsy who offered standard called the standard housing affordability index, and leed nd and h plus t do the same thing, one recognized by h.U.D. As best practices. They advantaged projects in securing funding and I will speak for leed nd, it is also a magnet for grant funding and increasingly for private fund investment. It is the signifier for bring your money here and it is model, I think, for the kinds of communities and places that we regard highly, that our parents and grandparents valued that we hope colony park can become.

[06:37:40]

>> Hi, my name is courtney kashema with farr associates. Doug outlined the principles and priorities. And with that, we need to answer the question, how do we reach traditionally underrepresented voices to achieve consensus? For our time, there are two parts to presenting robust planning process. The first of which is to make sure it is efficient. We understand the public engagement plan and team that was described earlier with the university of texas and acc. We plan to work with the plan and team and staff to design an effective process up front. This is something we have deep experience in. Recently we led a project we are dubbing the 10-month todd or transit oriented development. We were engaged in january and by november, infrastructure was complete. The only way it was possible was by engaging with the community,

the private sector and the transit agency from the very beginning. That infrastructure is not only complete but recently won a state congress for new urbanism award. The next step is to make sure this is engaging and this slide demonstrates tools we frequently use in our planning processes to meet people where they are. It could be online or face to face but these tools turn community's desires and needs into reality. For example, you see a woman with a board placing a dot amongst many blue dots. This is a project where we asked the community for their wish list. We went back to them to ask them to prioritize them and those priorities have become realities. The process we intend to design and work on achieves two things: Clear consensus on what the community wants and leadership to make it happen.

>> We were asked to address the site constraints and still meet a very aggressive schedule. The staff has done some incredible work. We know that we have expansive soils. We have some environmentally sensitive areas. The way we are going to take these site constraints is they come to the table at day one, so it's working with these constraints and the community values to marry the two, to create something that is compact and connected while still respecting the environment. As we looked at this over the last month, the dot on here is calling it red dot. What we see is the big challenge where it resides in the city. It is on the edge of the city. It is at the end of the transit system. We come today with a team that we believe has solutions that can help guide the city to help address these location issues. Going to the schedule aggressive schedule, we can use project management to

-- to meet your needs on this. It takes having some of the processes going parallel so that we can have platted lots and construction documents by the end of 2012. But what we think is most important is what we've already alluded to, and the way that our team takes our

-- our local experience and national experience, like on the ten month todd is to engage the public and the private and the community at the beginning. We already have very strong leaders in colony park but we know there are others that we need to identify. We start that at the beginning and that's what ensures near and long-term solutions.

[06:41:09]

>> So how do we make colony park a success? I will share with you four strategies that our team developed that became our internal checklist for success that we also thought we would share with you to illustrate how our prior work might apply at colony park. We believe with a start with the end in mind. First one is the idea that colony park needs to have neighborhood centers that offer jobs and enhance the quality of life there. I will give you examples. These are three prior projects completed that Farr Associates planned and served as architect for. Upper left hand corner is a dream come true. This project started in a church basement in a lower income African-American neighborhood on the west side of Chicago, West Garfield Park. The neighbors got together, identified the missing institutions, goods and services they wanted in their community. We made the list and guess what? You go there today and you will see that list built. Day-care center, job training center, family restaurant, bank, coffee shop, locally owned and operated, a dream come true. That's

-- that's our vision. This project was awarded the ULI Global Award for Excellence in Community Development. The project on the upper right is another

-- another example of how a plan for new development adjacent to an existing neighborhood can lift that neighborhood with it. This one is called Whistler Crossing and it proposed two new

buildings, among other things and we placed them on top of a liquor store which was a crime center and just

-- just a big problem in the neighborhood. So we were able to propose a way to replace and rid the neighborhood of its greatest challenge. In its place, a day-care center, a convenience store, some basic amenities and services. This project got the burnah award for planning excellence and is leed nd certified and the right-hand corner bottom, is called uptown normal, for the town of normal. When your town is called "normal" you have to work a little harder, which they did. So much so that this project won the 2011 epa award for the best new civic space in america. Now, I buried the leed. The truth is all of these projects started with leadership, partnership, and community process. They were all multiyear projects. They needed sustained leadership that spanned mayoral terms, council terms and volunteer activities of the groups and so on but to a project they would not have happened without those
[06:43:51]

three things: Leadership, partnership, an engagement. One of the second strategies we have is to move beyond sustainability which is excellent, of course, to resilience. Resilience being the idea that you want to be ready to handle the things you can't see coming down the pipeline so our time here is blessed with a deep bench on two aspects of this. We've got gail victoria from the center of excellence here and richmond math from the community of deputy sign center, all old friends and farr associates are part of national experts part in designing neighborhoods and preserving energy water and produce low levels of waste but the buildings is half the answer. And scott will talk about the other half.

>> Good afternoon, I am bernstein, part of the center for development and the part on if right is land use exhibit which is location efficiency which in english means locally affordable and convenient and regional accessible. The secretary of urban housing in his term, secretary donovan made a plan in the strategic plan to provide resources which program you are benefiting from, one, is a pledge to make all american communities energy efficient and location efficient. We provided a database and a tool to help analyze how that works. In austin, there are 710 neighborhoods or block groups we have identified. For each of them we identified a host of factors we do affordability. The map on the left is a standard h.U.D. Map of where a median income family can afford their home, where they can keep their cost of 30% of their income. If it is yellow, it is affordable. Most of the map is affordable and austin looks mostly affordable and colony park which the pop up points to is 20% of median households. The map on the right, we created new index to say where can you afford to keep the housing and transportation expenses at below 45% of your income? Notice the amount of yellow has shrunk up, because, in fact, not too many places in austin have the transportation choices yet is that you deserve. And, in fact, in colony park, median income households are spending 48% of their income today on the sum of housing and transportation and households earning 80% of median income which is a fair number of the residents are spending 58%. The plan that we envision would increase wealth of households in and around colony park by reducing those costs of those more reasonable target levels. Taking the map on the left, which shows the current built area footprint and the large vacant area that is the target area, if we densify that area, if we do infill, if we include everyday amenities. My favorite is a grocery store. I can't get over the habit of eating. I don't know about you guys. And things that

-- those things constitute 4/5 of the trips taken in austin. Only one trip out of five is for the journey to work and that's where enhanced transit frequency would make the difference and wed

identified methods of cost effective increasing frequency of bus service and connecting it to your plan light rail expansion. And these maps, then, allow you on the right, to dial down from the current two cars per household to set a goal to some lower number. Now, this isn't just a planning tool. This tool has been used by Fannie Mae in an experimental product called Location Efficient Mortgages that count those savings as extra qualification, not credit and the first five years of the experiment, 0 defaults and foreclosures so counting expense transportation expert pences is safer way and expanding mortgage, we helped hundreds of projects qualify for matching funding from the federal government and state government in the private sector. We have developed transit projects faster. We have made it possible for people instead of taking ten years to save money for a downpayment, to do it as little as two. The bottom line is that these strategies that we are outlining and others we have identified for Colony Park and the city would, in fact, reduce the cost of living and increase your public return on the investment that you are making and money is tight enough, as you know, that these are kind of bottom lines we have to pay attention to. I think if we do this, you will have community satisfaction and fantastic city performance.

[06:48:33]

>> I will briefly talk about money. Five ideas our team brainstormed for benefits that would come to new residents of Colony Park and extend also to the existing neighbors. The idea of one less car in the family reduces \$5,000, saving energy, whens of dollars and to be able to invest in core asset, their home, priceless, to have the ability to walk to services, jobs, doctor's appointment, sat lite location for a community college in the neighborhood, very valuable and the lower right-hand corner we have two market consultants on our time, one local and one national and the slide sum races days of advantage using how to -- of strategizing how to get the first days in Colony Park. My wrap up is we think we are the best team not for abstract project but for this project, Colony Park, with its unique challenges and opportunities and thank you very much for this opportunity to present. Buzzer bust. Present. [Buzzer alarming].

>> Mayor Wynn: Thank you.

>> Mayor Leffingwell: Thank you.

>> Up next is McCann Adams.

>> Mayor Leffingwell: Okay. Fifteen minutes will be set.

>> Good afternoon. It is afternoon, right? Mayor and council members and first let me thank you so much for the opportunity to present today. My name is Jana McCann and I am a principle at McCann Adams Studio and would be serving as project manager for the project. We feel like we are actually in a very unique position to help you fulfill the hopes of the Colony Park neighborhood as well as the Imine Austin, as this slide shows and the boards behind me show the McCann Studio team members have been at the forefront of providing livable and sustainable Austin of the designing and planning and implementation of providing equitable and responsible comms. Notable belong these is Miller, a city of Austin sponsored project, which we have been working on now for more than 15 years. It has been a great privilege doing so, but more importantly, this experience has given us insights into sustainable community design. In fact, our Colony Park team has created and comprised largely of our very successful Miller team. These are individuals and firms with whom we have long-standing relationships and who themselves have such relationships, and very deep knowledge of the city's culture, plans and policies. For our economist on our team who will be performing the market study is Jim Maspok of EPS who

should be a familiar face to you as well. He provided market analysis formerly and created successful financing and implementation plan. Eps also structured many of the city's public private developments such as project green, seaholmnd block 21. In her role as housing advisor, kelly weiss of home base, who is blind these boards somewhere has also helped craft miller's landlord affordable housing program. She will talk about mixed income and mixed use communities to colony park and is working right in the neighborhood with near sendora hills and we have a great sort of home grown green team with nnaal and international reputations. Lady bird johnston wildflower center who are the creators of the sustainable sites initiative and we have emily manderson here representing them and gail of cmtvs will apprise our role of lead sustainable and leed consultant for colony park, advising us on strategies for achieving higher levels of green building and resource protection. Then we have rvi, landscape architects who would be the lead landscape architects on the project and they were in that role at miller as well and barbara austin is here and hdr engineering is also a very much a key player on the green team. Hdr served always lead transportation planning formerly but colony park, we expanded their role to serve as overall lead engineer because of their unparalleled expertise in water resource management, low impact development and ecosystem protection and this team will be led by stewart who is here today. Now I would like to turn the presentation over to my partner, jim adams.

[06:53:51]

>> Jana. Our feel has learned a lot from miller, not only the planning and design but the implementation over the last few years. I think went too fast. As you see on this slide, the six principles which we measure mueller's perform are with the h.U.D. Liveability principles and the vision of imagine austin. We have the opportunity at colony park for the positive lessons we learned at mueller and the other things we learned in further practices of best practices and mueller is a leed nd in the project program and we want to show you the lessons we learned from mueller that would apply to colony park. Mueller in 1996 had similarities to mueller park. It was on the eastside of i-35 and surrounded by neighborhoods that were experiencing decline. Many people thought at that time that industrial was the highest and best use for this site. But the large scale of the site and the master plan that we prepared allowed mueller to establish a new identity for itself. We think that the same can be true at colony park. Like mueller, it can be a catalyze for the revitalization of the surrounding area and provide new activity center with amenities and with jobs. We are really pleased to see the colony park neighborhood will be playing a significant role in shaping the plan for the site, continued involvement of neighborhoods and stakeholders, not only in the planning and the design stages but also in the implementation will ensure we are creating a community of stewards. This has been very successful at mueller. Which want to work with the colony park community to set up the same level of engagement for this project. At colony park, by using some of the same financing tools that we've used at mueller, there is an opportunity to make early open space an amenity -- and amenity improvements that can be transformational. If you all remember what the airport looked like in 2004 and what it looks like today, you can understand that. This will help to create a positive identity for the site and improve the quality of life of the surrounding neighborhoods. While it may not be a regional hospital like dell children's, we would like to work with the city's economic development folks to identify and attract a major employer to colony park early on as part of the planning process. Conventional wisdom in the design of master plan communities has been to separate housing types. Mueller has proven that mixing the complete spectrum of

housing types, from million dollar homes to small lot cottages, town homes and apartments makes for a more dynamic and inclusive neighborhood, giving opportunities for families with children and for folks to age in place. We will be working with the potential builders at colony park to develop a housing program that can respond to the market but also one that will achieve the city's and if community's aspirations for a mixed use community. Colony park has great opportunities for high capacity transit in the future. Cap metro's future, green line, work runs along the edge of the site. Project connect has determined the corridor for brt service but we have to address short' term strategies and we h working with cap met tremendous to do that and the near

-- cap metro to do that and also they have the best walking and biking communities yet seen I and we will be working in that aspect as well. Colony park will also need a central gathering place that can be the heart of the community, where people can easily gain access to retail services, healthy food, recreational facilities and where they can celebrate special occasions. Re going to identify early uses that can bring basic services to the community while building toward the ultimate vision, and we know this takes time and it is a challenge. We are only just embarking on the town center at mueller now after 7 years. Colony park has

-- has

-- can demonstrate the best practices for sustainable design, building on the city's accomplishments at mueller but raising the bar further by all aspects of low impact development and particularly in the area of water resourcemanagement which we will be focusing on.

[06:58:14]

>> So our approach to achieving the triple bottom line is really to work through the intersections of both the h.U.D. Liveability principle and the imagine austin priority programs to achieve it and this doesn't mean trading off one principle or one program for another, but rather it means optimizing and balancing these within the larger framework of environment equity and economy. Our approach has these four key elements. One and first and foremost is working effectively with the community. And, really, and in doing so to really create stewardship for the project. Two, understanding the site and how to create superior benefits, three, is understanding the market to create an implemental program and, four, meeting ambitious schedule which i will conclude with. First is working with the community, and we are excited about the opportunity to work again with a tool called envision tomorrow. It is a software we are currently working with capcog on in the sustainable places project and the nice thing about it is that it has applications or so called apa that is would allow various land use and city goals for projects. The tool includes indicators measuring fiscal impact, transportation connectivity, jobs housing balance, carbon footprint and even community health and human services kinds of densiies sowhat is cool about these principles and the 8 imagine all the programs and we would be able to tweak these applications to eat get the indicators that are most important to the specifics of the site and colony park neigh. We are excited to engage in the et planning workshops and allow the public to see the implications of the scenarios they will create like what is shown on the slide here. I think people really enjoy this activity, the tile experience and it is one way we have been able to get a lot of diverse voices at the table and in real experience, what is your idea about this and if we did that the results will be x and that's the tools of the impact can show immediately of what the decisions will be without committing them and so they are really and so this is something we have on the laptop and we show we have experience in already. Again, this is something the watershed protection showed this and showed far sided recommendations about how to create

superior benefits but colony park is a site that's not just about natural systems. It's also fairly complex human systems. It is our job to figure out how these two can really interfaith and enhance one another. Rather than approaching environmental features as constraints. It views these as assets, most ecological and community. It will create balance between them on the site.

I.

[07:02:06]

>> The first to understand the population demographics, economic drivers and community assets more important, things that are there now that we would like to build on and the community would like to build on and understand the community patterns and growth potential of the market area and we understand the context to which this plan will unfold over some number of years and as we begin with the programming, we will work closer with builders, developers, to understand product types, retail services, how do we bring water to this food desert, program for example, a important piece of this, and then this is something we did successfully in in mueller, where we got to a fine grain of things that would work this and accomplish the objectives of the plan. We will be working closely with the planning team, right from the very beginning in developing this program. I think one of our hallmarks in marking with mccann adams is we integrate the economics and planning andú design work from the very start. We also will be helping to calibrate envision tomorrow which is a helpful tool to see tradeoffs between landing alternatives and other aspects of the probability but it is really project

-- of the project but it is important that it is specific to the project and generalized black box and we use our market inputs to drive the financing and implementation program and we start with that from day one. So we are looking at what can happen on this site, how things might mix in a catalytic way. We are looking at how we get to the end game and the implementation from day one.

>> And so our goal is to deliver the master plan and infrastructure plans and final plat by december 2014 within the terms of h.U.D. Plan. This is ambitious but doable but it will require collaboration and coordination between city departnts and our team as well as great leadership coming from the city and the community. We are proposing two major phases. The first is a six month intensive planning process that would include the market study and would culminate what could be described as a pud oriented master plan that the council would adopt. The master plan would have to, at that point, include enough detail so that our team could work closely with city staff in developing what would be, then, the final ordinance or regulating ordinance for the plan. In this way, we should be able to work in parallel through the next phase much more quickly, and s we are foreseeing, then, an 11 month implementation phase to prepare the form base design guidelines, subdivision plat and what we are calling the backbone infrastructure drawings; that is the design and engineering plan for major parcels and utility and open space and it will allow flexibility for individual builders to develop lotting within this framework over the buildout of the project and so we think it will strike a good balance between meeting the project grant scope and deadline and will be market ready rather than market dictating. Finally, I hope today we conveyed why our team is the right fit for colony park. You can place your trust in us to bring colony park forward in keeping with imagine austin and in keeping with this community, and so we are poised, ready to bring our depths of experience and passion and commitment to you.

[07:05:31]

[Buzzer alarming] thank you.

>> Mayor leffingwell: Thank you. Excellent demonstration of planning on both sides, i should say.

>> Mayor leffingwell: So we will restrict the time ontances to

-- on the answers to 2 minutes?

>> Three minutes.

>> Mayor leffingwell: Mayor pro tem cole.

>> Cole: I noticed you did a fantastic job of being real clear about the type of deal that is at issue and it was in a lower income african-american neighborhood and what is somewhat

-- not everyone somewhat disturbing to me is I didn't

-- even what disturbing to me is I don't see any african-americans on your team. Can you respond to that?

>> Lauren tubes with urban design group. We do have

-- group solutions is our community out coordinator. [One moment, please, for change in captioners] public engagement.

[07:08:04]

>> Cole: I simply wanted to make a point. You both have done an excellent job of planning and transportation and being like mueller, sustainability and all of the things that we as a city hold very dear, but at the same time we want the diversity issue to be front and center and not only because it's the right thing to do and because austin has, you know, adopted an m.B.E.-W.B.E. Program, I don't think you can be successful, no matter how much of the other that you do unless you have some diversity on your team. So I'm glad to hear that you all are doing that. Thank you, mayor.

>> Mayor Leffingwell: Councilmember riley.

>> Narrator: I have

-- i have a couple of questions which I think that I can combine into one. I hope that works, relates to the urban form that

-- that the two teams are contemplating for this area. And first with respect to the general picture of what you might have in mind and with respect to either a

-- a grid or some other general outline for

-- for the infill that would be taking place on this site, that's

-- I see that there is currently residential typical single use residential subdivisions in the area around that. So the question is wouldou expect something comparable to that or something more

-- more grid-like, just a general sense about that. In the end have you given any thought to the connections that would be provided to the surrounding areas, a related question which I hope that you could cover at the same time, would relate to the fact that

-- that our current load looked regulations are

-- we have a process in motion to

-- to overhaul our land d regulations. Alternative approaches to land development, in recognition of the fact that our current land development code presents real challenges for the sorts of

sustainable development that have been described by both groups here today. So the question I

hope in providing your answer about the urban forum, I hope you can answer generally what you might expect in terms of a development regulatory framework that

-- that would
-- that the team would provide to ensure that the
-- that the division would actually come to fruition. Stated in terms of current code, would you expect some alternate form of code. I think that I heard something about a semi p.U.D. General thoughts about whether
-- whether you would be working within the framework of existing code or offering something altogether different.
[07:10:48]

>> Okay, we'll start with the urban form question. I think that what we envision and actually what we have already heard from the community is it will
-- interest in bringing something about similar to mueller, that's a positive pattern, as you know that is a compact and connected and many tentacles out into the adjoining neighborhoods and areas. But this site is
-- has got a lot of really sort of challenging environmental concerns. It's not going
-- it's not as flat as mueller. It will have to be working very carefully with the physical constraints of the sites. So steep slopes, erosive soils, so it may look a little different. I think all of the principles of connectivity and mixing lot types and getting that very much like the mueller development would be probably a goal.

>> I can expand on that. On the urban farm I think we are going to be trying to understand what the market is, what the community's values are in terms of the kinds of housing that people are looking for there. But the goal would certainly be to try to create a diversity of housing choices, one of the livability principles of h.U.D. In terms of your question about the regulatory aspects, given the time frame of this, we're proposing that we create a p.U.D., Which will have urban form regulations specific to this property. And those will be form based standards, not unlike what we've done at mueller. But focused very much on the
-- on the relationship of buildings to public spaces to streets and ensuring that we're creating a vibrant, engaging interactive type of community. I wanted to say one thing about the streets. The most innovative street design in terms of urban runoff, dealing with lid strategies for the runoff on the street and also pedestrian and bicycle safety. The idea of cycle tracks is something that we're now instituting at mueller and something we're very interested in expanding throughout the whole city. City.

[07:13:05]

>> Great. So

-- soance to the question of urban form and street grid, our two trips to austin, we've spent a fair amount of time in the colony park neighborhood. Neighborhood. It is a series of pods that don't connect. We would want them to connect. They are very wide streets. I hope that we would have skinnier streets. The grid will adapt to the contours of the site. It will respond also to the constraints, storm water and water surface features. I think one of the advanced class things that our team is thinking about already are those moments where we don't
-- to sever the connectivity 20 adjacent settlements, we want to connect even in the prepares of a

water course, so we want to have that conversation. Another thing that's innovative I think with our team. We have been thinking about storm water streets, water streets and building them for about 10 years. So we have a lot of experience with that. We need to learn all of the local tricks and how to do it right for austin and we've got with laura we've got the right partner. Another thing that's unique to austin, when your ordinance kicks in that requires new homes to be zero net ready. We believe that has a positive implication on the urban form. That we want those buildings both want them to be oriented correctly, but not to become a mono culture of houses all in a row. So we have been again working on this for 10 years about how you get solar orientation plus beautiful urbanism. The other thing that I will say is in terms of connectivity, one of the challenges that we see with fresh eyes is every institution out there overacquires land. If a school is built they buy 20 or 50 acres, put a building in the center of it with only one approach road, they are a series of mountain top for the tress. The connectivity there will require a partnership to make those connections that are so important.

[07:15:11]

>> To address the coding part of it, I would agree. It will probably have to be something like a p.U.D. We're wrapping up work on airport boulevard form based code and I've been fortunate to be in dialogue with a lot of city departments of what is the code now, what are they looking at in changes because we're looking at division and watershed changes and then as we look at form based code, there's still other ways to approach it. So we've started that dialogue, but to meet the time frame, I believe we will be doing creative things here, it most likely will have to be a p.U.D. Something that defines those more creative ways to address design that will occur. So ...

>> Mayor Leffingwell: Okay. Councilmember morrison?

>> Morrison: Thanks, this is sort of a general question I guess. You all have both teams have terrific experience and of course we're all familiar with mueller and sounds like you've got some great programs and there's a lot of talk about building on that. That experience. I wonder if you might each of you describe any kind of situation where maybe things didn't go so great and so in hindsight lessons learned in hindsight how you could have done things better that might be applicable in the case of colony park.

>> I'll take the first bullet. So

-- so funny how the memory erases, you know, bad memory. So I don't

--

>> Morrison: I'm with you on that.

>> I don't think we're flawless, but we have come up with a couple that are worth sharing. One is in the town of normal, we put the city council on an airplane and took them to other cities so that they could begin to envision, it was new for them. Quite a risk for leadership in that park. We lost about four years in the middle when it

-- our project goat immired with politics. We could have been better at that. We did a master plan for the adjacent, twin city with the city of bloomington, illinois, the tea party got hold of us and never let go. So we are just now waiting out a four year mayoral term and getting started again. So that was we could have communicated better. I don't foresee that's an issue here in austin, but I'm saying

--

[07:17:41]

>> Morrison: No politics over here in austin [laughter]

>> maybe not of that sort.

>> We're trying to remember the bad things.

>> The good thing about up up to normal it became a campaign issue. In this sense, there were candidates standing off with each other, trying to get elected and using failure to be sufficiently committed to the plan we had come up with as evidence that they were not qualified to serve on council. That was quite flattering. It was not a weakness, it was what I was urged to tell you about.

>> Okay.

>> I just want to say something. This isn't a specific project, but after doing work for 30 years in austin, texas, I think all of us as consultants have worked on a project that we believed in and we wanted it to be successful. This project, everybody mentioned it, it really is going to need strong leadership. It's not easy. Sometimes if we're only working at a staff level and a permitting and design level, you can only get so great. So I would say that there's

-- I've been disappointed before when I've not been able to get the leadership from the public and private that we might need. So

-- so I just offer that as sort of a generic thing that occurs a lot.

>> Morrison: Thank you.

>> One quick note from chicago, I helped write the chicago climate action plan and developed the strategy for mayor daly and I would say and so would mayor daly that too much of it was tied to a single person's ability to get something done. That we ran that plan heavily, right up to the end of his term and we didn't plan for the transition. So we lost some time there. Recovered nicely. A year and a half later some things have picked up again. What hurt in that case again was the neighborhood development projects and the place based work [buzzer sounding] because it wasn't under their control as much. I think that you can plan ahead for this. This is going to take time, you've got to stay the course.

[07:20:00]

>> Morrison: Thank you.

>> I think one of the on a really fundamental level, one of the big changes that we would hope to bring forward with colony park that mueller didn't have is the infrastructure approach. So mueller was

-- it's been 15 years, you know, something like that. So a lot of new things have happened. We're now just starting to implement really exciting new low impact development, rain gardens, becoming best practices at mueller. The transportation infrastructure as well, especially the first cycle tracks in the state of texas at mueller. I think there's been

-- we've learned a lot about parks and park design. We're now playing patonk in the mueller parks. But one of the big things is understanding how do we maintain this place? For the next 100 years. Just saying we will do low impact development techniques doesn't sort of stop you. It's not enough to say that. I think from the beginning, even at the master plan plan, the master plan has to incorporate a maintenance, operating manual who is taking care of the landscape, who is taking care of all of these low impact development techniques we're integrating. One of

the things that we did at mueller, I think we will have a real opportunity is engaging the kids in elementary school that's there and really doing a stronger program on creating stewardship from day one with that community through the children.

>> A plan where all of the transformers and all of that

--

>> oh, that [laughter]

>> that.

>> Switch gears.

>> [Indiscernible]

>> we have a lot of new tools now. We have imagine austin. We have, you know, the sustainability office. We have lead md happening at a higher level. Sustainable sites initiative a lot that we can now incorporate into this great opportunity.

>> Mayor Leffingwell: Okay. Thanks to both of you. We will see you next week. We will assume if there are any additional questions we will have that opportunity then, thank you all.

[07:22:10]

>> Thank you. The council will go into closed session to take up two items pursuant to section 551.071 of the government code. The council will consult with legal counsel regarding the following items 70, legal issues related to the zfb limited versus city of austin, item 73, legal issues related to the city auditor, and then pursuant to section 551.074, government code, council the discuss the following items, items 71 to evaluate the performance consider compensation benefits for the clerk, item 72 same for the city auditor. No objection to going into executive session, hearing none, we're now in executive session.

[08:05:29]

>> Mayor Leffingwell: We're out of closed session. [Audio difficulties]

>> Mayor Leffingwell: Any questions we are doing only items 74 and 75.

>> Yes, sir.

>> Mayor Leffingwell: I'll entertain a motion to approve

-- mayor pro tem moves to approve item 74 and 75. Seconded by councilman spelman. All in favor? Passes on a vote of 7-0.

>> Would you also like a brief presentation on the estancia bond sale that would be approved after the bond hearing?

>> Mayor Leffingwell: We can't take it up until we take it up in conjunction with the other items that. Your suggestion get the briefing done now so you can go home? Is that it? [Laughter]

>> no, I plan to stay, i just didn't know if that was

--

>> Mayor Leffingwell: We'll do it later if you are going to be here anyway.

>> Thank you.

>> Mayor Leffingwell: Thank you, dennis. Appreciate it. Council will go back into closed session to take up one item, council will consult with legal counsel regarding item number 70, legal issues related to zfb limited versus city of austin and pursuant to section 51.074 of the

government code council will discuss the following items. Items 71, evaluate performance and consider compensation and benefits for the clerk and item 72, same thing for the city auditor. If there is no objection, we'll now go back into executive session.

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[09:58:14]

>> test test test this is a test,.

>>

>>>

[10:01:44]

>> Mayor Leffingwell: We're out of closed session, in closed session we took up legal issues related to item 70, personnel issues related to items 71 and 72. And noting that item 68 and 69 were withdrawn. So mr. Guernsey, I believe all of our zoning cases are consent, are they not?

>> Mayor and council, it would be helpful to have more councilmember.

>> Mayor Leffingwell: Well, yeah. We had him and lost him, but he's coming back, I'm sure. Okay, go ahead.

>>> Thank you mayor, council, greg guernsey, planning development and review department. Let me walk through the items I believe we can offer for concept. The first item is under the 2:00 zoning neighborhood plan amendment items. These are the zoning public hearings that are open and there's possible action. The first item that I would like to offer is item no. 78. C814-2012-0160 - 211 South Lamar Boulevard Planned Unit Development, the neighborhood requested a postponement to augu 8th, THE

-- THE APPLICANT Has agreed to the postponement to augu 8th. So I would offer that as a consent item to postpone ITEM NO. 78 TO AUGUST 8th: Item no.79, C14-2012-0100 - Woodland Commercial Park - Conduct a public hearing and approve an ordinance amending Chapter 25-2 of the Austin City Code by rezoning property locally known as 1640 South IH-35 (Harper's Branch Watershed) from community Staff is requesting a postponement to the june 27th agenda. Item no.80. C14-2013-0012 - Hopper For the property located at 9710 and 9718 anderson road. I would offer it for concept, but I believe you have one speaker. Is cindy baron in the chamber? Cindy baron in the chamber? She's signed up neutral. She's not here. So

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[10:03:59]

>> well, then I would offer that as a consent item. This is a rezoning request. To general commercial services mixed use conditional overlay or (CS-MU-CO) combining district zoning. Staff Recommendation: To grant general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning. Zoning and

-- Ready for consent approval on all th readings. 81. C14-2013-0020 - oak creek village - approve second/third reading of an ordinance amending chapter 25-2 of the austin city code by rezoning property locally known as 2324 wilson street staff is requesting a postponement to the june 27th agenda. Still working on signing agreements with the neighborhood and covenants to that effect. Item no. 82.

-- Okay, I have a request from the applicant on item no.82, c14-2013-0025 - spicewood springs homes - conduct a public hearing and approve an ordinance amending chapter 25-2 of the austin city code by rezoning property locally known as 4101 spicewood springs road for a one week postponement. That would be to 6/27.

>> Mayor Leffingwell: Applicant's first request.

>> I believe it is the applicant's first request. 83. C14-2013-0034 - ross-conley lot 1, I.L.P. - Conduct a public hearing and approve an ordinance amending chapter 25-2 of the austin city code by rezoning property locally known as 3447 northland drive (shoal creek watershed) from -- the applicant's request for postponement to june 27th. And then item no.84, c14-2013-0058 - cedars montessori school (east) - conduct a public hearing and approve an ordinance amending chapter 25-2 of the austin city code by rezoning property locally known as 9528 and 9600 circle drive , this is a zoning change request to limited office neighborhood plan or lo-np combining district zoning.

[10:06:00]

Recommendation: To grant limited office-mixed use-conditional overlay-neighborhood plan (lo-mu-co-np) combining district zoning. This is ready for concept approval on all three readings. Finally number 85 c14-2013-0059 - cedars montessori school (west) - conduct a public hearing and approve an ordinance amending chapter 25-2 of the austin city code by rezoning property locally known as 9704 circle drive (williamson creek watershed; slaughter creek watershed-barton springs zone) from rural residence-neighborhood plan (rr-np) combining district zoning to limited office-neighborhood plan (lo-np) combining district zoning. Staff recommendation: To grant limited office-mixed usitional overlay-neighborhood plan (lo-mu-co-np) combining district zoning. And this is ready for concept approval on all three readings.

>> So the consent agenda is postpone items 78 until AUGUST 8th, POSTPONE ITEMS 79 UNTIL JUNE 27th, CLOSE The public hearing and approve on all three readings item no.80 to postpone item 81, 82 and 83 UNTIL JUNE 27th. Until close the public hearing and approve on all three readings items 84 and 85. And noting that --hat

--

>> 77 will probably be discussion.

>> Mayor Leffingwell:77 discussed with the related items later. I will entertain a motion to approve the consent agenda. Councilmember riley so moves. Seconded by councilmember spelman. All in favor say aye.

>> Aye.

>> Mayor Leffingwell: Opposed say no? Passes on a vote of 7-0.

>> Thank you, mayor and council.

>> Mayor Leffingwell: With no objection, council, item no.37 has no one signed up. Pulled for just a question by councilmember martinez.

>> Martinez: Thanks, mayor, this should be very quick. Veronica I'm sorry it took so long to goat to this day. I did want to ask a couple of questions just to get them on the record because i did get some calls from a.C.C., Board of trustees, jeffrey richard on this. This is our disparity

study that helps us establish goals for m.B.E./W.B.E. Participation, I understand from ms. Lara that the county is interested in using this study. There is language that would allow other entities to use the study to establish goals but it does also allow them to add to the study if there is a procurement area that we may not have within the city such as buses or buying textbooks, et cetera. If they added that to the study, they would cover the costs of that portion of the study. And so a.C.C. Is equally interested and willing to fund any portion and just wanted a clarification on the record that they are able to join in and that we will reach out to them and make sure that they understand the process moving forward.

[10:08:51]

>> Veronica lara, director of small minority business resources department. You are absolutely correct councilmember, there is an opportunity for a.C.C. To join in or any other entity that has not expressed interest to this point. We devised this solicitation with just that in mind. It would open the opportunity up to our community entities if they are interested. The city of austin is procuring the disparity study for the city of austin purposes and the bulk of the disparity study. But there is quite a bit of overlay between the vendors that the city of austin works with and other entities in the community. If another entity wishes to enter into an agreement with a consultant for additional procurement areas, they are certainly welcome to do so.

>> Martinez: Do you know if other entities like central health who is going to move forward with teaching hospital, would be interested or have we talked to them about whether or not they would use our disparity study to create m.B.E./W.B.E. Program with their projects coming up?

>> We did reach out to quite a few, we reached out to capital metro, central health. At the time that I spoke to central health, which was probably about three or four months ago, they weren't interested in joining at that time. As you mentioned, we did receive interest from travis county and from aisd and i think that they are seriously considering moving forward with the contract.

>> Martinez: Great. Thank you. I appreciate you guys work on this. I know there's still some outlying questions being brought to us, but you and i are in dialogue about that. So look forward to getting the study done and improving on our minority participation and everything that we do. So move approval, mayor.

>> Mayor Leffingwell: Motion to approve by councilmember martinez. Seconded by councilmember spelman. Let me just say that I'm glad to see that you are able to get the veteran owned business in on these same programs, too. Which is a new addition. For consideration. All in favor say aye.

>> Aye.

>> Opposed say no. Passes on a vote of 7-0. Item no.15 pulled by councilmember martinez, no speakers.

[10:11:11]

>> Martinez: Mayor, I just pulled this item to make one amendment, I will defer to one of the main sponsors for a motion and then I will make a friendly amendment.

>> Spelman: Mayor I move approval of item 15.

>> Mayor Leffingwell: Councilmember spelman moves approval. Seconded by councilmember martinez. Let me just say that

-- that I'm

-- I'm one of the sponsors of this proposal. However with the additions that have been made, likely to be made, I don't feel there's been adequate time to explore the secondary effects of that.

Particularly the costs. I have never in my eight plus years on the council abstained from a vote but i can't vote against it, because I believe it, i sponsor. But I can't support it because I don't believe that the homework has been done on it. So I'm going to abstain.

>> Martinez: So certainly respect that, mayor. I think the homework that was done for me was adequate because it was brought to us at the extreme high end of what the cost would be and not the actual cost, which to me is minimal when we're talking about an already 300,000 plus dollar expense as drafted by adding this amendment, it's a minimal increase and so -- so my friendly amendment would be under parental leave benefit, there should be a yellow form in front of you, councilmembers. For item 15. This is under part 1. Number 2 under parental leave benefit. It would simply be to strike the entire first sentence and then add the word paid before parental leave. So it simply creates the program as a direct benefit to an employee regardless of where they are in their leave pool if they add a child via birth or adoption to their benefit roll.

[10:13:20]

>> Mayor Leffingwell: I appreciate your comments and your confidence in the numbers. I will only say that councilmember spelman's staff and my staff worked in conjunction with city staff, particularly financial staff, for about a year to come up with what was really a well thought out, delicate, compromise and, you know,not the perfect, but something that kind of took everything into

-- everything into account, the costs and the benefit itself. So I do feel that this is kind of a last minute set of changes and so I can't support it for that reason.

>> Spelman: Mayor?

>> Mayor Leffingwell: Councilmember spelman.

>> Spelman: I accept the friendly amendment. I would like to point out. I think what all of us already know. It took a year before we had a fiscal note on the earliest construction of this resolution. It took a little bit longer to get a fiscal note on the second construction of this, the one that is before us now with councilmember martinez's amendment. One of the reasons why it was originally constructed the way it was was because it was easy to get a bomb proof estimate of what it would cost if we required all of the employees to use up all of their annual leave and sick time before being eligible for taking advantage of the family leave what do we end up calling it, parental leave. It was not possible to come up with a precise estimate if we did not require people to use up all of their leave first, and I think that's the source of the mayor's concern. We can't get a precise estimate. This is one of those cases where I think we have to try it and see how it works. If it turns out this leave is too generous at this currents level, we can always consider in the next year cutting it back to requiring people to use up all or some of their sick time and annual leave in advance. I don't believe that's where we are. I believe that the budget office has done a good job of estimating as conservatively as possible how much it's going to cost. I think it's a reasonable estimate. I think we ought to work with what we've got.

[10:15:22]

>> Mayor Leffingwell: All in favor of the motion say aye. Councilmember morrison?

>> Morrison: Yeah. I want to thank councilmember martinez for bringing this up because i think that it's really critical. We got some emails from folks and just thinking through the unintended consequences, if we don't open it up and make it available so that people don't have to exhaust it, because if you think of, you know, I'm thinking of a scenario of a mom who takes her family

leave and has purposefully exhausted all of her vacation and sick leave, so that she can access the -- this paid parental leave, the situation she's going to be in when she comes back is having absolutely no sick time available to her. When your kid goes into daycare, sometimes you experience lots of colds and your kid experiences colds. So it just really becomes an untenable situation for new parents in the city. So I think this is a good improvement. I think we'll have the opportunity to ask staff to bring a report back to us in a year to tell us the -- after the first year how much it costs and as the sponsor said, if we can adjust it if we need to.

>> Mayor Leffingwell: All in favor of the motion say aye.

>> Aye.

>> Opposed say no. Passes on a vote of 6-0 and show me abstaining. Item no.18. Pulled by councilmember spelman.

>> Spelman: Mayor, I don't believe there are any speakers, I just had a couple of questions.

>> Mayor Leffingwell: No speakers.

>> Spe LORRAINE CAN I Ask you a question? Two questions. First one is do we have -- have we decided which departments will be moved into the space on lake austin and the space at silicon labs?

[10:17:33]

>> No, councilmember, we have not. That decision won't be made until we finish the design of the new council chambers and determine how much space is needed and then we will look at costs and that will drive the decision on who will move.

>> The costs will drive the decision on who will move.

>> The costs will be one except of the decision. Component of the decision.

>> Spelman: What are the other components likely to be?

>> Space, amount of space needed for the council chambers.

>> Spelman: For the chambers themselves.

>> I mean for the councilmembers' offices and thens are thinking that there could be additional conference rooms needed for the additional councilmembers.

>> Spelman: Who is going to making that decision.

>> That will be made by the city manager.

>> Spelman: Okay. At some point, since the decision will be made by the city manager, let me address the

-- the assistants city manager who happens to be hear on that. Anthony who is going to be a party to making that decision?

>> You got it. It's on.

>> Good.

>> It was on.

>> I think the city manager with his executive team, in conjunction with the appropriate departments will come together and make the best decision based on the information that's provided to the team at that time.

>> Spelman: Let me add a group for you to consult with on that. That would be us. We have, as you know, five direct reports to the city council. The municipal court clerk and the presiding judge of the municipal court. For obvious reasons the primary constituency of the municipal court have to be the citizens who go to court. It makes sense for them to be off-site, otherwise this building would be a total zoo, it's an entirely different class of things that they do over there. We have three district reports, city manager, city clerk, city auditor. For those three direct reports

to maintain good accountability with us or closely with us, I believe it's important for them to be in the same building as us. More important, I may feel differently about this than other members of the city council, but one way or another, the council has got to I think ought to be consulted in any decision as to who is going to go where because particularly for that lonely group that ends up in lake austin boulevard, they're going to be a long ways away and we're not going to see them very much. I would hate for that to be somebody who has to be directly accountable to us on a daily basis.

[10:20:16]

>> I understand.

>> Spelman: I move approval of 18 and 19.

>> Mayor Leffingwell: Councilmember spelman moves approval of 18 and 19. We do have a speaker on 19. Second on that?

>> Second.

>> Seconded by councilmember martinez. All in favor say aye.

>> Tovo: I have questions about this, too. I'm looking at the questions and answers, still unclear on a few things here. Sounds like it's not really clear yet which departments might be housed in which facilities and I guess I'm wondering about the advisability of entering into a lease at this point without being clear on which departments might or might not utilize that space. It with a seem to me depending on

-- it would seem to me depending on who is moving out of city hall they might be better located not next door to city hall, but they might be better located closer to the convention center if for example some of the employees are economic growth and redevelopment services, we already have employees in that department elsewhere. Can you talk me through some of the considerations why we would lease space without having a very concrete sense at this point of -- of what the

-- what the global plan is?

>> Yes, councilmember.

>> The timeline is driving the decision. We have to have the few council chambers ready, the new councilmembers' offices by the end of 2014. As we were going back in the planning process, we realized there's really not enough time to do the design work, permitting and relocation of the staff, demolition of the

-- of the space and then the

-- the new buildout. The only water is to simultaneously do a couple of the tasks at the same time. One of the things that we need to do is go ahead and try to tie up some space. Usually at this point we've been

-- we've been talking to lcra and to the silicon lab folks and the space, in order for them to

-- to think about taking the space off the market for our consideration, they needed to know that council was going to

-- back the decision. It's only to negotiate and execute.

[10:22:41]

>> Tovo: As opposed to? Whatted it be other than negotiate and execute, what would be left to do?

>> Specifically when I bring it to council we are closer to execute because when you lease space there's finishout considerations and we have a lot more information. I'm just trying to let the

-- let the landlords know that there is an interest and then we can enter into better negotiate once we know who is moving. Because the

-- some of the space designs will have to be based on who is moving.

>> Tovo: But today we're not just authorizing to go and negotiate. We're authorizing you to go and negotiate and execute. So

--

>> councilmember, sue edwards assistants city manager. One of the things that we have to look at, we have to move people out of this space in order for us to begin renovating this space. In order for us to move the people out of this space, we have to have a space for them to go to. That had already been planned, designed and ready for those individuals to move into. So the first step really is to do the space planning, which we intend to do immediately after you approve these two leases and we will begin space planning and that will

-- will entail looking at the staff at both one texas center and city hall. And we need to do that space planning and move those individuals out before we can even begin to look at renovating city hall. So that's the reason that we're doing that now. We need them out first in a workable situation.

>> Tovo: On we're looking at 14,000 square feet plus 27,000. Almost 28,000 square feet. So that's what, 42,000 square feet and I mean some people might look at this and say well you're adding four councilmembers with staffs of three, so you're talking about, you know, you're not talking about a huge number of people we're adding. So can you give me some sense of what we're looking at at one texas center. That's a lot of square footage. If this is just directly stemming from additional councilmembers and their staff

--

[10:24:51]

>> no it's not.

>> Tovo: The piece that we don't have much information about is the one texas city staff.

>> If you have been over to one texas center lately, they are almost sitting on top of one another with boxes in the halls. In addition to that, they have some vacancies that they could fill, but they don't have anyplace for those individuals to sit. So we are looking at

-- at right now who would be, which departments might be the most

-- eligible to move to some other space, so we can open that up enough to have individuals be hired where we have vacant space and we have anticipated new staff for next year and we do not have any space for new staff at one texas center.

>> Tovo: So if the one texas center staff, we're talking about 16 members and staff, I can see that anybody in this building might be best placed adjacent to city hall because they work closely with city hall. But one texas center folks then would seem likely to move to lake austin.

>> That's correct.

>> Tovo: Then I guess that I would like to know why that location would be preferable to some of the others that you listed as alternatives.

>> One of the reasons is that the city of austin owns that property. And we have first option on the lease of the building. Lcra owns the building. It is a good price and it is a good location and a straight shot from city hall down sixth all the way down. So it is very convenient, and we had the option to lease it and we took that option.

>> Tovo: I think some of the other properties you were looking at were at ben white. Was that -- was the lake austin determined to be less

-- I don't have the numbers right in front of me, was that determined to be more cost effective the lake

-- the lera option

--

>> I will let lorraine answer that. But one of the things that we looked at also was that a number of staff

-- at one texas center come to see us maybe two times a day. And the farther away we get, the more trips and the more driving back and forth they will have to do. So what we're looking at he is individuals and staff that really do come to austin

-- to city hall frequently and trying to

-- trying to eliminate a long drive back and forth.

[10:27:17]

>> Tovo: I see. Is the general game plan at this point that the csc space would be used for departments displaced from city hall and the lera space would probably be used for the staff displaced from one texas center?

>> That's correct.

>> Tovo: Okay. And are there any city owned properties that could accommodate any of these? Staff like the convention center or any of the other buildings, the new austin energy building that's being constructed on riverside?

>> There's no space that is available at this time. The convention center parking garage that we just won the lawsuit on, there is space, but it's down to raw dirt. So that's going to take a lot of time to plan and plumb and finish out and there's a big price tag, so we're hoping to get somebody else to come in and

-- and pay some of that expense to help us finish that out.

>> Tovo: I see. Okay. Thank you.

>> Mayor Leffingwell: Councilmember riley.

>> Riley: That last comment, you are talking about the ground level space in the garage.

>> Yes.

>> Riley: Which is separating the garage from the street, actually pedestrian oriented use. You are saying we are contemplating office use for that space?

>> Right now, it's under the waller creek plan supposed to be pedestrian oriented use. So we haven't quite got that far. We did bring something to you that the convention center was leasing to the convention center bureau, which is for retail and event use. The other space we are still looking into what uses will best fit into that space. But we are looking at what the

-- what the waller creek plan wants us to use that space for.

>> Riley: That would be

-- that would require some further council action

--

>> yes will be bringing that back to you.

[10:29:19]

>> Riley: In order to allow office use in that space.

>> We don't know if it's going to office use. But the plan asks for it to be retail. The waller creek plan.

>> Riley: Right, right. That's why I was surprised to hear

--

>> she just asked if there's any space available.

>> Riley: I would not consider that space available for an office use.

>> I just wanted her to understand

--

>> Riley: Okay.

>> She did say specifically convention center earlier. [One moment please for change in captioners] here at silicon labs it's 28 garage spaces for 28,000 square feet, so about one space per thousand square feet. So far more parking at lcra than here. Is there an expectation that this -- expectation that some employees in silicon labs might be using the city hall garage?

>> Yes, sir.

>> And that's good to hear, I mean, because we know that that is something we're used to something. We have a parking cash-out program which we're continually working on and we can make that space available to the public. So that brings me to the spaces at the lcra. When we got the quote of 2293 per-square-foot at that building, was that one fixed bundle that includes

-- you said it included

-- it was full-service rate that includes all operating expenses. You didn't mention anything about the parking. But I assume parking

-- is parking bundled into that or

--

[10:31:21]

>> yes, parking is. It's an asphalt lot and it kind of lays on kind of a campus setting. This space is actually the

--

>> riley: I'm very familiar with the space. I was just asking about the contractual terms. Were there options about how much parking to secure, or is it one flat fee, you pay that fee and they determine the amount of parking that comes with it?

>> That's

-- yes, sir.

>> Riley: So if, for instance

-- for instance, if we wanted to pursue any kind of a parking cash-out program so that employees might have the option of giving up their parking space in exchange for some sort of compensation, is there any way that we would be able to return the spaces

-- to not make use of the spaces and somehow get compensated for that, or are we just stuck with that flat number of spaces?

>> That's something that i could definitely take back and negotiate with them.

>> I would hope that we would

-- might be able to put that on the table for negotiation, that

--

>> yes, sir.

>> Rather than just assuming that we will have one plat ratio of parking and that's it, and that's always going to be the way it is and people are going to drive, that as we grow as a city and this is a location that is well-served by transit lines, that we might aspire to reducing auto dependence and correspondingly we would ha diminishing need for parking and it would be nice if there were some way that that could be accounted for in the

-- in the amount that we're paying, because to the extent that we use less parking over time, it's that much more space that the lcra could make available to other employees or the public. And so that would be very helpful to have some mechanism within the contract that would allow for an adjustment of the amount we pay to the extent that we wind up using less parking than we do from the outset.

>> Yes, sir. I'll get that.

>> Riley: Thanks.

>> Mayor leffingwell: All in favor of the motion say aye.

>> Aye.

[10:33:22]

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. Item 19, one person signed up to speak. Scott johnson. Scott johnson is not here. So council member spelman?

>> Spelman: [Inaudible]

>> mayor leffingwell: Council member spelman moves approval. I'll second. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a votef 7-0. We'll take up 24 and 32 together, related items. No speakers signed up and let's see.

>> Morrison: I pulled

--

>> mayor leffingwell: You pulled it? Okay, council member morrison.

>> This is a bike share program and I'm excited we'll be able to make some progress here. I have a question. Apparently it was discussed at a downtown commission. Maybe I'm off on that, but anyway, a question was raised about whether there are age limits and whether kids are going to be able to use these, and I wonder if you could talk a little bit about that. I think the concern is that there may be instances where family might want to be able to access the bikes to get from one place to another.

>> Howard lazarus, public works. The intent of bike shares is providing an alternate means of transportation, so it's primarily oriented towards adult users. There's only one size bicycle, and the check-out is done by either pass or credit card. It's oriented toward those 18 years of age or older. It doesn't preclude parents from checking out a bike for fa members. You can check out up to four bicycles at one time. But the primary intent is to be used for short trips of a mile or less.
[10:35:28]

>> Morrison: Well, I'm thinking of watching families ride to barton springs or something. I see a lot of them on the way. And so are you saying that if a family has children that can ride the size of bicycle that we have, there's not an age exclusion, if thearent checks them out?

>> That's correct.

>> Morrison: Okay. Great. That's just what I wanted to make sure. And then is there any -- i understand that this company has systems in other cities. Is there any place where they do smaller size bikes?

>> Not to the best of my knowledge. If there's a demand there i guess you can reasonably expect in the future that it will come forward, but not right now.

>> Morrison: And do

-- is it reasonable to expect that all adults, no matter what their size, can ride the same size bike?

>> I think that's a reasonable assumption.

>> Morrison: Maybe we could ask one of our colleagues on the dais here. I'd love to hear your thoughts on that.

>> Mayor leffingwell: Council member riley.

>> Riley: If I may, I have used these same bikes in a number of other cities and they're always adjustable. The seats

-- it's very easy to adjust the seat to go up or down and you do that in seconds. It's just a little knob that you turn on the post to raise it or lower it. Now, in turning this, i think kids might have trouble, but for adults it's no problem at all to adjust the size of the seat.

>> Morrison: A smaller adult to a larger adult?

>> Riley: And I would say the issue has come up about kids not being able to use those, but this is

-- I do expect that that's something we might see some advances on in the future because the topic has come up in other cities, and the b cycle system is in use, that is the predominant system in u.S. Cities, and that's what san antonio has, for instance. And so I think they will be right on the forefront of any future advances, so I'd hope that we might see some progress on that in the future.

[10:37:30]

>> Morrison: Great. And I am encouraged to know that there's no exclusion that would keep someone that's 16 or 14 that's with their parents checking it out, from riding the bike. Thanks. So with that I'm

--

>> mayor leffingwell: Taken separately. One is an ordinance and one

--

>> morrison: I'l a motion that we approve 24 on all three readings.

>> Mayor leffingwell: Council member morrison moves to approve item no.24.

>> Second.

>> Mayor leffingwell: Second by council member spelman. That's all three readings. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. Council member morrison.

>> Morrison: [Inaudible]

>> mayor leffingwell: A motion to approve item 32, seconded by council member speaks man. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. We'll call up item no.51. We have a number of speakers twawld pulled by council member morrison but we also have speakers. Council member morrison.

>> Morrison: I wonder if i could ask a question of staff first just to get cleared. I appreciate getting a lot of questions answered and the one thing that has a risen is the issue that if there's a contract then

-- for transportation services, this does not apply. That's covered elsewhere, if I understand it correctly. And one of the issues that came up is why don't we say that explicitly. I believe

-- it's my understanding that the utc had suggested that we actually state it explicitly in the ordinance.

>> Gordon darrell with the transportation department system director. There was discussion. I believe one of the staff members may have brought that up, but the issue of prearrangement kind of by definition, if you enter into a contract, that's arranging beforehand an activity, so we really didn't feel it needed to be explicitly called out. There's been discussions, staff has discussed with a number of folks that, you know, it's our view that that contract would serve as prearrangement and therefore we didn't really need to write it into the ordinance.

[10:39:53]

>> Morrison: Would there be any problem with including it in the ordinance?

>> , You know, it's just

--

>> morrison: Legally would there be any problem?

>> I'm not an attorney so

--

>> morrison: Oh, but there's one approaching from behind you.

>> Cross by, city of austin law department. It can be added. Preferably we'd have a definition so that there would be no loopholes in that definition and anybody could come up with a contract of any sort, but it's something that could be added to this draft.

>> Morrison: I guess especially in our transportation code and regulations, I've run into situations and we've had long discussions about what certain language means, and so it would be much more comfortable for me if we're explicit about it rather than having to, you know, six years from now come back and find this tape where somebody confirmed that, yes, in fact, a contract was not, and if, in fact, you're saying that it needs to be defined carefully so that there's no loopholes, well, it sounds to me like maybe we should define it so there's no loopholes, because otherwise we're going to be having disagreements and it's going to be up to staff to be making the judgment call. So to me it makes sense to do that. But I would be happy to -- well, actually before i finish, if we were to ask you to do that, does that mean it couldn't be approved on all three readings today?

>> No, no, ma'am. It could be approved, just depending on how you would like to add it as a draft and however the council votes. I mean, I think that the definition could follow something that's similar to what was in the staff's memo to the hotel association, talking about the corporate contract concept.

>> Morrison: Okay. Great. Thank you.

>> Mayor leffingwell: All right. We'll go to our speakers. William carter. William carter. How about kevin flawhive. All right. So you have to six minutes.

[10:42:12]

>> I don't want six minutes [chuckle]. So I signed up in support of this. A friend of ours who's always been a mentor and adviser to myself and to christy, I was talking to him on the way to council this morning and he said that several council members had said, why is billie always mad? And that hit me hard because if you know me, my friends and my coworkers will attest to the fact that I'm an easy going guy, and I have a good disposition and I have

-- i see things on the bright side almost to a fault. So I apologize if my image to council is that I'm always mad, because

-- and that's what defines me at council, but I'm going to try to change that perception. And I generally support this ordinance as it's proposed, and I'm so appreciative to the staff for helping

us work with this and for all of your

-- your staffs for working for us to try to come up with a good solution. The

-- including the language "by initial regulation" addresses our chief concern reducing that

-- that the

-- there was going to be reduced efficiency for the airport shuttle system by imposing a 30-minute minimum on the initial reservation and allowing other passengers at that location to subsequently get seats on any available vehicle, and we certainly appreciate you working with us on that. We thank you for doing that. I still remain concerned about that

-- the corporate contract exception, and it sounds like, council member morrison, that you are too. I'd really like to see that defined in the code, and if we're able to do that, then we've got a good workable plan that will be good for the city of austin. And thanks for working with us in this process to find solutions, and kevin flayhive is our attorney if you have questions or definitions or anything you need help with, he's available to answer that. Thank you so much.

Nega t udasi.

[10:44:39]

>> Good afternoon, mayor, council members. My name is nega tadasa. I'm a lone star driver, and I cam today to support item 51, and I read it very well and this will stop some of the things we've seen on the road on the weekend working with seeing a lot of illegal cabs. We don't even know who is legal and who is not at this time, because when I was flagged by a customer, there is always somebody cutting me who doesn't have any sign on it and pick up my customer. So I hope this item 51, if it is passed, it will help enforce the laws that we have and then I wish we have more enforcement on the streets. And I'm glad that transportation commission recommended this item 51 and please support it. Thank you.

>> Mayor leffingwe: Michael ozudi.

>> Good afternoon, council members. My name is michael ozudi from lone star. I came to support the item 51. And I would like to talk about 50 of our citizens tonight because on saturday, or weekends, you have some of these shuttles that i think it would be nice to describe or to design exactly who is shuttle or who is taxi, because some of them have the headlines, but have taxi on it, some of them have shuttle on it. So I don't know whether they are shuttle or they are taxi because I hope, and I think that the shuttle is supposed to be pre-booked, while taxis are the one that you call on the street, but on the weekends you see all these guys running around just like we do picking up passengers, and there is a lot of risk in it because that carries some

-- people being killed or kidnapped in this cab and they think they're in a real cab. They might think it's a lone star. It's just a cab

-- they don't know what is green or blue or yellow or white cab, but they saw taxi. But the cab driver will be in trouble, or maybe a lone star cab driver. So I would be

-- I would be very, very happy if the city can look into this case at least to make sure there will be a distinction between the shuttle, cab and those illegal cabs, because there should be at least the police to understand and watch around who are the real cabs, and it would be nice for them to have their numbers and their exact definition of what

-- whether they are shuttle or whether they are taxis, because it's confusing to the customers who are the cabs, and again, the worst is they take passengers and, you know, they're getting money according to each passenger, so they charge them one by one according to the passengers, but we charge for one, but they have six passengers in the van, they charge them one by one. So this is also very

-- protection for the taxis because they might think they're cabs, and it's also for the city, because we don't have to make our own
[10:48:37]

[inaudible]. So the last is it would be also very important that you would look into this because it's dangerous for the people as well and for the business. Thank you.

>> Mayor leffingwell: Next speaker is abraham jalo. Abraham jalo. Abdul [inaudible] adjed mohamed. Malaku casa. Malaku casa is not here. That's all the speakers that I have signed up wishing to speak. Entertain a motion. Council member riley.

>> Riley: Maybe mayor, before we get to that if i can just ask one or two more questions of staff I'd appreciate it. Gordon, I want to thank you for providing the questions and answers that we've gotten and just for the record, I'd hope that those will be made available on-line as part of the questions and answers. I see it's not there right now, but at some point i hope we will get that, because what

-- it's essentially a frequently asked questions list that goes through a set of questions about this item, and so it would be great to have that recorded on-line permanently. And some of the questions included are some of the same ones that we've been asking, including the issue that council member morrison was discussing about contract services, and generally the main answer, one significant point there is if a hotel contracts with a

-- with a shuttle company, then there is no need for a

-- someone staying at that hotel to wait 30 minutes because there's already a pre-arrangement there with that shuttle provider. And another question that has come up and did make it on to the list relates to what happens when you have a shuttle pulling up

-- or pulling away from a hotel and there is

-- the passenger comes running

-- a stranger comes running up who does not have a reservation but there's space in the van and they'd like to get on, the issue in the past

-- we've been told that in the past the shuttle drivers were told that, no, they could not accept that because they had not pre-arranged their particular service, even though the whole service has been arranged, and the thatthe answer we have in writing now the prearrangement has been met, as we required, the prearrangement has been made. So when that van is there and has an extra space, and someone is standing around, they can jump on because the space is there and the pre-arrangement requirement has been met. Is that accurate?

[10:51:39]

>> That's our interpretation.

>> Riley: Okay, and I think that's fairly straightforward as a result of the language, but I think it would be helpful to have that questions and answers available on-line. So I hope we can take care of that.

>> We can do that.

>> Riley: Thanks for all your work in pressing all these questions.

>> Mayor leffingwell: Council member morrison.

>> Morrison: I'd like to move approval with the hopes that there will be an amendment.

>> Mayor leffingwell: Motion by council member morrison to approve on all three readings.

Second?

>> I'll second.

>> Mayor leffingwell: Second by council member spelman.

>> Spelman: I have an amendment, however. Not unexpectedly, although the frequently asked questions list will probably handle this, it's cleaner if we just put it in the language. And I'd like to amend that first definition, prearnlgd presrngd exclusion, means ground transportation is scheduled by an registration one half hour in advance, excluding corporate contract. I'd like to add that back.

>> Is that a friendly amendment to you?

>> All right.

>> Mayor leffingwell: That's part of the motion. Any other comments? All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. On all three readings that language is

-- do you have the language that you need? All right. So next we're going to tackle a bunch of related items in a certain order and order will will be

-- this is the order we'll take motions and vote on. We can have discussion on all of them at the same time. But items 6564 and 64, 77, 90, 52 and 76 in that order.

[10:53:46]

>> Okay.

>> Mayor leffingwell: Yeah.

>> I'm just calling he is assistance yeah. So we have no citizens signed up to speak. On 22, 52, 76 and 90, 64 and 65, signed up as previously closed. And let's see. So I'll entertain a motion on item no.2. This is negotiation execution of the development agreement. That was motion by council member morrison. Second by mayor pro tem. Any discussion? All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no, passes on a vote of 7-0. And now we'll take up items 64 and

-- see how similar those are. Take up item no.64 and 65 together. They're both ordinances.

>> Cole: I move approval. Mayor, I move approval of item 64.

>> Mayor leffingwell: This is second and third readings.

>> Cole: Both readings.

>> Mayor leffingwell: Of item 64 and 65.

>> Cole: Yes.

>> Mayor leffingwell: Is there a second?

>> Yes.

>> Mayor leffingwell: Second by council member morrison. In favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. So now we'll take up item 77. No speakers on that. That's second and third readings of the pud ordinance, I believe. Council member spelman moves to approve on second and third read reading, second and third reading.

Discussion? For say aye.

[10:56:09]

>> Mayor leffingwell: Aye.
>> Aye.
>> Mayor leffingwell: Opposed say no? Passes on a vote of 7-0. This is the order that I was given. Next is to conduct a public hearing on item 90, which is
-- there's no one signed up to speak in the public hearing. So I'll entertain a motion to close the public hearing.
>> Cole: Close the public hearing and move approval, mayor.
>> Mayor leffingwell: Let me see. I don't
-- it's just the public hearing. Just close the public hearing. Mayor pro tem moves to close the public hearing, seconded by council member morrison. All in favor say aye.
>> Aye.
>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. And ite 52. This is the ordinance on assessment. Council member morrison moves approval on all three readings, seconded by council member spelman. Discussion? All in favor say aye.
>> Aye.
>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. And that brings us to item no.76, and that may have been inadvertently wiped off the screen, but we go back to it now.
>> [Inaudible]
>> mayor leffingwell: Oh, it is. Item no.76 is the bond sale.
>> [Inaudible]
>> mayor leffingwell: Council member spelman moves to approve on all three readings.
>> Cole: Second. Second second ed by mayor pro tem. In favor say aye.
>> Aye.
>> Mayor leffingwell: Aye. Opposed say no.
>> [Inaudible]
>> mayor leffingwell: And i believe that's all of them. So going in order, we can take up item no.86. Item no.86, there are several folks signed up to speak. Stewart hersh?
[10:59:03]

>> Mayor and members of the council, my name is stewart harry hersh and like most in austin I rant. I'm here to support the staff recommendation for the action plan for they've once again done a masterful job of balancing community priorities in an era of decreasing federal investment. For the second time this sently and the second year in a row we are not allowed to plan for strategic use of local funds as part of the action plan process, so I'm asking you to consider beginning with next week's council agenda the following questions and my proposed answers. Can we change the downtown density bonus program so that we I density in private investment and generate revenue affordability in the neighbors near downtown. Yes, we can. Can we change the planned unit development ordinance in the coming months so that we achieve superior development and additional revenue for housing affordability, [speaking in spanish] yes, we can. Can we reestablish a code enforcement budget goal of 90% of cited properties are in compliance within 90 days or subject to orders and penalties from the building and standards commission?
[Speaking in spanish] yes, we can. Can we reestablish goals for timely processing of smart

housing zoning, subdivision, site plan and building permit reviews and inspections while maintaining acceptable review and inspection standards for market rate development? [Speaking in spanish]. Yes, we can. And if we do all this, can we ask voters for less bond money in an election that may occur one year after most who voted said no to housing affordability bonds but yes to a women's and children's shelter and all other proposed bond items, and once again I say, [speaking in spanish]. Yes, we can. As always, I'm solely responsible for the contents of this message.

>> Mayor leffingwell: Very good. Catherine stark?

[11:01:14]

>> Good afternoon, I'm used to saying good evening. This is amazing. My name is catherine stark. I'm the executive director of the austin tenants council. I'm in support of the action plan, and as stewart just said, it makes planning very difficult when the federal dollars and the city dollars are separated. We used to go through the process where if the city was going to put some funds into it, it was done at the time of the action plan. Now the action plan happens and months later the city budget happens. And it makes planning much more difficult, so I would, you know, request that you consider that. The renters' rights assistance program is scheduled to get 241,580 this year, and I'm requesting that the city put as much

-- I think it was the enterprise fund, I'm infect sure which fund it comes out of. [Laughter] the \$16,483 additionally into the budget. It would give us a slight increase if you kept the city funding the same as it was last year because the hud money went up. As you know, we have over 70% renters in town now. We have a big push by code enforcement to go after substandard housing. On the flyer code enforcement hangs is the austin's tenants council number to call for assistance, so we are being inundated by people that are having housing problems, on top of the fact that we're probably 98% rented right now, which makes housing very, very difficult. So I'm requesting that you consider that in the budget process. Thank you.

>> Mayor leffingwell: Thank you. Charles clotman?

>> Thank you, mayor, council. Charles cloutman with the chair of the housing coalition. I want to let you know we're for the draft action plan. Once again housing has done a great job, stewart just said, what's in not in there obviously is the local part of this, and the discussion tends to get segmented with two parts to this budget. The home repair program needs to be funded, again, I've been up here many years now asking for \$3 million every year. To date the best we've been financed is 1.1

-- 1.4 million. So we would ask that we be adequately funded during the budget. I know that's not this session because of the games tonight I will be brief, and thank you very much.

[11:04:01]

>> Mayor leffingwell: That's all the speakers I have signed up. I'll entertain a motion to close the public hearing.

>> [Inaudible]

>> mayor leffingwell: Council member spelman so moves. Dies for lack of

-- oh, council member morrison seconds. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. Item no.87. There is -- I'll entertain a motion to withdraw this item.

>> Cole: So moved.

>> Mayor leffingwell: Mayor pro tem moves to withdraw, and I will second. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. Item no.87 is withdrawn. We will conduct a public hearing and consider an ordinance for no.88 and 89 together. They are related. This is relating to helicopter facilities. Have a number of speakers signed up. Council member morrison.

>> Morrison: I just wanted to

-- do we have staff here? Yes, great. We had a conversation, and staff has provided actually two yellow copies, two yellow versions. It's really the bright yellow version that you need to be looking at, and what staff has done is that they have provided language to include here for me that i am going to be proposing that will hopefully align the ability to appeal, if you have standing to appeal, then you'll actually get notice, and thank you for being here and waiting a long time. Could you point to the actuaages for us that are

-- we'll be changing?

[11:06:09]

>> I believe on your version it's page 20. And section13-1-181 (d invent invent

-- dc, the two

-- that say within ten days of receipt of the administrative complete application, individual notice shall be delivered by mail to property owners, tenants and utility users within 500 feet of the proposed helistop and to property owners. Tenants and yutle users within the proposed helistop 64 leq decibel noise contour as modeled by the faa noise model.

>> Morrison: So the intent was as we discussed before, you said that, oh, yeah, you always expected people within the noise contour to be notified. I'm

-- I wanted to make sure we had tenants and not just property owners, and actually I think maybe staff can help us with this. When we do notice, if we want tenants included, do we usually just send it to utility customers? Do we actually need tenants and utility users to accomplish that in our code?

>> Jerry rusthoven planning and development review. No what we say, utility records, that covers everybody who has a utility account.

>> Morrison: So really i could just say the proposed

-- let's say property owners, tenants and utility

-- property owners and utility customers?

>> That would work, i believe, yes.

>> Morrison: Okay. So I'm going to change it to property owners and what I'll propose, and utility customers in both places. Take out the tenants and utility customers instead of users. And I know

-- I saw some email conversation between you and our barton hills neighborhood representative melissa hawthorne, and she had some suggestions too. Can you talk a little bit about what

-- did you include those suggestions in here?
[11:08:13]

>> Yes, it's the one

-- no.2 right below that, where they wanted to take public comment period, on the date of required notice has been provided and in 14 days they want to change that to 30 days. After a filed application of administrative

-- is administratively complete in all aspects. The reasoning why is melissa was saying they could hae the applicant actually come to one of the neighborhood association's monthly meeting and having that 30 days allows that opportunity.

>> Morrison: I see. And do you see a problem with that just in terms of the usual flow of helicopter applications that come in?

>> We pushed it out to where we want the applications in six months in advance of the actual event, and that pushes it to about three weeks before the event, but that still gives enough time for staff to know where the helistops would be and to work with those applicants to make sure they're educated on where each helistop is and how to follow noise abatement-type procedures. So it does allow time.

>> Morrison: So it would be feasible.

>> It pushes it but it allows it.

>> Morrison: All right. And then I have one other question. Category 3, applications, they can also be appealed; is that correct?

>> That's correct. It would follow the conditional use permit process.

>> Morrison: So that's why there's

-- is there no notice process in here for category 3?

>> That's correct. It follows chapter 25, yeah.

>> Morrison: Great. So it's really only category 2 as you have here?

>> Category 1 and 2, yes.

>> Morrison: Category 1 can you appeal?

>> No, I'm sorry.

>> Morrison: Right. Okay. Good. Thank you for your help on this. So I just want the speakers to know that I'm probably going to be making those amendments.

>> Mayor leffingwell: First speaker is david king.

>> Good evening, council. Thank you for the opportunity to speak to you about this proposed ordinance, and to me this

-- this is a great example of a problem that the community has, and then stakeholders getting together with the city staff to come up with solutions that address the interests of all the stakeholders, and in this case I am with the zilker neighborhood association, and this certainly was a good process for us to be involved with, and we learned a lot from it. And this ordinance before you tonight is superior to what we have on the books. It brings a lot

-- addresses a lot of the concerns that neighborhoods have, and i think it will make the process work smoother and better for all the stakeholders involved. And, you know, this is

-- this will just be the first major changes in years, and we can learn from this, and then make it better next year if we find any problems with it. So I just recall last year with f1, having so many helicopters flying over the neighborhood continuously for that weekend, and, you know, I just

don't want to make a big deal again about it. I just want to remind everyone that that's why this is important. What we're here for today, it does help the neighbors. It will help the neighborhoods, and it's already paying dividends. We're already working with an operator who wants to do good. He wants to be

-- fly friendly past so that they avoid neighborhoods, and he wants to operate in a way that respects neighborhoods and things that are important to other stakeholders. So this has been a good process for us, and I'm glad to see all the involvement of the operators and learn from their needs and concerns and issues as well, and I hope that you will support this proposed ordinance tonight, and thank you very much for your time.

[11:12:03]

>> Mayor leffingwell: Pierre rio. Is pierre rio here?

>> Mayor, council members, good afternoon. I am a member of the zilker neighborhood association, and I would like to first thank council members tovo and morrison for their leadership on this issue. In particular for having co-sponsored a resolution last november to begin the process of clarifying and enhancing the city code with regard to heli-facilities. A thank mayor leffingwell, mayor pro tem cole, council members martinez, riley and spelman for having joined in the unanimous vote in support of that resolution last november. I enthusiastically support the proposed ordinance, or ordinances, both of them, which I think are responsive to the council's unanimous call to address, among other things, appropriate limits heli-facilities, advance notice to and feedback from the public, criteria for approval of permit applications, and compliance with fcc circular

-- or the fcc circular regarding noise control and compatibility planning. I think many people will be watching to see how the new ordinances work in practice during the next fl so that needed adjustments can be made to the ordinances next year. And I believe the notice issue that council member morrison astutely noticed at the working session has been addressed. The only other comment i have is I understand from speaking with mr. Harbinson that in practice the aviation department provides notice to the austin neighborhoods council, which can then distribute notice to all of the neighborhood associations. I think that's a very good idea, and perhaps that could be included in the language of the ordinance. And I misspoke. I have one additional comment. There is a heading, the heading to section 13-1-188, which is on page 28. The caption should be changed to "inspection authorized." Because the

--

[11:15:27]

>> mayor leffingwell: Please conclude.

>> That section no longer addresses structural integrity, which is now addressed in other sections. Thank you.

>> Mayor leffingwell: Thank you. That's all the speakers that we have wishing to speak on items 88 and 89. Council member morrison.

>> Morrison: Thank you, and I do want to comment in response to the issue of the austin neighborhoods council. They actually

-- their boundaries cover the whole city so they didn't notice everything, I believe. Maybe jerry can confirm that for me. If you've got

-- when we have

-- when we're talking about notice of any neighborhood association within 500 feet, if

-- that just says if your boundaries include any area within 500 feet you're going to get notice?

>> That's correct.

>> Morrison: So that means anc is going

--

>> anc has registered the entire city as their neighborhood.

>> Morrison: Yes, so have other negotiations.

>> So have others, that's true. [Laughter]

>> morrison: And then i wonder if I could ask staff about the comment on 13-1-188, and the suggestion that the reference to structural integrity may be no longer applicable? Do you

-- have you had a chance to look at that issue?

>> I would agree with that, yeah.

>> Morrison: So would you think that it should just be inspection authorized?

>> Authorized.

>> Morrison: And end right there? Okay. So, mayor, I would like to make a motion thate approve this on all three readings with amendment.

>> Mayor leffingwell: Both ordinances?

>> Morrison: Both, yes, both ordinances, with amendments, and let me just make the main motion like that and I'll do the amendments one by one in case there's any issue to

--

>> mayor leffingwell: You can include them in your motion, if you want.

>> Morrison: Okay. What

-- what the heck, I'll move all of them. So my motion is going to be to approve both ordinances on all three readings with the amendment to no.89 in section 13-1-188, that that title just be "inspection authorized," and nothing else. And then in the section as specified by staff, for the category 2 notification to add that section 2 within ten days to the receipt of an administratively complete application, individual notice shall be delivered by mail to property owners and utility customers within 500 feet of the proposed helistop, and to property owners and utility customers within the proposed helistops, 65 leq db noise contour as modeled by the faa noise model. And one other amendment as part of my motion and that is in the following section, part 2, to change 14 days to 30 days.

[11:18:26]

>> Mayor leffingwell: Is that your motion?

>> Morrison: That's my motion.

>> Mayor leffingwell: Second by council member tovo.

>> Morrison: And if I could just speak

--

>> mayor leffingwell: Council member morrison.

>> Morrison: I just want to thank everybody involved, the staff, the aviation staff, to be able to pull these folks together. David, it's so cool to have you down here supporting something that

we've done. Thank you for taking

-- for everybody taking the time and for the operators, i guess they're not here tonight, but for being willing to sit down and really try and find a good way to make helicopter operations happen in the city. I really appreciate it.

>> Mayor leffingwell: All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no? Passes on a vote of 7-0. That's all three readings, items 88 and 89. Item no.91.

>> Mayor, on item no.91 the staff is going to request a postponement for one week to june 27.

>> Entertain a motion to postpone item 91 until june 27. Council member morrison so moves, seconded by council member spelman. All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0. And I believe that takes us to the last public hearing item. We still have a briefing item. We have one speaker on item no.92.

>> Item 92 is conduct a public hearing consider ordinance amending city code chapter 25-2 relating to the use of classification of electronic prototype is assembly in the electronic testing in the downtown and mixed use and central zoning district. We had a zoning hearing last year oof of west street where they were requesting cs zoning because they wanted to allow the electronic testing, prototype assembly uses. Therefore, they're requesting cs zoning. The neighborhood was opposed to the cs zoning but supported dmu, which is a more intense category but which didn't allow those two uses. So the council agreed to the cs zoning but also initiated a code amendment to allow these two uses in dmu with the thought that the

-- with actually the agreement with the applicant that he would

[11:20:44]

-come back and rezone the property at dmu after the code amendment was done. We brought the code amendment back to council to allow the dmu and at the time we were told to go back and [inaudible] cbd as well as in dmu so we've taken it back through the planning commission process. The planning commission asked us to work with the fire department which we have, and we now have an agreed upon ordinance with four additional conditions. The proposed ordinance in front of you that would layoff electronic type of assembly as conditional uses and the cmu and dmu zoning districts. However, if the following four conditions are met, then those two uses would be permitted uses in cbd and dmu zoning districts. Those conditions are the building, electronic type a semmably be located in a single tenant building not including pedestrian oriented uses on the ground floor but the building in which the electronic testing uses are located must less than 90 feet in height, that the building in which the electronic prototype are contained do not contain residential uses and finally the that the proposal tight testing used do not require ochapter 25-12, of the building code. With that I'm available for questions. The planning commission recommended approval.

>> Mayor leffingwell: Council member morrison.

>> Morrison: So why the 90-foot in height? Is that a fire department issue?

>> It was not a fire department issue. I think it would probably address a single situation.

[Laughter]

>> morrison: All right.

>> Mayor leffingwell: Must be an inside joke.

>> What it is is the building in question is not over 90 feet so we're pretty much restricted to a

single

-- well, it would restrict it to meet the case in need of the amendment.

>> Morrison: And in any case it can still be a conditional use?

>> Yeah, there would be a conditional use as long as those four conditions were not met. Yes.

>> Morrison: Got it.

>> Mayor leffingwell: Okay, one speaker, david king.

[11:22:48]

>> Thank you again for the opportunity to speak to you tonight on this topic. My name is david king from the zilker neighborhood association. I'll be very brief. I think it's important for this change

-- this new use to be conditional use from the get-go, and then

-- and then see how it works out and then come back and make it a permitted use later on, maybe a year or so down the road. I just think it's important with the risks of this, you know, chemical fires, other kinds of risks and dangers, that the

-- that we let it

-- we try it out for a year or two as a conditional use and then if there are no problems with that make it a permitted use with those four conditions that were

-- that were discussed earlier. Thank you very much.

>> Mayor leffingwell: So if there's no fires within a year, you would be okay, huh?

>> Due to a

-- you know, electronic testing.

>> Mayor leffingwell: I see. All right. Those are all the speakers that I have signed up to speak.

>> Cole: Mayor, I move approval and to close the public hearing. Move approval of the ordinance and close the public hearing.

>> Mayor leffingwell: Mayor pro tem moves to close the public hearing and approve the ordinance on all three readings. Is that a second by council member spelman. Any discussion? All in favor say aye.

>> Aye.

>> Mayor leffingwell: Aye. Opposed say no. Passes on a vote of 7-0.

>> Thank you.

>> Mayor leffingwell: So without objection, council, we'll stand in recess until approximately 6:30. And then have our last briefing. .

[11:29:58]

(Cofa9-27-12.Ecl) ♪♪ ♪♪

[11:37:19]

>> it is time for live music at austin city council. Long-standing tradition here, we invite local artists and groups to come down and play for us. We pay them a pretty good salary for it. [Laughter] joining us today is esta vato. Este vato is an original 8 piece latin fusion band based here in austin, musical brain child of brothers oscar and rocky rana. Their sound can be a blend of english and spanish lyrics from many styles from cummia to rock and hip hop and ray gay and everything in between. Este contributes the brother's experience taste and various contributions

as key to the originality. So please let me welcome este vato. Take it away. [Applause] note. ♪♪
♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪ ♪♪
[11:42:18]

>> thank you very much.

>> Good job.

>> Who is oscar and rocky? The spokesman because this is a chance to put in a plug for yourselves. Tell people where they can buy your music, where they can see you play and so forth.

>> You can look us up at [indiscernible].Com and we are also on facebook and we have an ep coming out in the next month. It's a five song ep recorded here in austin called jalapeno business and it is supposed to be funny. You can laugh. [Laughter] and I would like to introduce the members of our band. This is ricardo laura on accusety and reyes rena and rocky rena on bass and frank our percussionist and frank, the bass and we have oscar and oscar rana, we are missing one member, rene chavez.

>> Mayor leffingwell: Let's give them a hand.

>> I have a proclamation to read in your honor. Where it be known as that austin is blessed with many talented musicians whose talent extends to every musical genre and whereas our music scene thrives because austin audiences support good music produced by legends, local favorites and newcomers alike and whereas we are pleased to showcase and support our local artists.

>> Now, i, mayor lee leffingwell, the mayor of the capital music of the world grant june 20, 2013 as este vato day here in austin, texas. Thank you, guys.

[11:44:20]

[Applause]

>> thank you very much. [Applause]

>> mayor leffingwell: You joe katherine? I am lee leffingwell. I will read the proclamation. Here in the united states,, we, as everybody knows, are a nation of immigrants and some would say -- I would say that applies to refugees, also. So we are very proud of our tradition in welcoming all as a statute of liberty says, to the united states of america, so we have a proclamation today honoring world refugee day, which reads be it known that whereas, the local observance of the united nations annual world refugee day

-- world refugee day is being held at the bob bullock museum in honors of the unique journeys of refugees living in austin and whereas we join many local organizations in welcoming refugees, many of whom havead to flee their homelands due to human rights abuses to their new homes in central texas and whereas we are particularly pleased to acknowledge those who are being sworn in during the naturalization ceremony that is part of today's festivities. We are proud that these refugees have chosen to become official citizens of the united states. Now, therefore, I lee leffingwell, mayor of the city of austin, texas, do hereby proclaim june 22, 2013, as world refugee day in austin, texas. So with that, let's

-- you can clap on that one.

[11:47:21]

[Applause] the proclamation is accepted by joe katherine quinn who would like to say just a few words.

>> On behalf of austin's refugee community and all organizations that serve the refugee community, thank you for proclaiming world refugee day. Recently a friend of cara toss informed us the work we do is not rocket science. It is much more complicated than that. The work of connecting with other humans who have survived war and torture, to help them reclaim their lives is anything but straightforward. And the work the refugee does as they begin a whole new life in a completely strange place, well, I am not sure what to say about that. But I hope I never have to do it. There are two primary agencies in austin that resettle international refugees. Refugee services of texas and caratofs of austin and there are other important authors in our efforts, interfaith action of central texas and english at work, both of which teach english as a second language. Services to refugees in austin are comprehensive and include: Case management, basic needs, orientation, and employment. Last year, our community collectively welcomed 970 refugees, which included 244 children. They were from 62 countries, speaking 35 different languages. Ninety% of this population -- 90% of this population will receive full community integration and stability. Our community is enriched by their presence. They weave the riches of their cultures into ours. They adapt and embrace austin, texas. They embrace austin. They embrace texas and american culture. They become we, and we are so happy to have them living here. Thank you.

[11:49:41]

[Applause]

>> jo kathryn. Don't forget to take a picture.

>> Mayor leffingwell: So this is our communications department, public information office serves, as we all know, a crucial role in keeping our residents informed and sometimes in keeping us informed. As a city, we are, of course, involved the texas municipal league and a branch of that organization is the texas association for municipal information officers, referred to as tamio. Tamio represents 215 texas cities and each year gives out awards for the best achievements in municipal communications or marketing. So this year, I know this is -- a lot of you are going to be surprised. This year austin almost swept the field.

[11:52:07]

-- Swept the field. [Applause] so this year, austin won the following tamios, first -- tamis, first best website for the grand prix f1 website. You is say we literally lapped the competition. Good. You are laughing at my jokes. I like that. Best media elses, particularly with the city's work during the media during the f1 event, best use of social media for the city's twitter account, you can say hash tag, it's great. They did a great job. Best one time special event for bringing the community together for imagine austin the way forward. It was a very comprehensive win for us. That was funny, too. [Laughter] it is a little bit of an inside joke, but it was a joke. The silver star award for the animal center's free id tags, marketing campaign, this award, in fact, gave us pause. [Laughter] and the one report that didn't end up being recycled, austin resource recovery silver star award for their annual report. And also, a silver star award for the public works department public service announcement, the video called "the jerk." And you can find that one on your tube. A special thanks go out to sheryl lambert for coordinating the entry of these awards into the competition. The city was also recently recognized for the public technology institute, an organization that actively supports the technology needs of local

government executives. We won the following awards: A technology solution award for the austin police department's digital vehicular video project. And a technology solutions award for speak-up austin, which is an online platform or residents to contribute ideas for making austin better. These accomplishments symbolize the outstanding work our staff does to communicate with our residents in different ways and congratulations to each one of you and your departments for this achievement. Thanks for representing austin so well. So here to accept the certificate is chief of communications director doug mathews, and, doug, if you don't mind, I think all of these are the same.

[11:54:58]

>> Yes.

>> Mayor leffingwell: I want to read it and then we will pass them out. Certificate of congratulations for having received 7 top awards from the texas association for municipal information officers and two nationwide awards from the public technology institute, the city of austin public information professionals are deserving of public acclaim and recognition. A statewide tami awards are organized

-- recognized achievements in communication and marketing encompassed

-- encompassed the work of writers, photographers, videographers, media relations and website personnel, everything from the humor of tweets and website annual reports, community events, and educational campaigns. The national honors where technology solutions award for apd's digital vehicular video project and speak-up austin.Org, promoting community engagement and transparency in local government. These successful programs speak to the high caliber of the city's public information professionals and reflect on their passion and commitment to keeping residents informed and engaged. This certificate is presented with our congratulations and appreciation for their fine work on this 20th day of june in the year 2013. Congratulations, doug. [Applause]

>> I will keep it short. As we talked about the recognitions that we got this year, there were a couple of things that really stood out to me. One is something that we have been stressing for a number of years now, which is the importance of the partnerships that we have with the departments. Most of these awards are indicative of partnerships that we have with departments and folks in those departments that help me get

-- help us get these things done, and the other is a little

-- a little softer, which is we try to encourage each other to have fun every day when we come into work and we try to encourage each other to approach what we do with a sense of humor and the other thing I noticed is a lot of things that got recognized are things where we did let ourselves come through, where we let our personalities come through and we showed our sense of humor. I think that's important. Just because you work in government doesn't mean that you can't enjoy working in government.

[11:57:35]

[Laughter] if that

-- let me qualify that. If you are not elected and to

-- to the one follower of our twitter account that's out there today. [Laughter] who reposted one of our tweets and asked us if we were drunk, the answer is no. [Laughter] we just try to have fun when we are posting stuff for the council meetings, so I want to thank everybody for making this possible. [Applause]

>> mayor leffingwell: Thank you all. Congratulations. [Applause]
[12:00:57]

>> Riley: Last one. I am chris riley from the austin city council. The mayor mentioned an award that gave us pause. I want to mention another celebration that's about giving us pause, a lot of pause this weekend

-- paws this weekend and that is, love your rescue pet day, and this is about the cats and dogs and other pets that we love and enjoy so much here in austin. Austin is a city that loves its pets and the last couple of years we have been especially proud for austin to be the largest no kill city in the country. We have been setting historic records with
-- with what we have been doing with pets here in austin. And that when we say no kill, what that means is we are consistently saving at least 90% of the animals that become homeless here in travis county and come into the shelter. That's quite a feat and the city does not do that on its own. It's very much a group effort. The city of austin partners with about 120 animal welfare groups that make no kill possible including animal shelters, rescue groups and organizations that provide better veterinary services for pets in need. For the past 27 months, since achieving no kill, the animal welfare community took in almost 15 now pets from the city shelter and found them good homes. The same time caring families in our communities adopted almost 18,000 pets directly from the city shelter. All together, there are more than 30,000 pets that will be especially loved this weekend when we celebrate love your rescue pet day and recognize the efforts of this community that made these happy endings possible. There have been an awful lot of people involved in that. As I mentioned, hundreds of rescue partners. Thousands of people choosing to adopt pets each year and of course I have to mention the efforts of abigail smith and everybody else in the animal services department who works hard in collaboration with other groups and families who are so dedicated to making austin a no kill city and keeping it that way. We have representatives of the major groups here. I want to read a proclamation we are presenting in their honor. It reads as follows. Be it known whereas, love your rescue pet day is a celebration of pets that have been rescued from lives of abandonment, neglect, cruelty or just plain homelessness. Whereas celebrations and adoptions will be taking place at local shelters, and whereas
-- whereas out in the community, volunteers will be raising money for rescue pets and talking to the public about what they can do to love a rescue. And whereas, austin's rescue groups, austin animal center, local businesses and supportive volunteers have enabled austin to become the largest no kill city in the nation and have saved many, many shelter pets that might have
-- pets that might have been a grim statistic. I, therefore, I lee leffingwell, mayor of the city of austin proclaim june 22, 2013, as love your pet rescue day.

[12:03:51]

[Applause]. I want to especially recognize the
-- some of the key groups that have made this possible. They include the aspca, austin pets alive, the austin humane society, the animal trustees of austin, and emansipet and I know each of them is celebrating this day as others and i want representatives to say a word about this day and how they will be observing it this weekend. Does anybody want to come up and say anything about what you will be doing this weekend?

>> I have the grapping voice, sorry, I have laryngitis. But animal trustees on this saturday will

be spay and neutering probably 35 animals and doing special surgeries on animals who have broken legs and tumors and whatever else comes through the door that's some kind of an emergency as we do every saturday. So we don't have a special event planned for this saturday because we will be doing the work we do every day but we are grateful we have been a part of this city and helping people for 20 years. This is our 20th anniversary and we are pleased to be part of this and more than happy to help the rescue groups in austin keep their animals healthy and all the people who adopt from the shelter, help keep their animals healthy in their homes. We are very grateful to be here. Thank you, chris, for happiness and abigail.

>> That was the mccullough from

-- ellen from animal trustees of austin. Anybody else want to introduce themselves.

>> I am francis from the austin humane society and from everyone at the austin humane society, all of the people and all of the animals, we couldn't be more honored to work in a community that values its animals the way austin does. So thank you to everyone in austin, city of austin, abigail, our council for making austin a community we can celebrate as no kill. This weekend we will be celebrating with a special photo booth for every adopter, so they can take very very first pet, their first of many pictures with their first pet and we will also be waiving adoption fees to encourage lots of babies to go home. Thank you.

[12:06:20]

[Applause]

>> hi, I am ellen jefferson with austin pets alive and i echo what was already heard tonight. This is a very exciting day and it is great for austin to be the leader of love your rescue pet day. I think that it speaks volumes what we have been able to accomplish as a city with the city council, city staff, animal welfare organizations and most importantly, the citizens who have opened up their homes to these rescue pets and that's what this day is all about, is celebrating those pets who have become part of a family and we are at

-- at town lake animal center, we will be having adoption events. Lots of cats there for adoptions. Foster homes are bringing their cats in and rescue groups will be bringing their pets and so we will have multiple groups having their pets for adoption and also doing crafts for kids and apd will be out there doing dog demonstration. We are trying to make it a fun day. One special perk is anybody who adopted from austin pets alive before and wants to pick up a special tag with the logo on it saying saved by austin pets alive and you, we are hoping people come by and pick that up to cherish their pet. So that's it for us. [Applause]

>> Riley: Again, thank y'all so much for all of your efforts and making and keeping austin a no kill city. Abigail, did you want to add anything? [Applause]

>> I would just add our sincere gratitude to everyone that's here today, everyone that's adopted a pet, everyone that works tirelessly and puts their own resources into saving animals every day. When I say animals, I do mean cats and dogs but i mean roosters and guinea pigs and goats and ferrets and rabbits, yes, rabbits and without each and every one of the partners that helps the city manage all of the animals that need our help, all day, every day, every year, for years and years in a row, you know, i offer my thanks and my

-- my sincere appreciation for everything that you do. So, again, this is very much in celebration of pets that have been rescued, all kinds of pets that have been rescued but I also want to take a moment to recognize all of you that facilitate the rescue from

-- from the city shelter

-- to the home that they ultimately end up in. So I will give you a round of applause and thank

you very, very much.

[12:08:54]

[Applause]

[12:33:34]

>> we are out of recess and we have one item left on the agenda which is the briefing of the density bonus program. And to make a brief presentation, I heard a consul at that point in the back who I just talked to

-- I know there has been some discussion here about postponing the briefing. That will be your decision, council, but I want to say he is from out of town. If we choose to postpone it until next tuesday, the briefing will be done by video, television. We could do it that way. The alternative is to do it right now. I am assured it takes about 20 minutes and we get it out of the way. Council member martinez.

>> Martinez: I suggest since he took the time to be here, we do the briefing now and if we have questions, we post it for the work session so we can ask staff questions about the agenda item that will be on next thursday's meeting.

>> Mayor leffingwell: I am sure we can do that.

>> Martinez: Thanks.

>> Mayor leffingwell: Okay, so we will go ahead and take the briefing.

>> Good evening, mayor and council members. I am jim robertson of the planning and development review department. I am joined today by my colleague eric dealek who most of you know and rob shlestsky who is an economist and I will dispel one thing you have

-- you have a thick piece of materials and you have background materials at the end of the packet which we will not include today. We included it as additional background to you. I also wanted to let you know that rob and his colleagues liftly in the next day or two, will be finishing the finish

-- will be finishing the touches the report that offers their recalibration efforts and I should have called it the recalibration efforts and it is their intention to have the full final report, their report available on monday. We will get that into your hands. Our intention to get that into your hands and publically post it as well and notify the stakeholders that we have worked with when that goes on to the so it is publically available on the web monday. There is background here and the full report will be coming on monday. Rob is with here for today and we are here on an agenda for a hearing and potential action and since he is from out of town, we brought him here today. I believe he can be available to answer questions on tuesday, that will probably be sri yo some sort of video

-- via some sort of method we talked about.

[12:36:36]

>> Mayor leffingwell: We can use the telephone.

>> And I certainly think it will be wonderful, if you have questions, if we have the opportunity on tuesday, to address those questions. So let's get going here. I am going to give you just a little bit of background. You and I and others have spent plenty of time on this topic over the last four or five years, so I don't think a whole lot of background is necessary. I will then walk you through the ordinance within which the code amendments that you have requested are contained and sort of summarize

-- i have taken the approach of summarizing it via the process that someone would go through if they wanted to avail themselves of this program. I will then turn it over to rob who will summarize both the findings and the recommendations generated by the recalibration effort that they conducted. And then of course if you have

-- if you are in the mood for discussions or questions tonight, we are happy to stick around, but we've also talked about the possibility of

-- of sort of

-- of carrying over questions to the work session tuesday morning. A little bit, just to remind you, upon adoption of the downtown plan in december of 2011, the city council specifically directed the city manager to work on code amendments that would codify the downtown plan's density bonus program. And then in march of this year, council gave more specific direction, directing the

-- that we focus our current efforts on what we characterize as the streamline density program with the idea that it would be followed on

-- on our hey our efforts to bring you the full blown density bonus program shortly

-- hopefully shortly thereafter. I use this chart and up realize it's

-- and I knew when I placed it in here, it is not legible in this form, but it is a good way to just identify the four basic components of the downtown plan density bonus program. The so called gatekeeper requirements and I will give more information on each of these once I summarize the code I will be bringing to you. Then there is the affordable housing community benefits and then there is 6 or 7 specifically listed other community benefits. These are things like publically available open space, higher levels of green building, historic preservation, and then, finally, the -- we've

-- something we have given the title of nonlisted community benefits, that's the title, it reflects the amendments that the council made with adoption of the downtown plan to introduce flexibility to the density bonus program so projects would have the opportunity to offer up for consideration elements of their project that may constitute community benefits, for which they perhaps deservedly should get credit, via the density bonus program. The streamline program we are here to discuss with you today and will bring with you next week for your consideration has three out of those four elements. What it doesn't have and what we will be bringing to you down the road are those six or seven specifically listed community benefits. But the streamline program still has the gatekeeper requirements, still has the affordable housing element and still has the ability for projects to bring forward sort of, if you will, off the menu items of potential community benefits. We identified early on in our process some foundational principles, and I certainly won't go over all of these. I know everybody is interested in getting, you know, through this as rapidly as possible. One of the core that I will draw your attention to here is just the number 2 there, and that's that the essence of they bonus program, the additional bonus density can be shared between the community and the project and that's the central core of the density bonus program and you will see other elements of these principles sprinkled throughout our program. Those remain sort of the north star of structuring our proposed density bonus program for you. Now, the ordinance that you will have in front of you essentially contain

-- it's divided into four parts, i think, but it

-- there are sort of three basic ones. One, it amends cure and this is specifically at council's direction. It amends cure so the cure combining district will no longer be available for a means of achieving additional height or density in the downtown area. It doesn't abolish cure because as you know cure has elements, things have to do with other than heights and density, surface

parking lots and signs and stuff like that, that goes into place but this surgically says that cure will no longer be available as a means of gaining additional height or density within downtown. It also replaces the interim density bonus program. The interim density program is 25286 of the land development code and the density bonus program that was put in place in 2008 and it was always known as colloquial as the density bonus program because it was adopted when we were working on the downtown plan and teachers viewed in place of interim of what would happen in place of the downtown program which is what would happen to the ordinance. The ordinance sets the development bonus fee which is the topic of the recalibration effort that rob will tell you about and sets the ratio of bonus area that a product can get with providing on site affordable housing. There are key terms I will use and these are embedded in the code and these are some of the key terms that we will start to use once this program is operational. Primary entitlement which we called base entitlement but base is sometimes confusing. It is basically the height or the faa law limit that a parcel derives from its current zoning. For most of downtown, say, cb 8 to 4 and there is no for cbd and the next will be the project that it is seeking above and beyond its primary entitlement, either by height or density footage or the two and the fee is what we are using for the fee which can be used in order to achieve bonus area within this program. Now, this slide outlines the basic four steps that any project will undertake in engaging in this program. I will go through these quickly sort of one by one. The first one is a project needs to determine, is it

-- is it in an area of downtown that is eligible to participate in this program? If it is, what are the maximum far or maximum height limits that can be achieved within this program? And that will be, along with the ordinance, we will be bringing for you for adoption this map, which is a carryover from the downtown austin plan, which identified areas of eligibility and areas that are not eligible to participate in the program and then you also see on their maximum fares and maximum heights. This is going back to one of our cornerstone principles that not every location within our downtown is a suitable area to be granting additional density or height. The second step or process to go through will be to meet the gatekeeper requirements and there are three of those, and they are on the screen, substantial compliance with the urban design guide likes and these are guidelines that were drafted by the city design commission and were brought to council and I believe approved as guidance documents by council several years ago. The project will also have to commit to construct great streets improvements, our street scape improvements on all of the public right-of-way street frontages. Then finally, the project would have to achieve minimum 2-star austin energy green building. These are the gatekeeper requirements. Once you are determined eligible, there is the first hurdle that any project has to clear in order to participate in any part of the program. The third element, the third step will be where the project begins to do the evaluation of the community benefits that the project is offering. And because the way this is structured, per what you adopted in thentown plan, a minimum of 50% of the bonus area that a project seeks has to be achieved by providing some form of affordable housing benefits. That's a minimum threshold. There is

-- that's

-- that's not discretionary. Minimum 50% through affordable housing benefits. Now, there are two types of affordable housing benefits. A project could provide on site affordable housing units and we've identified a ratio of sort of how much bonus area would a project get for each one square foot of affordable housing. We've defined what affordable means for purposes of this program and the definitions of affordability are driven straight from the downtown plan which council approved. Eighty% mfi for a rental and 20% mfi for ownership housing for a 99 year

term and a project would also have the option to pay a development bonus fee, which would be devoted to affordable housing. A project could choose to do some combination of the two. The fee will be set by ordinance and updated as necessary. We put it in the ordinance, not in the code so that revising that fee and keeping it current, based on calibration efforts and other things is -- so that that process will be an ordinance process and not a full blown code amendment process. Now, projects that achieve -- that meet the gatekeeper requirements and earn -- achieve 100% of their bonus area by providing affordable housing, those projects can be approved administratively. That's one of the keystone elements that we wanted to make this program as much as possible in administrative program, a predictable program. Now, the fourth step that a project would go through would be the option to provide other community benefits. Of course, once we have the entire downtown plan's density program in place, that would include the possibility of providing on site publically -- publically accessible open space, higher levels of green building, contributing to parks and open space development, historic preservation and so forth. But those are not part of the streamline program, so right now, the only option, other than the affordable housing option right now is that the bottom right corner of the chart, these other community benefits. And let me identify how that process would work. First of all, of course, the project has already had, at this point, provided 50% of the community benefits to apply through the affordable housing mechanism. Essentially what a project would do -- and this is, if you will, an austin menu approach, it is not a listed community benefit. The project could come forward. I say, we'd like to provide a such thing a magig and we want to provide full credit and provide full bonus for that and this is for possibility and for approaches we hadn't thought of and we didn't specifically list. The project would identify the key characteristics of that so the director could make key evaluations. One is the first step, do we believe that this is truly a community benefit. Some of them may not pass that stiff test, if you will, and probably would not proceed beyond that point. But if the -- if it's determined that, yes, there are aspects of this element that our project is offering that really do benefit our community, then you get to a sort of a second level of the evaluation, which is we actually look at the dollar value or the dollar cost of that benefit to the project and -- and evaluate it and say, okay, are we -- we can always assign 100% of the cost of this element. It may be the element benefits the project some but also benefits the public, in which case maybe we would assign something less than 100% of the cost. The way the draft code will be written, that will be presented to you, it provides some criteria so this is not just a totally unguided discretionary decision. It provides criteria for evaluating, making these evaluations. Now, this process of this -- this sort of other community benefit process is not administrative, and that was specifically the way it was written in the downtown plan. I believe, if I am characterizing the intent of council, the intent of council member was that if a project does opt to take this approach, that it would be evaluated at the staff level but brought to the council for evaluation. With that, I would like the turn it over to rob to talk some about the findings and recommendations of the recalibration process, because as you may recall, when you directed us to undertake the streamline program, you also directed us to update and bring into 2013 economics -- the economic evaluation that undergirds this program.

[12:50:27]

>> Thank you and I would like to thank you all for hanging in here and it has been a long day and I appreciate you spending some time, even though I know that the spurs are battling the heat tonight in an exciting game 7. As Jim said, I am Rob Walshesky and a real estate economist with HRMA and we have been involved in the downtown Austin for a number of years and our experience with issues experienced in Austin is rather deep. HR and A. And specifically we are scoped with looking at the opportunity to assess a fee for the bonus density for downtown development. We did not look at the other benefits as a result of the bonus and specifically we're tasked with understanding the potential for a fee structure. Now, there is one thing that underlies our entire analysis, and that's the idea that the bonus needs to be calibrated such that there is sufficient incentive for a developer to actually pursue that density. If we don't leave enough on the table for that investment to be made, there is no opportunity to capture any value out of that additional development and that's a theme that will be reiterated throughout the course of the presentation. When we first came here in 2009, to understand the potential for a bonus fee, and as you know, some things had happened, both nationally and locally between 2009 and 2013. You may recall there was a national recession that affected us all and so part of this process involved us coming back to Austin to understand how has the market changed. What has been developed, what were the economics behind those deals, and how would that impact the potential for assessing fees going forward. So part of that process involved visiting with local developers, property owners, real estate brokers, to get a feel for the on the ground reality and the challenges of developing in and around downtown, so these are the groups that we spoke to get a handle on things like rent costs, construction costs, sales prices or residential product, rental rates for office and understanding what types of developments are coming down the pipeline. And we took that information and we brought in as much data as we could and used that to conduct some financial pro forma analysis, so we are going to talk a little bit about some of the details of that financial exercise. We won't go too far into it as Jim mentioned. There is additional detail in your packet and there will be a report forthcoming that has the more detailed analysis but by using the pro forma tools, we essentially put ourselves in the seat of the developer. If I were to underwrite a development project in downtown, what are the investment thresholds that I am looking for and what is the capacity for the economics of these deals to support or carry the fee and the fee needs to be set so there is sufficient incremental value that, a, the developer will pursue additional density and, b, there is enough value on the table to assess a fee. Also, I want to be very clear that the fee that we are discussing only applies to the bonus density area. So only to that

- the incremental floors that otherwise wouldn't be built without this program. And this is sort of a very simple decision tree that we used in conducting our analysis. There are two key questions that need to be answered before you can start quantifying potential for assessing a fee on bonus density. The first, does the additional density generate additional profit for the developer? If the answer is no, then that developer will not pursue additional density, therefore, no potential for a fee. The second question, does that additional incremental density
- additional value leave enough on the table you can potential fee? If the answer is yes, then we go through that to understand what it is that
- what is that particular dollar amount. Now, there are instances where additional density doesn't necessarily lead to additional profit for a development. There is this perception that no matter how
- if you give a developer as much density as they can, they are just going to make more money. That's not necessarily always the case. Oftentimes when you start building taller, the cost of construction goes up to a point where you cannot recover that with additional either sale prices or

rents. Sometimes there is not enough market demand to support that amount of space. So, for example, if I am an office developer and I am constructing, you know, a project downtown, I have a short window of time until my bank loan comes due and I want to make sure my building is pretty fully leased before I have to pay back that note. So if all of a sudden you are looking at a building that's too large and you are sitting half vacant, it makes it challenging to pay back the debt on your project. And then, third, often times, you know, there are development projects that can hit their investment hurdles within as of right

-- as of right zoning. And so we looked at three different development prototypes in 9 locations downtown. They were residential, office and hotel. As you look out the window here, there has been clearly significant amount of development that has happened downtown in these years, predominantly in these asset classes. First use we looked at was residential and what we found and as you are well aware, there is a strong demand for downtown living here in Austin, and as a result, sales prices and rents have just been increasing at a fairly steady rate over the last 10 or 12 years. As a result by providing more density, there is an opportunity within that asset class to realize more value, especially in the world of residential real estate, as you have a building higher, you are leverage to view premiums and others that you would have to a community development. And the authors

-- what we look in coursing through the market data here in downtown Austin is that it's cheaper to buy an existing class a office building than it is develop one ground up. So that suggests that the economics of developing a new office building are pretty thin, which makes it challenging for those types of projects to actually underwrite. In the hotel world, from a development perspective, this asset class is one of the most challenging to you, develop, own, and operate. It is very cyclical. You are managing your property on a day to day, if not hour to hour basis, and this is one of those product types where oftentimes

-- unless you are considering a convention hotel where your business model is provide large room blocks to serve your convention facility here in downtown, hotels that are not affiliated with a convention program typically try to keep their room counts relatively contained and there is a reason for that. If all of a sudden you add another 10 or 20 or 50 rooms to your hotel program, you want to make sure you are keeping what is called heads on beds. You want to be able to rent out those rooms for the night and as a result, you push down your rates. So if you push down your room rates, all of a sudden your margins get thinner. That's why the Marriotts and Hiltons of the world tend to have a typical program that works for them. They found a model that is generally applicable to most cities and

-- most cities and so oftentimes, a hotel at the standalone use is not the most likely candidate to be pursuing additional density development. So through all of our market research and conducting our financial analyses, what we found is that residential projects are the one asset class of development that are

-- that consistently produce a higher rate of return, the taller or more dense the project becomes. So what fell out of the process for the recommendations for the density development fee? Yes, we see it is an opportunity for residential development projects to absorb some of this additional cost associated with the density bonus. Whereas office and hotel, the margins and those types of developments are a little thin, probably too thin to be able to support any sort of fee that's assessed on density should a developer of these asset classes choose to pursue it. There is also the idea that downtown needs to be a vibrant place and a vibrant place requires a diverse mix of uses. So to the extent you disincentivize office hotel development from downtown and turn it into a residential community, you lose what makes a downtown a downtown, a true 24/7 type

environment. Another key factor is that the development bonus fee should vary by location within downtown. We often use the word downtown asthma blanket statement to cover what's actually a number of very diverse and distinct neighborhoods. Each of those subneighborhoods have their own market conditions as far as real estate values, as far as development costs, and that impacts, you know, the economics of pursuing developments in those particular areas. .
[13:00:15]

[One moment, please, for change in captioners]

>> and this is just a visual representation of where that fee structure would apply, so the core obviously being highlighted in the center and then the surrounding districts. And I know that staff is still exploring the

-- whether or not the rainy district and lower shoal, if there is the actual opportunity to assess fee there for other policy reasons. Some of our recommendations, yes, the economics for residential are strong enough that they could support the

-- the developments could support a fee on bonus density. That fee should be based on location and that location should reflect the market dynamics of those subneighborhoods within downtown. We don't see a potential in today's market for a fee on office and hotel, and we also want to ensure that to the extent possible we're encouraging the development of those uses to maintain that land use diversity. And much in the same way that we're here in 2013, it makes sense to come back every five years and take a look at how the market has evolved. Real estate is a cyclical thing. Residential is hot right now but in five years office could be, you know, back on/to of the world. So we want

-- on top of the world. So we want to make sure we come back and understand how those dynamics may affect potential for adjusting and making new recommendations on the fee structure. And as an interim solution, you know, we know that the austin real estate market moves quickly, so what we would like to recommend is that in the future exploring the potential to tie the fee to a local market indicator so that you have some sort of interim adjustment in between those five-year formal recalibrations. So we're still, you know, bouncing around, you know, what is that particular metric and what is that indicator. But it is a way to ensure that we're not waiting five years for adjustments to be made. One thing that we discussed both with the stakeholder groups, the developers and the owners, and then internally with staff is by charging this fee, who does this cost get passed down to, and there is some concern that, okay, the additional cost of development and providing this additional density, will this flow through to the consumer. So what happens to the end user in the case that the developer doesn't take a hit on their return or land values don't adjust to reflect that increased cost, and this exercise sort of demonstrates what would happen if you were to assess a fee on a downtown condominium development. So using a hypothetical site and looking at a typical lot of 25,000 square feet, that's a 200,000 square feet building. With the density bonus there's an opportunity to build up to 300,000 square feet. And so you would go from 200 units to 300 units of total residential product, so an additional 100 units. And at \$10 per-square-foot that additional 100,000 square feet in density could yield a total fee payment of a million dollars, or roughly \$3,300 per additional unit. And now let's assume this is a downtown residential condo product where a sale price ranges from what we've seen in the market, from 400 to \$650,000. There are some that are outliers that are selling for over a million, some selling for below. But this is kind of the sweet spot of the downtown condo market. That kind of sale price will translate into a monthly mortgage payment of 1800 to \$2,000 a month. That increase in cost as a result of the bonus

density amortized over the course of a typical 30-year mortgage is an additional \$13.50 a month. So the buyer of a half a million-dollar condominium would effectively -- would have to absorb the cost of the two additional months on their mortgage payment, not a significant increase, and generally it would not sway a buyer's decision whether or not to move downtown. And if you were to look at this on a present value basis, it's an additional \$2,600 on the price of the unit. THAT'S LESS THAN 1% OF THE Total sale price. So yes, there could be potentially be an impact on the end user but probably a negligible one. And with that I'd like to turn it back over to jim who will wrap us up and be available both this evening and again next week should you have any questions. Thank you.
[13:05:38]

>> Rob works in hr in the washington, d.C. Office and evidently the price of a latte in washington, d.C. Is more than austin, I think i can get three for \$13.50 rather than the two, but just saying
-- anyway. The
-- per the direction of city council back in march we have had multiple visits to board and commissions over these last few months. We took it
-- we didn't want to put any one commission in the position of having to say take action on the first time they looked at this, so we provided briefings to the community development commission, to the downtown commission before we ever went back to them and put themselves in a position of having to put a recommendation on this. And we actually got
-- we were supposed to go back to the community development commission, I believe it would have been this week but we actually got bumped from their agenda, but they have received a briefing on this, and we are posted just to
-- we want them to be in the loop, so we are posted to revisit with them at their next meeting. I actually
-- I was at the downtown commission last night, and my next slide will summarize their recommendations. We also, of course, spent time with the planning commission codes and ordinances committee as well as the full planning commission. On June 11, this slide up here right now reflects the recommendations of the planning commission, and i guess we should have said on this slide, they recommended adoption of this program with the accompanying recommendations that are stated here so they did recommend adoption of this program. I won't
-- in the interest of time I won't go into all of these, but we are certainly available to answer questions if you have any about the recommendations they've made. As I mentioned, I was at the downtown commission last night. They also passed a motion to recommend adoption of this program. They also had some additional recommendations, some of which are actually very similar or identical to some recommendations that came up at the planning commission. Once again in the interest of time, I'm happy
-- I want you to be aware of this, but I don't want to necessarily spend and dwell a lot of time on it, but we can certainly answer questions if you have any. Of course the next step is that we currently are
-- we will be posted on your next week's agenda for the public hearing on this item, and for possible council action on the ordinance that you will have before you. And I believe with that, that concludes our presentation to you for the briefing, and as rob said, we're available for

questions tonight, but we would be happy to answer questions if you choose to do so either at your work session or tuesday or -- and/or, of course, next week in the 27th.

[13:08:34]

>> Mayor leffingwell: Okay. We'll get all your questions

--

>> I guess I'd better talk into this. Get all your questions together in time for the work session, except for council member morrison. [Laughter]

>> morrison: I have two specific questions for mr.--

>> wochefski.

>> Can I call you rob?

>> Sure.

>> Two specific questions rather than do them over twitter or whatever on tuesday. One

-- could you talk a little bit about basic

-- basically the last time we did this calibration, very similar results. It was \$10 for residential, nothing

-- except in the outer areas it was \$5. Nothing for office, nothing for hotel. Could you help me understand, it feels counter-intuitive that everything should be the same except for the areas outside

-- outside of the core, dropping from 5 to 3, because if anything it seems like with the development in the core going on, that would add more value to the land close to the core, rather than less.

>> Right. So, you know, it was interesting, you know, in 2009 we were looking at the development pipeline and said, what projects are expected to be built over the next three or four years, and it was projects like the w, he is stonian, high end residential projects, and our view in talking with people who were selling these units and local real estate analysts who are tracking the market that's a thin seeing him of the downtown population. There are so many what we call luxury type residential units that could be sold. So looking forward, you know, what we see is that the price point is probably going to normalize, probably close to the same rate that those projects had sold at, but, you know, expanding to serve a larger part of the market. So

-- you know, whereas if the future development would stay in that luxury category we probably would have seen more opportunity for higher fee, but, you know, we think that, yes, price point is where it is, but it's not going to continue to escalate as quickly as we saw in 2009. So we want to sleeve leave that flat at \$10 per-square-foot to make sure the developments that are coming up are really serving the heart of the demand for downtown living and not just a small sliver of that pool.

[13:11:03]

>> Morrison: But I'm wondering about the \$3. Did you address that? I'm not sure if I understand your answer, because we

-- on the outer

--

>> sure.

>>

-- We had five and now that's going down to 3. So why is that going down?

>> So, you know, part of that is you have to look at the specific building types that can be constructed in either the core of downtown or on the periphery. So in the core of downtown most of what you see is what we call type 1 construction, which is, you know, heavy concrete, steel, you know, the most expensive type of construction, you know, that's available on the marketplace. And some of these peripheral markets you don't really have the opportunity to build up to the full 20 stories or to go above into that type 1-type construction. So really the opportunity in these surrounding neighborhoods is in wood frame construction, and wood frame construction yields a lower density project, and your margins tend to be a little bit thinner. So therefore we wanted to incentivize or be able to incentivize and not disincentivize that type of development from happening in those neighborhoods and we thought that \$3 was an appropriate fee that would encourage that type of housing development.

>> Morrison: It's really about the

-- you think it's more likely to be wood frame?

>> Yes.

>> Morrison: And isn't it true that that can only go up to six stories or something like that that?

>> You can take it up for about 6, you can do a five over one, so five stories of wood over one level of podium, and that's generally the limits of what we call type 3 construction.

>> Morrison: All right. But I guess the density

-- the downtown plan allows for much higher than six stories.

>> It does, and so

-- it allows for additional

-- for additional height and additional density, but the market, at least today, hasn't caught up to the cost of taking it into type 1 construction. There are minimum thresholds you need to hit as far as rent or sale prices are concerned in order to cover those costs and we see in some of the surrounding neighborhoods that market is at a point where wood grade, the investment type development you would see.

[13:13:10]

>> Morrison: That's all the questions I have right now. Thank you.

>> Mayor?

>> Mayor leffingwell: Council member riley, and then spelman.

>> Riley: I wanted to follow up on that. I didn't follow the reasoning on that. The reality is we've seen type 1 construction and we continue to see it both in the lower shoal creek area and the rainy street area.

>> That's correct. In those areas we're recommending a \$5 per-square-foot.

>> Riley: Help me understand the rationale for \$5 there and \$10 in the core for the exact same type of construction.

>> So the

-- in analyzing development economics there's two sides of the equation. You know, there's the cost side and the revenue side. Now, what we see in rainy street is that their revenue side of the

equation is not as strong as in the core. So in the core where you might be able to achieve a \$600 per foot sale price, over on rainy street it might be closer to 550 or \$500 per-square-foot. So that puts more pressure on the margins of the project. As a result, as those margins, you know, fast downward pressure from the revenue side, we don't want to put the same pressure bottom-up on the cost side. So hence the \$5 per-square-foot fee as opposed to the 10.

>> Riley: And the same rationale applies in the lower shoal creek area where we see projects like the spring and the endeavor project that's currently under construction. That's assumed to be in just

-- in the same situation that the rainy area is, and the economics are such that they just could not support the level of fees that are proposed for the core.

>> In today's market, yes. And, of course, you know, there's always the opportunity over time as those markets evolve and

-- that they could, you know, start achieving the sale prices we're seeing in the core. We just don't see that happening today.

>> Riley: Okay. And then I do have just one other, just practical question. We've had at least a couple projects that were principally hotel projects but also had a significant residential component. So in that situation how would you decide whether

-- how the fee applies?

[13:15:12]

>> Basically the way we've approached that, and this was

-- this was the approach essentially that was recommended in the downtown plan, was we didn't want to create a special category for projects that are primarily, say, residential, that have ground-floor retail. But we set a threshold of 25%. When there's a second use that constitutes 25% or more of the gross floor area of the building, then that project would achieve its bonus area through the means proportionally through the methods applicable to each use type. So let's say there's a building that is 35

-- well, make it easier on my brain. 30% hotel and 70% residential. You would, in essence, say, okay, 70% of their bonus area they have to achieve through the residential pathways, and 30% of their bonus area would have to be achieved through the nonresidential pathway. Essentially we extrude

-- we make an assumption that they have to earn their bonus area proportionate to the respective positions of the two use types within the building.

>> Riley: But if it's 20% residential and 70

--

>> yeah, we've recommended the threshold be 25%. So as to accommodate ground floor or near ground-floor uses that don't fundamentally change the character of the building. I suppose an example would be if the was completely a condo project but it did have the ground floor retail, maybe it had acl, maybe the officers

-- that might be still considered a residential project.

>> Are I realize we're going to have you around next week to ask additional questions.

>> Yes.

>> Riley: So just

-- I have one more question.

>> Thank you. [Laughter]

>> this may be

-- I don't know if it's a question for you or for rob but it relates to the work that rob did. On the calibration, I know there's a lot of interest in seeing how the calculations are done to determine

the fees, and I see that we've got some backup here that goes into some numbers. I don't

-- I have haven't been through all of the backup that we just got in order to understand

-- if someone really wants to check your homework and see where all the numbers came from, is there an easy way they could find that? Will that material be made available on-line? Is it on-line now?

[13:17:36]

>> That will be part of the content of their final report, which we will place

-- I think our intention is to essentially place it

-- accompany the item on your agenda that will be next thursday, so if somebody clicks on that item they'll have access, of course, to the draft or

-- the draft ordinances, which includes the code, as well as the report, and they'd be able to look at all the homework there.

>> Riley: Backup will go on-line tomorrow

--

>> I think monday. We're operating under a fairly compressed schedule, which I think is what you wanted, and ideally we

-- but I think we do have to do some final polishing over the weekend for monday.

>> Riley: To have access to the actual numbers that went into

--

>> yes, and of course you'll have access to it henceforth, as will everybody else. I realize if you don't have time between monday afternoon tuesday we'll do the best we can to answer the questions on thursday, so forth.

>> Mayor?

>> Mayor leffingwell: Council member spelman.

>> Spelman: I realize there are 41 minutes till tipoff. I only want two of them. When those

-- those spreadsheets, pro formas, whatever, backup information are made available on-line, a lot of people will be looking at them and a lot of people will be second-guessing them. In particular I think the thing they'll be second-guessing most is the percentage of the margin that would be the community's cut. So I understand this isn't an exact science, but roughly what percentage were you talking about? Lf of it? A third of it? How much does it make sense for us to take back.

>> When you said the community's cut, how

-- if I'm understanding this correctly, the question is how we assure that the developer is realizing a reasonable return and that the community was also realizing a reasonable return.

>> Spelman: And I'm thinking here's the gross margin, we're going to keep

-- the developer gets to keep a certain portion of it and we're going to take a certain portion of it. What portion of it should be the community's and which should be the developer's?

>> And that's going to depend

-- depend on the level of risk associated with the project, but you'll see in our documentation, you know, how that allocation was made. And we went into this with an assumption of fixing

what a developer's return would look like for a hypothetical development project, and as you know, I mean, every deal is different.

[13:19:50]

>> Spelman: Right.

>> And every deal has its unique cost characteristics, every deal has its unique capitalization, but we try to normalize that as much as we could.

>> Spelman: Okay. So the idea is there's a standard return, which a developer can reasonably expect to get on a particular type of project, make sure he gets that return and then we can skim off a certain amount off the top.

>> That is correct.

>> Spelman: Beyond that point.

>> Correct.

>> We'll look forward to seeing the details of that. I have one other question. One of the things we want to do through this program was to get

-- get the right number for residential housing as a fee in lieu, but we don't want that number to be so low that all developers will pay the fee in lieu because it's cheaper to do that than on-site housing, because there's the feeling that on-site housing will be more valuable than the fee in lieu. Was that part of your analysis?

>> We weren't specifically tasked with that, and

-- we did take a back of the envelope look at, you know, what is the trade-off between affordable house than and fee in lieu, and our general sense, and we would have to go back and revisit this and probably do more detailed analysis, is that it's roughly comparable. But again, like I said, we would need to go back and actually do a more detailed study of what that trade-off looks like.

>> Spelman: Not what you focused on but something you could focus on.

>> We could focus on that indeed.

>> That's my two minutes, mayor.

>> Mayor leffingwell: All right. That completes our agenda. Without objection we stand adjourned at 7:21 p.M.