



**City of Austin**  
**Federal Legislative Program**  
for the  
**114<sup>th</sup> Congress**

DRAFT

## Table of Contents

<b>General Statement of City Legislative Focus.....</b>	<b>3</b>
<b>Federal Mandates.....</b>	<b>3</b>
<b>Deficit Reduction .....</b>	<b>3</b>
<b>Citizens United .....</b>	<b>4</b>
<b>Comprehensive Immigration Reform.....</b>	<b>4</b>
<b>Gun Control.....</b>	<b>4</b>
<b>Onion Creek .....</b>	<b>5</b>
Project Overview	
Priority Project – FY 2015 and FY 2016 Construction Funding	
<b>Surface Transportation.....</b>	<b>6</b>
General Policy Statement	
Priority Project – Urban Rail Transit	
Interstate 35	
Intercity Passenger Rail	
Violet Crown Trail System	
Waller Creek Multi-Use Trail	
<b>Tax Exempt Bonds.....</b>	<b>11</b>
<b>Aviation.....</b>	<b>12</b>
<b>Housing &amp; Community Development .....</b>	<b>13</b>
Housing and Community/Economic Development	
Cultural Arts	
<b>Public Health .....</b>	<b>17</b>
<b>Public Safety .....</b>	<b>18</b>
General Policy Statement	
Public Safety Communications	
Assistance to Firefighters Grant Program	
Staffing for Adequate Fire and Emergency Response Grants	
United States Fire Administration	
Urban Areas Security Initiative	
State Homeland Security Program	
Metropolitan Medical Response System	
Emergency Management Performance Grant	

**Tax Credits and Revenue ..... 21**

Sales Tax Fairness

New Markets Tax Credit

**Telecommunications ..... 22**

General Principles

Local Authority

Rights-of-Way

Fees and Revenues

Internet Content Privacy

**Water and Wastewater Infrastructure ..... 24**

Water Infrastructure Financing

Water Reclamation

Chemical Spill Notification and Cost Recovery

Chemical Security

DRAFT

## **General Statement of City Legislative Focus**

The City of Austin's Federal Legislative Program focuses on policies and legislation that impact the City of Austin.

The City of Austin opposes any legislative or regulatory actions that:

- Erode the home rule authority of municipalities,
- Constrain the ability of the City of Austin to allocate resources to areas of locally determined concern, or
- Preempt City of Austin authority in matters generally and traditionally the domain of local government.

The City of Austin supports policies and legislation that:

- Provide an equitable distribution of federal funds,
- Address the concerns and needs of large metropolitan center cities in the areas of transportation, public safety, affordable housing, vibrant and healthy neighborhoods, energy and the environment,
- Recognize the important role of strong central cities play in our nation's economy and as innovators in broad areas of public policy,
- Provide a solid safety net for economically vulnerable populations, and
- Recognize the challenge of climate change and the need to develop economically sustainable ways to address it.

## **Federal Mandates**

The City of Austin recognizes two basic types of federal mandates: those that impose costs directly on the City and those that, while not directly imposing costs on the City, intrude on the autonomy of the City by interfering with local decision making authority and impacting the allocation of scarce local resources. As a general principle, the City of Austin opposes the imposition of either type of federal mandate.

The federal government calls on municipal governments, including the City of Austin, to help administer many federal government programs, requiring municipal governments to absorb all or most of the associated administrative costs. In the interest of fairness and equity to its municipal government partners, the federal government should provide adequate funding for the local conduct of all its programs.

## **Deficit Reduction**

The City of Austin supports efforts to reduce the federal deficit through a balanced approach. Elimination of the federal deficit solely through non-defense discretionary spending cuts is impossible. Deficit reduction efforts should not disproportionately focus on core local government programs nor should they reduce or delay much-needed investments in our nation's core infrastructure. The burden of reducing the federal deficit should be shared evenly

without disproportionately harming national defense and our troops, safety net programs or our nation's cities.

## **Citizens United**

The City of Austin calls for a Constitutional Amendment and/or other legislative actions ensuring that money is not considered speech, and therefore the expenditure of money to influence the electoral or legislative process as a form of constitutionally protected speech, and shall be regulated.

The U. S. Supreme Court's 5-4 ruling in the Citizens United v. Federal Election Commission case rolled back statutory spending limits in the electoral process, allowing unlimited expenditures to influence elections, candidate selection, and policy decisions. The City of Austin believes that money affects the quality and quantity of speech and is not, in itself, speech; allowing artificial entities, such as corporations, limited liability companies, and other entities with great wealth, to use it as speech effectively drowns out the protected free speech of the People.

## **Comprehensive Immigration Reform**

The City of Austin urges the United States Congress to enact legislation accomplishing comprehensive immigration reform that: provides a realistic pathway to citizenship; works to keep families of immigrants intact; promotes public safety, national security, and economic prosperity; respects human rights and civil liberties; establishes a responsible and accountable border policy; and addresses the root causes of migration.

## **Gun Control**

The City of Austin calls on the United States Congress to enact legislation that requires background checks for all gun sales, provides for prosecution of straw purchasers and gun traffickers, limits the size of ammunition magazines, puts reasonable restrictions on public ownership of military-style guns, and improves the accuracy and completeness of background check databases to ensure the safety of our citizens.

## **Onion Creek**

The City of Austin appreciates authorization of this critical flood control and environmental restoration project as part of the Water Resources Development Act of 2007 (PL 110-114). The City also appreciates the appropriation of FY 2014 construction funding and respectfully requests strong federal construction funding commitment in the coming years consistent with the Army Corps of Engineers stated capability for the project.

### **Project Overview**

A joint project of the Army Corps of Engineers (ACE), the City of Austin, Travis County and LCRA, the Onion Creek Flood Control and Ecosystem Restoration Project will provide flood protection to the Onion Creek watershed and will restore its stream channel and adjacent riparian habitats. In the Onion Creek watershed near the intersection of South Pleasant Valley Road and East William Cannon Drive, there are over 700 houses subject to inundation in the 100-year floodplain. For the 100-year flood, house interior inundation depth ranges up to 10 feet in the Onion Creek study area.

Floods in this watershed affected over 100 houses in 1998, over 400 houses in 2001, and 1,100 houses the most recent 2013 flood... The 2013 floods were the worst known floods recorded on Onion Creek, breaking historical records of flood events in the Onion Creek watershed dating back to the 1800s. Thousands of residents required emergency evacuation, placing the lives of citizens and first responders at risk.

This non-structural flood control project calls for the buyout and relocation of 483 single-family properties within the City of Austin, restoration of the Onion Creek floodplain to its natural state, and construction of recreational amenities. The City has been proactively purchasing residences due to the constant risk that unpredictable and dangerous flash floods pose to life and property along Onion Creek. As of the beginning of FY 2015, the City has acquired 420 of those properties and relocated households, including 97 buyouts and relocations since the 2013 flood, with a combination of funds, namely City drainage fees, 2006 City bonds, and a 2006 FEMA grant. The City is proceeding to buy out and relocate the remaining 63 properties once federal appropriations are received.

In March 2013, the ACE drafted a Limited Reevaluation Report that updated the project costs with 2013 dollars and deleted costs paid for by the FEMA grant and associated City matching funds. The total updated cost for the project implementation within the City will be approximately \$73 million, with the City providing a local sponsor match of 35 percent, or about \$23 million. The City has already spent \$41 million on the project, exceeding its local cost share for buyouts by \$14.3 million.

### **Priority Project – FY 2016 Construction Funding**

The City of Austin appreciates previous funding of this critical flood control and environmental restoration project and respectfully requests \$3.625 million in General Construction funding in FY 2016 under the heading of “*Lower Colorado River Basin, Texas (Onion/Wharton)*”. The City also requests inclusion of the project in the FY 2015 ACE Work Plan as outlined in the President’s Budget and pending FY 2015 Energy and Water appropriations bill. This funding is critical to ensuring that the project proceeds in a timely manner.

## Surface Transportation

### **General Policy Statement**

The City of Austin urges Congress to craft a successor to Moving Ahead for Progress in the 21st Century (MAP-21) (PL 112-141) that recognizes the key role metropolitan areas play in our nation's economy. Funding allocation, project selection and program structure should reflect the importance of cities and metropolitan areas to our nation's economy and health.

MAP-21 continues the sub-allocation of Surface Transportation program (STP) funds to metropolitan planning organizations, the City's top policy priority in the bill. However, STP went from 62.5 percent metropolitan areas-37.5 percent states to 50-50 percent split, upending a reasonable division dating back to 1991. This division of STP money makes little sense given the population and the economy of Texas is centered on its metropolitan areas – the Austin-Round Rock Metropolitan Area accounts for almost 10 percent of the Texas economy. The City requests that the allocation of STP funds reflect the role of metropolitan areas in our nation's economy and empower local officials to continue to foster and implement innovative surface transportation policies that improve local and regional mobility and bolster metropolitan economies.

MAP-21 also folded key local programs into a new Transportation Alternatives Program, which distributes approximately \$800 million annually to states for pedestrian, bicycle, recreational trail and environmental mitigation projects. However, 34 percent less funding is provided for these activities under the new program than was previously provided to the combined Transportation Enhancements, Safe Routes to Schools and Recreational Trails programs. These programs have funded important projects in Austin and helped us provide a balanced and safe transportation system. The City urges Congress to make the Transportation Enhancements, and Safe Routes to School programs stand-alone programs once again, reverse the funding cuts for these programs and increase local control over them.

In general, the City of Austin urges Congress and the Administration to study and give equal consideration to all potential surface transportation financing mechanisms to ensure adequate funding for federal highway and transit programs. In addition, the City supports the following broad principles:

- Increase sub-allocation to metropolitan areas and expand mode neutral choices and funding for metropolitan areas;
- Directly provide funds to cities for innovative urban transportation solutions;
- Fully fund the CMAQ program in order to help metropolitan areas meet federal clean air mandates;
- Maintain a strong transit program by increasing discretionary and formula funding;
- Maintain a strong metropolitan planning process that maximizes the decision making power of local elected officials and communities while balancing the needs of urban and rural areas;
- Pass the H.R. 5449: Passenger Rail Reform and Investment Act (PRRIA) of 2014; and
- Continue funding for Transit Oriented Development (TOD) grant programs.



### **Priority Project – Urban Rail Transit**

On Nov. 4, 2014, City of Austin voters rejected a \$1 Billion general obligation bond proposal to fund Urban Rail Transit (\$600M) and Roadway Improvements (\$400M). Traffic congestion and lack of mobility continues to be a major concern of the City despite the rejection vote.

A multi-year public process for the regional high-capacity transit “Project Connect” program that developed the Urban Rail project relies heavily on light rail solutions over the next 40 years to aid in transportation. The City will endeavor to determine the key factors behind the vote so it may adjust its course going forward.

The City continues to work with regional transportation partners to identify solutions to reduce congestion and encourage alternate commute methods in order to continue to support the vibrant economy.

Urban Rail is modern rail transit blending the operational and technological characteristics of streetcar and light rail services to add badly needed capacity into and out of Central Austin and to connect the region’s emerging high-capacity transit system. The proposed Urban Rail system was intended to serve the Downtown, State Capitol Complex, University of Texas at Austin, ACC Highland campus, East Riverside Corridor, and other Central Austin destinations. Urban Rail was intended to be an integral part of the region’s Project Connect High-Capacity Transit Vision, eventually providing a critical link between three other high-capacity modes within Central Austin: the current MetroRail commuter rail line, MetroRapid BRT lines, and the future LSTAR regional and commuter rail line between Georgetown and San Antonio.

The Project Connect partners, the City of Austin, Capital Metro, and Lone Star Rail, have a collaborative working relationship with the development of the “Project Connect High-Capacity Transit Interlocal Agreement”.

The Transit Working Group, a task force of the Capital Area Metropolitan Planning Organization (CAMPO) Board, adopted the Project Connect High-Capacity Transit Vision in June 2012, ultimately including approximately up to 40 miles of an Urban Rail system.



Efforts will continue among the partners to work cooperatively to fulfill the vision of a regional high-capacity transit system.

### **Interstate 35**

The Interstate Highway 35 (IH-35) Corridor is easily recognized as the most congested in the Capital area, and it ranks as one of the most congested corridors in state and national surveys. To address the issues and congestion the IH-35 Corridor is having on the region, the City of Austin (funding sponsor); Texas Department of Transportation (funding sponsor); Capital Area Metropolitan Planning Organization; Federal Highway Administration; Central Texas Regional Mobility Authority; Capital Metropolitan Transportation Authority; Hays, Travis, and Williamson Counties; City of Round Rock; and Texas A&M Transportation Institute are working to study

the corridor in a proactive manner. Additionally, all affected associations, jurisdictions, employers, and neighborhoods have been encouraged as stakeholders to participate in this collaborative process of identifying the problems and solutions, and reviewing and offering comment on outcomes and findings as the study progresses.

The current program limits are from State Highway 45 on the south to State Highway 45 on the north. The limits represent a distance of 27 miles, and also include affected streets and intersections crossing and approaching IH-35.

Unlike past corridor studies which focused on large scale, long-term improvements, this program will pursue short and mid-term (3-10 years) projects. These projects are intended to improve the functional capacity of existing roadways without requiring significant additional right-of-way, environmental impact or incurring substantial costs. With an emphasis on near- to mid-term projects and strategies, the program team looks to identify potential cost-effective projects that will accomplish the following objectives:

- Increase mobility for people and goods through the Capital Area
- Improve transit and high occupancy vehicle opportunities
- Improve safety, efficiency, and access to and through the corridor for all users
- Identify cost-effective projects
- Protect air quality and reduce the region's carbon footprint
- Reduce or mitigate current corridor impacts
- Improve opportunities for economic development
- Provide better information for travelers
- Improve reliability of the IH 35 corridor

Since IH-35 is an internationally significant highway, funding for these improvements may be provided by any combination of Federal, State, and local agencies through existing and future funding and revenue resources. While the initial program limits for the study have been funded by the City of Austin, the expanded program limits are funded by TxDOT through an allocated portion of Proposition 12 funds called Rider 42. These funds are targeted at reducing congestion on the 50 most congested corridors in Texas.

The City of Austin supports legislation to reauthorize federal surface transportation programs that provide for an equitable distribution of highway funds for Texas, and directly provide funds and flexible financing mechanisms to cities for innovative urban transportation solutions. Regional roadway transportation projects include the IH-35, Loop 1 (MoPac), US 183 and Bergstrom Expressway corridors.

### **Intercity Passenger Rail**

The City of Austin also supports increased federal investment in intercity and regional passenger rail. An important part of a balanced transportation system, intercity and regional passenger rail reduces highway and airport congestion, reduces energy consumption, helps cities improve air quality and, because most trips are downtown to downtown, promotes central city economic development. In particular, the City of Austin supports efforts to make the South Central High-Speed Rail Corridor a reality and to implement Lone Star Rail District regional passenger rail service between Georgetown and San Antonio.

The Lone Star Rail District is working towards converting the Union Pacific freight corridor that parallels I-35 to passenger service that can bring people right to the region's major destinations

- downtown Austin and San Antonio, a long string of university campuses, tourist attractions, and major employers from Williamson County to Port San Antonio and beyond.

The Lone Star Rail service is proposed to offer 75-minute express service from downtown Austin to downtown San Antonio, with stops in San Marcos and New Braunfels, and local service from Georgetown, Round Rock, through Austin and cities south to San Antonio with stops at all stations in between.

The City also supports full funding of passenger rail corridor improvement programs and of Amtrak operating and capital grants and strongly supports all legislative, administrative and private efforts to develop the Texas T-BONE.

### **Violet Crown Trail System**

The Violet Crown Trail System is an ambitious project to create a community-wide regional trail system that will link the central City of Austin, Texas to its southern urban edge and beyond to the rural hill country. The City of Austin, the Hill Country Conservancy, and many other stakeholders are proposing a multi-modal trail system that will be a unique intersection of environmental, business, and community interests in providing a trail that will allow an alternative transportation system. The trail will provide access to commercial and retail centers, neighborhoods, parks, and other points of destination. The proposed trail will connect to major highways, arterials and residential streets.

The Violet Crown Trail System will provide a primary trail that will stretch for approximately 34 miles. The trail will begin in Zilker Park in downtown Austin and travel southward to the existing trail system in the City of Sunset Valley just south of U.S. Hwy 290. From there, the trail will pass through or near seven neighborhoods, including one of the region's largest master planned communities (Circle C Ranch); three major retail and commercial centers; and the nationally known Lady Bird Johnson Wildflower Center. The Violet Crown Trail will link to the existing Austin area trail system, including the Town Lake Trail along Lady Bird Lake, which provides recreation and transportation for more than one million users per year. In addition, this project will connect to the proposed 25-mile trail system planned for the suburban area known as Oak Hill. Thus the primary trail will connect to neighborhood and city trails creating a network of 95 miles of trails. The Violet Crown Trail will be the connector for these existing and other planned trails in this region such as connecting to the proposed MOPAC Bicycle/Pedestrian Bridge over Barton Creek.

The proposed trail will provide access to several parks including the Barton Creek Wilderness Park, the Williamson Creek Greenbelt, Dick Nichols District Park, the Deer Park preserve, Circle C Ranch Metro Park, and the Veloway facility for bicycles and skaters. This urban portion of the Violet Crown Trail System will end at the Lady Bird Johnson Wildflower Center which is a major destination for locals as well as national and international visitors. The overall impact of the trail system will be significant. It will provide an alternative transportation system that currently does not exist in this highly populated area. The existing roadways of this area are well known for traffic congestion. This trail system will address the pressing need for citizens and visitors to travel throughout central and south Austin without using a vehicle.

### **Waller Creek Multi-Use Trail**

The City of Austin has invested approximately \$144 million in a flood control tunnel that will curtail damaging floods and dramatically reduce the floodplain of Waller Creek. This investment allows land owners adjacent to and nearby Waller Creek the ability to safely and securely develop their property, and affords the City the ability to safely invest in infrastructure to support

this development and the wellbeing of Downtown Austin. The opportunity for redevelopment and associated infrastructure improvements will serve as the major impetus of our lifetime for the positive transformation of the eastern portion of Downtown Austin. Recognizing this, the City of Austin is partnering with the Waller Creek Conservancy to leverage private sector expertise and resources for Waller Creek and the surrounding district. The rehabilitation of the existing Waller Creek Multi-Use Trail is one of the infrastructure improvements included in this partnership and approved by the Austin City Council in June 2010, as part of the Waller Creek District Master Plan.



Mobility improvements for all modes are key to future enhancement of the area and include the creation of an approximately one mile long continuous bicycle/pedestrian trail along Waller Creek from Waterloo Park (the largest park in Downtown Austin) to Lady Bird Lake (the jewel of Austin's park system). This multi-use trail will provide improved mobility for pedestrians and bicyclists, connecting key destinations – Lady Bird Lake, the Convention Center, East 6<sup>th</sup> Street, rail and bus transit, Downtown, and the University of Texas (just to the north of Waterloo Park). These improvements and the connections they provide will enable residents and visitors to Downtown Austin to make more sustainable transportation choices.

The trail system will not only serve a mobility purpose. Located alongside a vastly improved urban creek, the trail system and accompanying improvements will become a major destination for the City and the region, connecting residents and visitors to a wonderful urban open space and serving as a catalyst for positive redevelopment. Additional management measures are proposed by the City of Austin and community stakeholders to improve the water quality of Waller Creek as part of a draft Implementation Plan in review by the Texas Commission on Environmental Quality to address fecal bacteria impairments.

The Waller Creek Trail is identified as Bicycle Route 951 in the City's adopted Bicycle Master Plan, and is an important component of the City's bicycle transportation network.

## **Tax Exempt Bonds**

The City of Austin strongly opposes any efforts to cap, limit, or eliminate the tax deduction for municipal bonds. The City is supportive of efforts to increase the liquidity of the municipal bond market.

Tax-exempt bonds are the principal tool that state and local governments use to finance the nation's critical infrastructure. State and local governments are responsible for building and maintaining 75 percent of the nation's infrastructure, which is commonly financed through tax-exempt bonds. Tax-exempt bonds are a great example of federal, state and local partnership. They provide for a fair allocation of the cost of critical infrastructure used by the general public between the federal, state and local levels of government.

The elimination of tax-exempt financing would remove a critical tool available to local governments to finance large scale capital projects. According to estimates, the elimination of tax-exempt municipal bonds would significantly increase state and local borrowing cost by 2 percentage points, resulting in higher state and local taxes and utility rates that would disproportionately impact low- and moderate-income households.

Elimination of the tax exemption for municipal bonds would effectively signal a federal abandonment of infrastructure investment. In an era of diminishing grants and expanding mandates on local governments, tax-exempt municipal bonds are the primary financial mechanism for city investments in electric, water, and wastewater infrastructure, which is the foundation of the City's economy and is crucial to the public health, safety and the environment.

Removing the tax exemption for municipal bonds would raise the City's borrowing costs substantially, impairing the City's ability to invest in or construct critical infrastructure and passing higher costs on to city taxpayers and utility customers.

## **Aviation**

As the 114<sup>th</sup> Congress crafts the successor to the FAA Modernization and Reform Act which expires in September 2015, the City supports a reauthorization of federal aviation programs that would:

- Maintain a guaranteed funding mechanism that ensures that all Airports and Airways Trust Fund revenues are spent on aviation programs;
- Maximize the flexibility of the Airport Improvement Program (AIP);
- Maximize the flexibility of how airports use and increase Passenger Facility Charge (PFC) revenue; and
- Provide local governments and airport authorities with the resources they need to provide for a safe and efficient aviation system.

The City has invested considerable resources into Bergstrom International Airport. The City supports a federal aviation program that helps the City build on this investment and cement Bergstrom International Airport's role as a key building block of Austin's economy.

The City also urges Congress to recognize the importance of intermodal connections and to make it as easy as possible for local governments to construct transit and intermodal passenger facilities linking airports with the central cities and regional employment centers that they serve.

The City also recognizes the importance of international travel, tourism, and trade to the Austin and national economies supports for staffing of immigration and customs facilities at our nation's airports.



## **Housing & Community Development**

### **Housing & Community/Economic Development**

The City of Austin is committed to making the City and its neighborhoods a better place to live, work and play. A major focus of these efforts is to create and maintain strong neighborhoods and to provide safe, decent, affordable housing, a suitable living environment and economic opportunities, specifically for low- and moderate-income individuals and communities.

To these ends, the City of Austin strongly supports the continuation of federal dollars to address the growing needs of Austin's low-income community. Our Neighborhood Housing and Community Development Office (NHCD) administers Community Development Block Grant (CDBG), Housing Opportunities for Persons with AIDS (HOPWA), Home Investment Partnership Program (HOME), Section 108 Guarantee Loan and Economic Development Initiative (EDI) funds.

These funds come from the United States Department of Housing and Urban Development (HUD) and primarily benefit the low- and moderate-income population and neighborhoods in the City. Continued anticipated cuts to these federal programs are expected to severely impact numerous low-income families and communities across the nation. The Neighborhood Housing and Community Development Office (NHCD) administers federal funding for housing and community development activities in seven priority areas. The categories included in the NHCD Investment Plan are:

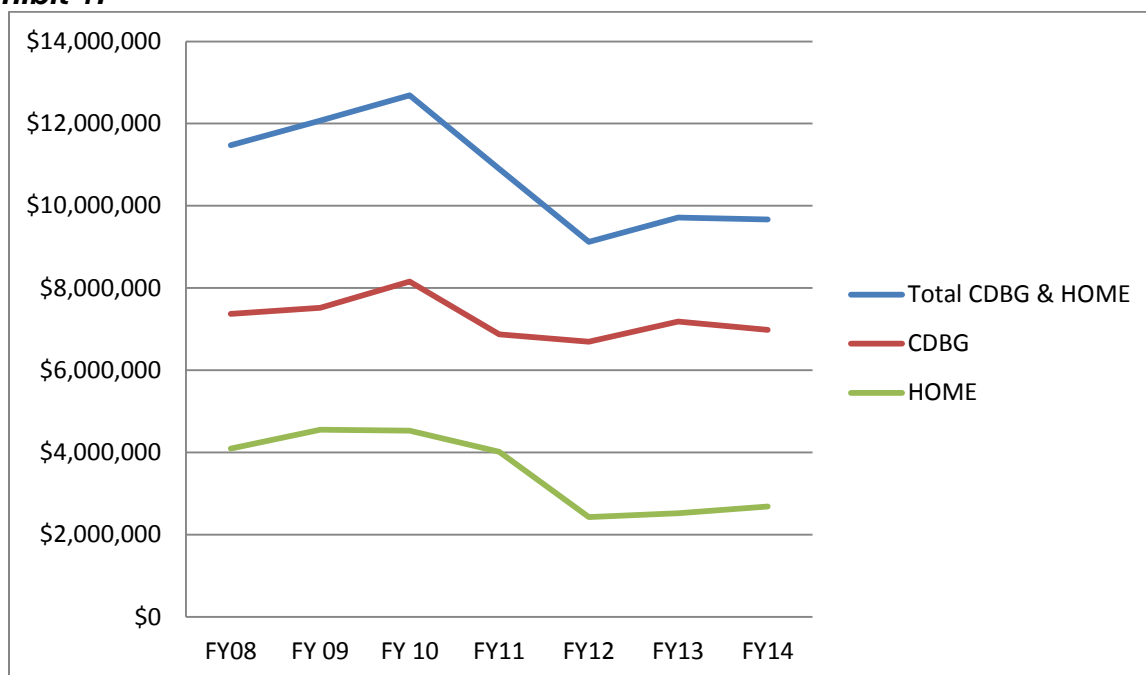
- (1) Homeless/Special Needs*
- (2) Renter Assistance*
- (3) Homebuyer Assistance*
- (4) Homeowner Assistance*
- (5) Affordable Housing Development Assistance*
- (6) Neighborhood and Commercial Revitalization*
- (7) Small Business Assistance*

The City has a strong history of leveraging housing and community development federal funding with private dollars. Austin's vibrant and healthy neighborhoods are a testament to the strength and success of these efforts. The City of Austin supports federal policies that bolster the City's affordable housing, permanent supportive housing, housing rehabilitation programs, community development and overall initiatives that promote the City's economic development efforts.

These programs, CDBG in particular, allow the City to build infrastructure, support small business and support affordable housing and housing rehabilitation efforts in low- and moderate-income neighborhoods. CDBG has a long track record of providing quick, flexible and effective assistance to cities and states.

The City supports CDBG and HOME fund community development and housing activities to benefit low-income residents in Austin. The department has faced federal funding cuts in both the CDBG and HOME programs; in fact, the CDBG formula allocation has been cut by over \$1 billion since 1995 and is now at its lowest funding since 1992. The trend is expected to continue as noted in Exhibit 1.

**Exhibit 1:**



CDBG and HOME Federal funding levels have been reduced by almost 40% from amounts received 7 years ago

**Preserve critical funding.** The City strongly supports policy initiatives that would preserve funding for affordable housing initiatives to further its affordable housing core values, which is to promote long-term affordability, deeper affordability, and geographically dispersed affordable housing (affordable housing throughout Austin). As Austin's economy continues to expand at a healthy pace, the emphasized policy priority to address household affordability throughout Austin will require looking at new and different approaches to funding affordable housing.

**Low-Income Housing Tax Credit.** The Low-Income Housing Tax Credit (LIHTC) provides the City of Austin and its partners with a valuable tool in efforts to expand the supply of affordable housing. The City strongly supports the LIHTC and urges Congress and the Administration to retain and bolster this important affordable housing provision.

**Promote nonprofit capacity.** The City of Austin supports legislation to support and promote the ability for nonprofit owners to increase construction and preservation of affordable rental housing, recognizing the City of Austin relies on not for profit affordable housing providers to help address the needs of the low-income community. Furthermore, the City supports legislation that will help build organizational capacity and financial strength in the affordable housing sector and help promote goals of energy conservation and affordability.

**Preserve existing public and private assisted housing,** in its current location or in other locations that will better serve families as well as revitalize underserved parts of the Austin community. Specifically, necessary resources should be committed to:

- Restore full operating funding for public housing;
- Preserve affordable housing and support neighborhood revitalization;
- Address the substantial backlog of capital repairs in public housing;



- Re-establish reliable renewal funding for project-based Section 8 contracts;
- Provide incentives and assistance to encourage private owners to renew their participation in the Section 8 project-based rental assistance program; and
- Improve energy efficiency in public and private assisted housing.

**Expand assistance to help more families.** The City of Austin supports legislation to increase secure stable, affordable housing in safe neighborhoods with access to good schools, steady jobs, and other essential services they need to improve their lives.

**Location Efficient Affordable Housing.** The City of Austin is committed to the creation of a multimodal transportation system that provides Austinites with convenient and equitable access to jobs, schools, services and recreation. The City of Austin is equally committed to the preservation and creation of affordable housing in a manner that leverages investments in transit and ensures that low-income Austinites have convenient transit access to employment, education, services and parks. The City is encouraged by the Administration's Sustainable Communities Initiative, which seeks to coordinate policy and investments at the Department of Housing and Urban Development, the Department of Transportation and the Environmental Protection Agency in a manner that ensures maximum leverage of public infrastructure investments and coordinates housing policy with infrastructure investments.

Other Federal legislation about which NHCD has an interest:

- o The new Affirmatively Furthering Fair Housing Proposed Rule
- o CDBG Regulatory Updates
- o The Johnson-Crapo Housing Finance Reform, and
- o The Transit Oriented Development Infrastructure Financing Act, about the growing awareness of the intersection of housing and transit.

**National Housing Trust Fund.** The National Housing Trust Fund was established as a provision of the Housing and Economic Recovery Act of 2008 (HERA/PL 110-289). However, the Trust Fund has not been capitalized. Once capitalized, it would provide funds to the states to build, preserve, and rehabilitate rental homes that are affordable for extremely and very low income households, with 90 percent of the funds set aside for the production, preservation, rehabilitation, or operation of rental housing for extremely low-income (below federal poverty line) and very low-income households (50 percent or less of area median income) and 75 percent of the funds set aside for extremely low-income households. States could use up to 10 percent of funds each allocation for home ownership activities for first-time home buyers, including production, preservation, and rehabilitation; down payment assistance, closing cost assistance, and assistance for interest rate buy-downs. The National Low-Income Housing Coalition estimates that for every \$5 billion invested in the Trust Fund, Texas would receive \$289 million. Low-income housing advocates have put forth several recommendations for capitalizing the Trust Fund on a regular basis.

The City of Austin is committed to the preservation and creation of low- and moderate-income housing and supports a strong federal-state-local partnership to address our nation's shortage of safe and affordable housing for low- and moderate-income households. The City of Austin calls on Congress and the Administration to create a steady and permanent source of funding to capitalize the National Housing Trust Fund.

### **Cultural Arts**

The creative industry in Austin, Texas relies heavily on the dollars produced through the Hotel Occupancy Tax (HOT) statute, providing arts and cultural marketing, tourism and

the enhancement of visitor experience directly contributing to the cultural tourism industry of Austin's economy. Cultural Funding from HOT contracts over two-hundred arts and cultural organizations such as Austin Symphony, Ballet Austin, Long Center, Austin Lyric Opera, Austin Children's Museum, Austin Symphony and Film Society of Austin, as well as smaller arts organizations and individual artists.

In 2010, the Cultural Arts Division reported that over 332,000 artists participate in contract-related products and services with budgetary expenses totaling over \$52 million, and they reached almost 3.7 million tourists. Non-profit arts organizations are major employers and contribute to Austin's cultural and economic vitality. In 2010, contracted non-profit organizations employed 410 full time employees and 833 part-time employees. The appropriation of HOT allocation to arts and culture is directly related job creation in the creative industry and the attraction of the creative class.

## Public Health

The public health infrastructure is responsible for protecting people's health and safety, providing evidence-based information for better health decisions, and promoting good health through a network of partnerships. The City of Austin Health and Human Services Department provides preventative health services for the public in order to optimize their health and well-being. These services include the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), STD testing and information programs including other communicable diseases, disease prevention such as immunizations, public health nursing services including health presentations and screenings, environmental health issues, community programs, and information such as birth and death records, restaurant permitting and sanitation scoring, and pandemic flu information.

The City of Austin encourages Congress to maintain support for the Patient Protection and Affordable Care Act. Several provisions within the act provide funding that assists the city in reaching its public health goals and allows our partners Central Health (Travis County Health Care District) to provide funding to ensure health care coverage for all populations. Additionally, the city encourages continued adequate funding for CDC, HRSA and CDBG/CSBG and the Preventive Health and Health Services block grants that support the operations of our public health operations and neighborhood centers. Failure to do so or significant decreases in funding will result in reductions to the current level of public health operations.

Chronic diseases - including heart disease, cancer, stroke, diabetes, and hypertension - are leading causes of deaths in Austin/Travis County. The City of Austin Health and Human Services Department implements population-based services to prevent and control chronic disease. The primary focus is to address 3 key risk factors: tobacco use, physical activity and nutrition. Programs work with local coalitions, businesses, schools, and community partners to implement community changes to improve healthier lifestyles. Specific focus on areas where significant health inequities exist is a primary goal for the Health and Human Services Department.

In the last 100 years, public health has increased life expectancy by 30 years through vaccinations, control of infectious disease, tobacco use prevention, fluoridated drinking water and many other activities. Today, this infrastructure needs the capacity to respond quickly to public health threats. Whether it is the spread of the West Nile virus into new areas of the United States, an outbreak of E. coli, or a bioterrorism attack involving anthrax at an airport, the public health system must keep pace with increasing demands. Budget cuts, lack of training, and outmoded information systems and laboratories have created greater challenges in protecting the public's health against threats and emergencies.

Currently the City of Austin manages these critical functions with \$17.6 million in federal dollars, \$3.3 million in state dollars and \$42.5 million in city dollars. Any reduction in federal dollars for these programs will significantly impact public health and health care efforts in the City of Austin.

## **Public Safety**

### **General Policy Statement**

Ensuring the safety of Austin citizens and visitors is a paramount City priority that depends on a strong federal-state-local partnership. Federal financial assistance, information sharing and other forms of cooperation are crucial to the City of Austin's public safety efforts.

In general, the City calls on Congress and the Administration to fully fund core local law enforcement and Homeland Security programs including but not limited to COPS, Byrne Justice Assistance Grants, State Homeland Security Grant Program, Metropolitan Medical Response Systems and Firefighter Assistance Grants.

### **Public Safety Communications**

The City of Austin supports the development of the national public safety communication network and encourages FirstNet to include local input in the structure and framework development process. The City urges Congress to require FirstNet to maximize the use of existing local government communication infrastructure.

In 2012, Congress enacted legislation setting aside the "D-Block" of the wireless communications spectrum for the first public safety broadband network (PSBN). The D-Block became available in the past decade as part of the migration of television from analog to digital broadcasts. The D-Block is immediately adjacent to another 10 megahertz of spectrum that has already been set aside for public safety communications. This portion of the wireless communications spectrum travels well through manmade and natural physical barriers. The legislation also provides \$7 billion for PSBN development grants to the states and created a new agency at the Department of Commerce, "FirstNet," to hold the license for, build, manage and operate the PSBN. This nationwide network will significantly transform how the City of Austin's first responders communicate and deliver life-sustaining services to our citizens.

The success of the national PSBN will heavily depend on input from state and local governments during the network planning phase of the project and the network architecture model for the national PSBN adopted by FirstNet.

### **Assistance to Firefighters Grant Program (AFG)**

The City of Austin supports full funding for AFG. This program was created in 2001 to meet the firefighting and emergency response needs of fire departments and nonaffiliated emergency medical service organizations. Since 2001, AFG has helped firefighters and other first responders obtain critically needed equipment, protective gear, emergency vehicles, training, and other resources needed to protect the public and emergency personnel from fire and related hazards.

### **Staffing for Adequate Fire and Emergency Response Grants (SAFER)**

The City of Austin supports full funding for SAFER grants which were created to provide funding directly to fire departments and volunteer firefighter interest organizations in order to help them increase the number of trained, "front line" firefighters available in their communities. The goal of SAFER is to enhance the local fire departments' abilities to comply with staffing, response and operational standards established by the National Fire Protection Association (NFPA) and the Occupational Safety and Health Administration (OSHA).

### **United States Fire Administration (USFA)**

The City of Austin supports full funding for USFA which was first organized in 1974 in response to the publication of *America Burning*, a report which detailed the state of fire safety in the United States. America's fire death rate is one of the highest per capita in the industrialized world. As an entity of the Department of Homeland Security's Federal Emergency Management Agency, the mission of the USFA is to provide national leadership to foster a solid foundation for our fire and emergency services stakeholders in prevention, preparedness, and response.

### **Urban Areas Security Initiative (UASI)**

The City of Austin appreciates the delegation's assistance in securing UASI designation for the Austin Metropolitan Area from 2008 - 2010. This designation provided the City and its first responders with equipment and training, and assistance in hardening critical facilities. It also led to the creation of the Austin Regional Intelligence Center, providing increased local capability for disrupting criminal and potential terrorist activity, as well as increasing cooperation between federal, state, regional, and local public safety officials. This funding ended in FY 2011 as the US Department of Homeland Security reduced the number of UASI communities.

Despite an increase in FY 2014 funds available to the UASI program, and despite letters to the Department of Homeland Security from around the nation asking for sustainment for all 64 urban areas, only 14 urban areas have been reinstated into the UASI program, for a total of 39 funded urban areas.

The top ten largest cities in the U.S. all receive funding, ranging from \$1 million to \$179 million each. The City of Austin, as the eleventh largest city in the nation and the capital of Texas, is not one of the 39 funded urban areas and receives no funding.

The City requests continuation of the UASI grant as a standalone program and requests to be included again as a UASI jurisdiction in order to sustain homeland security efforts.

### **State Homeland Security Program (SHSP)**

The City of Austin requests a minimum threshold for the allocation of SHSP funds. SHSP funds have declined dramatically in the last two years for the State of Texas and the Capital Area Council of Governments 10-county region in which Austin resides. The City provides the core components of the Regional Hazardous Materials, Structural Collapse, and Explosive Ordinance Disposal Strike Teams responsible for the 10-county response area. We need to ensure that these teams remain equipped, trained, and able to respond.

### **Metropolitan Medical Response System (MMRS)**

The City of Austin requests a reinstatement of the standalone MMRS grant program to ensure the City and its healthcare partners have adequate mass fatality and mass casualty planning and response capabilities. The City received approximately \$300,000 each year from 1998 – 2011 through this program. As the City's special events grow larger in size, funding for mass fatality and mass casualty planning and response capabilities is critical.

While these capabilities can also be funded through the SHSP grant, this represents a net funding reduction. Additionally, the City of Austin does not have control over how regional SHSP funds are allocated and cannot dedicate SHSP funds to a mass medical care capability.

### **Emergency Management Performance Grant (EMPG)**

Emergency Management Performance Grants have been the cornerstone of local emergency management programs for several decades. EMPG provides critically needed matching funds

for City Homeland Security and Emergency Management staff. EMPG funding levels should be sustained or increased. EMPG should remain a standalone program.

DRAFT

## **Tax Credits and Revenue**

### **Sales Tax Fairness**

The City of Austin urges Congress to pass legislation that promotes sales tax fairness by authorizing states to collect sales taxes from out-of-state remote retailers.

The United States Supreme Court has ruled that under the Interstate Commerce Clause of the Constitution, state and local governments cannot compel out-of-state retailers to collect sales tax when making Internet, mail order, or other remote type's sale without congressional consent. As a result, goods from remote retailers such as online retailers are only subject to a "use tax," which is the consumer's responsibility to report and pay. This situation has placed traditional local brick-and-mortar "Main Street" retailers in Austin at a distinct competitive disadvantage, as their online competitors are able to sell the same products tax free. The growth of electronic commerce on the Internet over the past 15 years has exacerbated the impact of this disparity on local Austin retailers

E-commerce transactions are rapidly increasing in volume and are projected to do so for the next several years. A University of Tennessee study estimated that state and local governments lost approximately \$23.3 billion in 2012 in uncollected sales and use tax on remote purchases. In addition, the impact on "Main Street" retailers is starting to affect the commercial real estate market.

### **New Markets Tax Credit**

The New Markets Tax Credit (NMTC) and other programs administered by the Community Development Financial Institutions (CDFI) Fund at the Department of Treasury provide important incentives for private investment in historically disadvantaged and economically impacted localities.

Similarly, the Economic Development Administration (EDA) at the Department of Labor provides financial planning and technical assistance to state and local governments, including infrastructure grants for job-creating projects and developments.

The City of Austin supports additional rounds of NMTC and other CDFI programs and further calls on Congress and the Administration to fully fund EDA.

## **Telecommunications**

### **General Principles**

The City of Austin opposes any legislation or regulatory effort that would erode City authority to manage public rights-of-way and collect reasonable compensation for their use. The City also opposes any federal preemption by the Federal Communications Commission or Congress to preempt City zoning authority with regards to telecommunications, cable TV, broadband, and wireless facilities and urges the federal government to comply with local zoning and safety regulations when placing such facilities on City property.

The City recognizes that competition in telecommunications, broadband, and cable TV services can yield more programming and applications, improved customer service, affordable rates for all, and technology deployment that meet the needs of its citizens going forward. To be effective, an orderly transition to a truly competitive marketplace must also be responsive to the important interests of local government:

**Local Authority** – The City supports preserving local authority in determining the most effective and efficient use of local communications services; it is uniquely positioned to determine how to better protect its citizens with regard to maintenance of infrastructure, public safety, consumer protections, and management of rights-of-way.

**Rights-of-Way** – The City opposes federal intervention in its ability to manage and control the public rights-of-way and to collect compensation for their use and management in an equitable and nondiscriminatory manner. The public entrusts local governments to ensure that use of scarce public rights-of-way by providers does not interfere with public safety, unnecessarily disrupt commerce, impede general transportation uses, or otherwise impose costs on the local government or its taxpayers.

**Fees and Revenues** – The City opposes any federal preemption of its ability to collect revenue from telecommunications providers doing business in the City, particularly when that revenue is collected as reasonable compensation for the private, profit-making use of public rights-of-way owned and maintained by the City. Public rights-of-way represent property of tremendous economic value that is paid for by local taxpayers, and the public has a right to expect that appropriate value is received for the use of its property held and managed by the government as a public trust.

In 2005, Texas passed a state-wide cable television and video franchising legislation which protects local government interests. The City of Austin urges federal legislation to recognize and support statewide systems where they have been adopted...

Current federal regulations restrict the way that cities use the fees paid by cable providers to support city Public, Educational, and Governmental Access (PEG) channels. Congress needs to remove the unnecessary regulatory restriction that requires PEG funds to be used exclusively for capital expenditures, so that the funds could also be used to support the operational expenses of PEG channels.

The 114<sup>th</sup> Congress may consider legislation to extend the moratorium, possibly permanently, and to expand the moratorium to cover taxes that are currently grandfathered as well as traditional telecommunications taxes. Of particular interest to Austin, Senator Kay Bailey Hutchison secured language in the Internet Tax Freedom Act that protects the line access fees



collected by Texas cities from telecommunications providers. These fees are not taxes but, rather they are compensation for the management and use of City-owned public rights-of-way. Federal preemption of Texas line access fees would rob the City of Austin of over \$15 million in annual revenue and would set the precedent of allowing the private use of public property at no charge, which is illegal under the Texas Constitution.

The City opposes making the moratorium on Internet taxes permanent. The City further opposes an expansion of the moratorium to traditional telecommunications taxes or fees collected for the use and management of public rights-of-way, especially the line access fees collected by the City of Austin and other Texas local governments.

The City opposes legislation that would restrict or preempt the ability of the City to tax digital goods and services such as downloaded music and video, online photo storage, payroll processing and computer programs. The City further opposes legislation that would affect our ability to collect cable franchise fee revenue on digital services such as pay-per-view or video on demand services.

**Internet Content Privacy** – The City recommends that Legislators protect the confidential information carried on broadband Internet access networks with a statute that prohibits mandatory contract terms that authorize broadband Internet access providers to monitor, inspect, or disclose such content. The statute should also require voluntary and informed user consent for any such monitoring, inspection, or disclosure and clearly advise users of the impact of such consent on their legal privileges and rights.

## **Water and Wastewater**

Water and wastewater utility providers are mandated to meet stringent federal and state environmental requirements in order to provide safe drinking water and wastewater services to the public. The City must repair, replace and rehabilitate aging and failing pipes and plants and build new infrastructure to comply with the increasingly complex regulations, protect public health, safeguard the environment, serve a growing population, and maintain the high quality standards that our residents have come to expect.

### **Water Infrastructure Financing**

Austin utilizes a rigorous asset management system to prioritize infrastructure replacement. As part of this continual assessment, we also consider the addition of new customers and changes to governmental regulations regarding drinking water and wastewater disposal. The Austin Water Utility has identified an estimated \$4 billion in water and wastewater infrastructure needs in developing its capital improvement program (CIP) for FY 2015 through FY 2019. Although \$4 billion in needs have been identified, due to financial constraints, the City plans to spend only \$840 million for new infrastructure and upgrades during FY 2015 through FY 2019 to address the highest priorities.

Historically, Austin has used bonds and low-interest loans to invest in water and wastewater infrastructure improvements. The City of Austin supports legislation which provides grants and financing assistance for high priority projects such as combined and separate sanitary sewer overflows and other wet weather projects, security-related projects, repair and replacement of aging infrastructure, and water supply acquisition.

To lower the cost of infrastructure investment and increase the availability of lower-cost capital, the City supports the creation of the Water Infrastructure Finance and Innovation Authority (WIFIA) program. A WIFIA pilot program is included in the Water Resources Reform and Development Act of 2014 that was enacted in June 2014. WIFIA will help water utilities obtain low interest loans, loan guarantees and credit for large water infrastructure projects or other water projects that may be significant on a regional or national level. These funding mechanisms can offer significant costs savings to the City and its customers. The proposed appropriations for WIFIA of \$20 million in year one, increasing to \$50 million in year five, must be honored and increased if at all possible.

The creation of the WIFIA pilot program is a significant first step. However, reforms are needed so that WIFIA can fund up to 100 percent of eligible project costs and any non-federal share can be paid with tax-exempt debt. The recently enacted legislation includes a 49% per project cap on WIFIA funding and prohibits the use of tax-exempt debt to fund the non-federal share. Tax-exempt municipal bonds are the primary source of funding nationwide for water and wastewater infrastructure projects and must remain as an option for WIFIA projects. In addition, the WIFIA program should be expanded from its current status as a pilot to a permanently funded program.

The City of Austin also supports legislation which sustains and increases funding for, and increases the flexibility of, the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) which will complement the new WIFIA program. Funding for these long-standing and vital loan programs should not be reduced. Financing water infrastructure projects provides significant economic benefits including local job creation and manufacturing support.

### **Water Reclamation**

In general, the City of Austin supports all federal efforts to support local government water reclamation efforts. The City specifically requests authorization and funding of the City of Austin Water Reclamation Project under the Bureau of Reclamation Title XVI Program or another appropriate federal program. Austin is actively expanding its reclaimed water infrastructure so that more wastewater can be used to offset potable water for outdoor irrigation, cooling towers, manufacturing, and other uses.

#### **Chemical Spill Notification and Cost Recovery**

The City of Austin supports legislation to improve notification to public drinking water utilities regarding chemical spills that could impact drinking water supplies. Legislation introduced during the 113th Congress, in response to the January 2014 spill in West Virginia, needs revisions. Such legislation should require that utilities be directly and immediately notified of spills and provided with details of the chemicals involved, without expanding regulations on utilities once the information is received. This legislation should also include cost recovery provisions for utilities and should facilitate the communication of data regarding potential threats.

#### **Chemical Security**

The Chemical Facility Anti-Terrorism Standards (CFATS), developed through Section 550 of Department of Homeland Security's Appropriations Act of 2007, directed the Department of Homeland Security (DHS) to issue rules establishing risk-based performance standards for the security of chemical facilities. Public water systems and wastewater treatment facilities are excluded from this regulation since the public health, public safety and environmental health roles of water utilities differ from roles of the chemical industry. Furthermore, water and wastewater facilities are covered by other protective requirements and regulations such as provisions of Clean Air Act, the Emergency Response and Community Right to Know Act, and the Bioterrorism Act.

The Chemical Facility Anti-Terrorism Standards Program Authorization and Accountability Act of 2014, pending in the 113<sup>th</sup> Congress, would reauthorize the federal chemical facility security program. A proposed study included in this legislation would examine potential program vulnerabilities that could include this water sector exemption. The City of Austin supports the continued exemption of the water sector from the CFATS standards under DHS. Since water and wastewater facilities are already protected under the statutes cited above, local governments should be allowed to continue to manage these risks through existing laws.