

## City Council Special Called Meeting Transcript – 02/05/2015

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. >> Mayor Adler: We about ready to gear up?

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I know. You know, the amazing thing, Sheri, about being on television, is that I started getting e-mails from people that said that I was playing with my hair too much. [Laughter] >> Mayor Adler: So I cut it off. >> If you compare yourself to Nadal, the tennis application player, you've got a long way. >> Mayor Adler: This morning we have a quorum present so we're going to begin the meeting. As we do that, real quick housekeeping matter. We have two of these policy conversations we're going to have. We also have a resolution legalitied to the fire legality related to the fire department. It's my understanding we want to be able to go into executive session to discuss some of those issues, what I would anticipate, if it's okay with you guys, we'll do the first policy workshop now between 9:00 and 11:00, while our speakers are here, thank you very much for joining us, then we'll call up the fire issue and go into executive session once we've called up that issue, right? So we can go into executive session once we've called it up and have the conversation and then figure out whether we have the answers to those questions and then we can look at the schedule and decide at what point we actually discuss the fire department resolution. We have speakers that are showing up again at 12:30 so we have a window from

11:00 to 12:30 for that next panel. Then we have the briefing on zoning scheduled from 3:00 to 5:00, the actual presentation from staff takes an hour. Right? So those are the parameters that we have. We're going to call up this first imagine Austin panel, but let me talk about that for just a second too. When we first started having

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these, we called them deep dives, my choice of words, wrong choice of words. It created an expectation that we were actually going to have a deep dive and learn everything there was to know about an issue. Which we could accomplish if we were going to have, like, a week on housing. Or a week on these issues maybe, but it was apparent we didn't want -- we didn't have the time to do that. We also didn't have the time to even spend a day on one of these because people started looking at their calendars and the people that they wanted to meet with and talk with. So we were then limited down to a half dozen, little bit more, days in which we could do this. So then the question comes up, then, how do you actually discuss 20 different topics in the matter of seven days, and actually do something that is meaningful and useful? The presentations we've had in the past where we were getting powerpoint presentations from a group of people that were trying to give us a subject area, we had that, and people were making suggestions on things that could improve that. We are now at our next iteration of what we're now calling policy forums instead of deep dives, and we'll see if policy forums stick and what we -- if I didn't do it before, I notice that there's a quorum present and I call the meeting to order. Thank you. So what we're -- we're going to try a different kind of model now. We have asked the staff and some voices from the community to talk to us about an issue. We're not going to be able to have an exhaustive hearing so we've just randomly picked three or four policy questions that arise in that area and we're

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going to have the staff that gives us an overview and each one of our speakers have been asked to speak about a different policy-related question. Everyone will speak for five to seven minutes, no more, because we'll run out of time. So five to seven minutes. And then the panel will be together. I'll probably at that point ask the panel if you heard somebody say something about a policy area other than the one that you spoke about, that you have a different slant on or believe differently or think that there's something that's real important about what was said that wasn't there that should be there. We're talking about relatively short comments, at that point we're talking about a minute to three minute kind of thing. Then it's an opportunity for us around this table really to ask questions and to engage the people on things that we think we might be hearing or questions that we had in terms of background. So that's the format we're going to try. I want to say to the world and to the people that are talking that -- listening, that we've already had suggestion for a little over 20 speakers that want to talk to us about water and other areas, and this -- this won't -- this is not that kind of a forum or that kind of an experience. So in that area we will cull that down, if this works, to three or four policy-type questions and we'll have people speak about. If we want to really have a true deep dive, we can do that but we would schedule that to do that. So we will try this, and we'll change this up if this isn't a forum that works either. Questions or thoughts on that? >> Zimmerman: Did you, Mr. Mayor. I want to recognize a

lot of work has already gone into these policy discussions. There's a light board in your office that reflects all the thinking and planning so it's a very, very difficult thing to do. I concur with all your remarks with one exception.

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What I really would just rear do, I like the timing constraint, those kind of make sense, but I'd like to see on the panel opposing viewpoints. You can have depth without going on for several days just by having the panel divided between people generally supportive of the policy and how it would work and why it benefits us and the other half of the panel that has an opposing view, well, we're not sure this policy is a great idea, here are the unintended consequences of the policy. For instance, we have the imagine Austin plan and there are many proponents of it, a lot contributed to it but there's still an opposing view that says we don't know if this is the right way to go. That's all I'd like to add. Again, you this for the tremendous work you've put into this. It's a huge effort and thank you for doing that. >> Mayor Adler: Point well-taken, and this one came out quickly and we appreciate the almost overnight response of the people that are participating. And I think that going forward we can do a better job of having a wider range. My hope would be that as you all speak, not only about what you think about but if you can tag what somebody would be saying if they were speaking, disagreeing with what you were saying, that would be helpful for those of us that are here. So if we're okay, then, then we'll start this. This is a policy workshop or forum on imagine Austin and the comprehensive plan. Do we start this, I guess, Greg? Were you going to start us off by painting a big picture, giving us a context and then trying to keep it in that eight to ten minute kind of time frame. >> Thank you, mayor and counsel. Greg Guernsey. I'm going to kick off a little bit and turn over do assistant director. But I wanted to go through a little bit about imagine Austin and very quickly it was a pi

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pivotal event in Austin's history. The last comprehensive plan was Austin tomorrow in 19 and it really set the stage for many things that happened in Austin, a lot of our regulations changed, did it was responsible for probably pointing to doing inward planning, comprehensive watershed ordinances, rewrite of our zoning ordinance that took four years at that time and then when we moved on, we had Austin tomorrow or Austin plan that kind of failed in the late '90s or late '80s because I think of a bad economy and then eventually there was a lot of discussion in the mid '90s that brought us to doing inward planning and ultimately to imagine Austin. It covered many different elements that -- in particular eight priority programs that you'll hear more about and the outreach I think that really there was a big attempt to get everybody involved, to the point where if we didn't hear from you we were going out in the community to religious facilities, going door to door, and putting in hangers on doors. We tried to reach young and old alike, and that's -- that was a big effort on our part. So imagine Austin I think it works to informing some of the key decisions that you'll deal with every day, zoning, budgeting, capital improvements projects, just on general policy. And you need to keep that in the back of your mind and I won't say you keep it -- the plan in the back of your pocket because did a little large but I know you have it electronically as well. I'm going to turn it over to Mr. Matt Lewis. He has been with the

city for -- since last October. He comes by way of San Marcus and the planning director of both of those cities and I'll turn it over to Matt and he can give you an overview of imagine

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Austin. >> Good morning, mayor, Matthew Lewis, civilian director of planning services review. We're going to go through a brief presentation of imagine Austin and I believe it's being queue queue. Imagine Austin is the comprehensive master plan that guides the city's future growth patterns for the next 30 years. It was a 3-year process in the making with quite a bit of community engagement that helped inform the plan, that leads us to where we're going for our future. Today we'll cover the imagine Austin plan development, imagine Austin content and implementation. When you tell anyone you're from Austin the first thing they say is I love Austin, it has an authenticity, realness, culture embedded in our community. Imagine Austin strives to integrate that into our planning process with positive outcomes, driving to carrier that forward so that's not Lois. Austin is too good to become anywhere America. We're all sitting here because we love Austin. It's a type of community that houses multiple lifestyles, whether you want to live in a rural environment, urban environment and everything in between, Austin is welcoming and has that type of opportunity. Because of our welcome nature, we have about 110 people moving here per day. With that extensive growth comes extensive problems. And complications that the plan strives to achieve in a holistic manner to make sure our life cycle for future generations leaves a good, ever lasting environment. Every day decisions that we make as community members, council members, as staff impacts the way that our future changes and

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morphs and policy choices, as Greg stated, that y'all face, budgetary aspects, fiscal responsibility needs to be integrated into our decision-making process and we need to evaluate the regulatory framework to make sure it's fostering the type of development patterns we'd like to see, creating and capturing the type of development and community and neighborhoods that our neighborhoods would like to see, also extracting the DNA of the places we know and love in Austin and coding that back into our context and environment. Austin has been doing planning for a long time. The mauler plan started in 1839. It was laid out in a series of short blocks that provided opportunity for incremental investment into our community, allowed people that had a little bit of money to invest, to create a place. They -- it was developed in this manner very strategically and with methods to make sure that it would allow for a transformation organically to happen as our city grew into a bigger city. They had aspirations, pride in what they were developing. The most beautiful and wealthy city of the size in the United States. That was the goal in 1839. We continued to morph in the 1913, technology advances. We started to establish a streetcar network which stemmed some of our greatest neighborhoods, Hyde park is an incredible suburb of Austin still with us today and one of the most loved places in Austin. Wasn't continue to progress, plans had bad ideas as well. This plan in 1928 called for east Austin better known as i35, we're still trying to overcome policy decisions made at that time to make sure we can integrate socially economic diversity into our community and it's the type of pride that Austinites have that are going to help us overcome that and the foresight they saw when creating imagine Austin that's going to help us

get there.

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>> As technology morphed automobiles became more prevalent and the plans morphed with those technology trends, widened and passwork streets were a sign of success. Everyone got their own cabin in the woods, everyone had the access to transportation. It provided a convenient lifestyle for austinites to move around Austin. Austin tomorrow started seeing trends where environmentally sensitive areas were starting to receive population and this was a concern for austinites. The Austin tomorrow plan integrated environmental regulations that were probably the most cutting edge regulations of its time. Austin became well known throughout the United States and the world for these type of environmental regulations. The next slide is surprising. With all of this incredible opportunity and foresight that our community saw, we ended up like this. This did not happen by accident. These are sign regulations. These are years and years of regulatory environment and processes and procedures stacked on top of each other. All of this is by design. And it's not that the developer wanted to build this. It wasn't that the community said this is what they wanted to see. This met the minimum standards. It achieved a D minus but if it achieves a D - it gets through and developed in Austin. Austin wants to be the place that is affordable, that is interconnected and mobile and we deserve better than this. As we move forward, the direction from imagine Austin launched in 2009, the city council at that time gave staff three elements to focus on. Engagement, sustainability, and implementation. With the rapid growth that we're seeing, we don't have time to be stagnant in our planning process, we don't have time to keep the regulatory framework that's built us into the environment that we're in now. We need to reexamine and adopt procedures that are beneficial to the community and flesh out the ones that are not. Codenext is now underway is

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taking that effort on P during the outreach and engagement there were more than 640,000 notices and fliers. Community engagement was a critical piece. The staff held fun, interactive events, trying to get people that didn't typically show up to community forums to make it inviting for people to have a say in what their community developed out as. There were over 18,500 participants that informed this plan. Imagine Austin is unanimously adopted in 2012. The best is yet to come. We are now in the stages of implementing imagine Austin. There's approximately 308 square miles govern the city compliments a little over 300 square miles that govern the extra territorial jurisdiction and these areas we don't have land use control but do have subdivision authority and water quality authority as well. The vision established by the community was a city of complete communities. It's place that's people could live and afford to live. It captured and integrated different socioeconomic classes into one environment. It was natural and sustainable. It provided a place for the creative class to thrive. It values and respects its people, it's mobile and interconnected and morphs with technology. It's an educated population and it's prosperous. I'm going to talk a little bit of context of what we got and how we got there. The slide you see on the left there is a place that could be all over Austin. And, again, this is not based off of the best-case scenario. A lot of our regulatory environment as it was stacked up for the last 175 years has created

a lot of red tape, processes that aren't necessarily in Austin's best interests, and it created environments like this. Again, it wasn't that the

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developer wanted to spend \$4,500 per parking space to build this type of experi and it wasn't that the community in the neighborhood said that's what they'd like to see in their backyard. So the image on the left is one that is representative of a complete community. Whether you're eight or 80, you have an environment that you have access to your daily necessary. It's integrated into a well-defined street network, the forms of the structure grace the streets and create an incredible, walkable environment, bikable environment, as well as convenient for automobiles. This plan does not say that the elimination of automobiles is what's the most prevalent idea. It's just an integration of transportation options. It's diversifying options for mobility in Austin to relieve some of the traffic, to integrate our workforce housing, allow someone that's a young start-up that has an incredible business idea to take a chance and the reason that the log dimensions and building requirements were all integrated into this framework were not necessarily based off of the best-case scenario. Instead, it was based off of, you know, how many parking spaces do you need per thousand square feet. In this environment it looks at a way of saying entrepreneurs should have the ability to thrive and kids should have the ability to ride their bikes to ice cream shops, bookstores, public libraries. And it creates an environment to foster that type of community. The plan calls for a compact and connected city. This is not at the degradation of our neighborhoods but in fact to preserve the character of our neighborhoods. Our neighborhoods are the jewel of Austin, and we need to make sure that the regulatory environment we put in place does protect that environment. And we need to extract the DNA that creates those places. What are the lots, setbacks look like, why are the houses oriented the way that they are on the land. Those were put in place with

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reason and definition, by design. It focuses on development along centers and corridors. Our corridors need work. The imagine I showed you from 2008 is an example of prevalent in the long -- most of our corridors in Austin and those can be zippers to zip our communities together, integrating and defining sense of place. It directs development away from environmentally sensitive areas to preserve those areas for our future generations. In order to accomplish this, there were eight priorities that were priority programs that were identified, all that work in conjunction to changing sure this is achieved as a holistic vision. These eight priorities have been integrated and defined by different departmental organizations and we're working to set the organizational framework to foster partnerships to make sure these items are all looked at as a whole rather than independently. Through implementation of imagine Austin there are five steps identified, continue community engagement. The community is the most informed decision-maker that needs to be at the table as we're moving forward. Wee need to clean out our regulatory environment and set the stage for a -- the regulations that will foster these types of developments, foster good development scanners ever-lasting environments for our community. Invest in -- capital investments in the appropriate areas where the community said they'd

like to see density and future population housed. It's very clearly defined in there and the capital planning office is helping make sure all of the departments are organizing in this manner. Organizational alignment. Make sure that our departments function in the most efficient, lean way that we possibly can with what we're trying to create. And most importantly, establish partnerships. Implementing imagine Austin is not just a staff initiative, not just a council initiative and we need to take ownership of the

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plan in the community. As you all see here today we're taking ownership in this. There's a real pride in this and this policy that sets an incredible direction for our future has been vetted by our community and vetted by the policymakers at the time. In speaking with locals, one of the first things we hear is fix the rulebook. The land development code does not foster the type of development patterns that they'd like to see. It's very difficult for small businesses to work within that environment. It needs to be flexible yet predictable so that the neighborhoods aren't down here every council meeting with 200 zoning cases purchase that's not very predictable and they also need to have lives and want to be at soccer practice with their kids rather than fighting zoning cases down here. Allow for the creation of small affordable spaces and provides assistance and options. Those are the types of elements that our community and local businesses would like to see take place. The road ahead, the work has begun, we're partnering internally, setting the structure to make this plan successful, acting as a whole. We need to expand the growth-shaping tool kit to make sure it's creating the type of environment we want to leave for our four generation and one we can take pride in. We need to monitor and adopt the rules and regulations as we move forward, we can't just continue business as usual and expect us to get out of the outcomes here in with the affordability issues, traffic, and the economic development job issues. We believe that the council and the staff are here as a resource and a team, and with our partnership and other partnerships about aid, university of Texas, St. Edwards and all of the various observation that's make up Austin we're going to be able to achieve this and we believe that the staff is the right team and council is the right team to make this vision come to life and we're excited to work with y'all. Staff is here to answer any questions, and attached is the imagine Austin link directly off

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the city of Austin website. Thank you so much. >> Mayor Adler: Before we go to the panelists and I appreciate there's a good presentation. >> Thank you. >> Mayor Adler: So the imagine Austin plan is the strategic plan that's required by charter for us to have? >> Yes. >> Mayor Adler: It provides that everything we do has to be consistent with the adopted city strategic plan; is that right. >> Yes, sir. >> Mayor Adler: So that's the embodiment of that plan. If we wanted to change that plan we'd be changing the strategic approach and we'd need to do that in order to change any kind of movement in terms of direction; is that right. >> Yes, sir, correct. >> Mayor Adler: On page 21 you have list what the priority programs were coming out of the imagine Austin plan and just by homage to councilmember Houston, who is watching us this morning but had a personal matter that she needs to attend to but is watching on television, CNC in priority program number 1 is what. >> Compact and connected. >> Mayor Adler: Thank you. >> Thank you. [Laughter] >> Mayor Adler: So let's go ahead and have the panel talk again,

relatively short conversation, you're talking about issues. The purpose here is mainly to present to us things that we're going to be having to think about, are going to be coming up in cases that we're dealing with, to give us a feel. Ms. Reads, thank you for joining us. I think you're up first to talk to us about how was it intended to be implemented. >> May I raise a point of order about timekeeping to make sure we keep to the schedule. Would it make sense to have a timekeeper so we have a chance to hear from everybody? >> Mayor Adler: I think so. We have some voices at the end of this deal. So five to seven minutes. Thank you. >> Good morning, mayor, mayor pro tem and city council members. By the time we near the end of the planning process for imagine Austin in the spring of 2012,

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the member of imagine Austin's community advisory task force realized that implementation would require at a minimum five different areas that actually align really well with some of the slides you've just seen. We knew there would be a need for effective utilization, that one of Austin's most important assets, human capital, people that would agree to work together over years in order to make this plan be fully implemented. Point number we knew there would be a need for C departmental cooperation, collaboration, bringing layers of expertise within the city together. The third point is that we knew there would be a need for effective and supportive public policy. Even though in the very beginning there was a lot of discussion around whether or not we would need to fully develop and redevelop the land develop code towards the end it became clear. Beyond that we felt that there would be other policies and that this would become an important foundation on which the rest of the plan might rest. And then public investment. It became also eminently clear that the ideas and visions we had for our city would extend well beyond the limitations of the city's budget. Finally, the development of highly effective and productive public private partnerships, that we couldn't do this alone. So what we have today in terms of implementation plan, I've been asked to speak to you about what was intended. And though we weren't really directive at the end these are the things that had bubbled up to us. I want to say that actually checking back and looking at -- following along and watching what the city staff has done in the last two years in many ways I feel it exceeds the expectations that we had in many of the areas. So the first I want to talk to you about is community engagement. Right now we have ongoing educational offerings, such as the imagine Austin meetups. These are informal and fun

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events, 50 people. I think there was 12 nights ago at Schultz's beer garden, group of people that can meet with staff, get involved, give feedback and some of the topic areas they have covered so far have been transportation, homelessness, what makes Austin unique. The imagine Austin -- there's a book club going on as well, but I want to speak to you about the speaker series because this actually brings in national level speakers on a variety of topics, those that you see on the screen, bringing in species such as Alan Jones, Christopher Lineberger. This particular type of community engagement right now is tend to go bring in about 100 participants at a time so on a variety of different topics. Again, giving the ability for the community to get involved and with staff purchase each of the speakers are being recorded by the now, making all to be able to see and follow along. Then, finally, the website itself was useful

throughout the entire process, it's the framework for the social media launcher and all of those communication channels, and it's really still really clear what's going on. So I'm revisiting it and happy to see what's there. In terms of the second piece I had mentioned we in my there would be need for the interdepartmental collaboration. I looked just a couple of days ago to see what the eight priority programs, and I looked to see the level of interdepartmental collaboration and when we get to the green infrastructure I noticed that there were up to, like, 13 different departments and offices working together. I think the least is three or four. So internal alignment is an important strategy. It allows that there is this collaboration. It creates and identifies the goals and expectations.

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It works to integrate policy connections, there are long-term and short-term goals, responsibilities are divide up and then an important part of the conversation that went on with imagine Austin is getting to the metrics and the measurements. These teams and sun teams have been meeting regularly over the last two years and in many ways I think the subteams are actually beginning to develop content experts that can work in different areas and be ready to go. We also clearly know with the internal alignment there's a lot of work with codenext. >> Mayor Adler: Would you read -- it's hard for me to read. Would you go back do that last slide and just read what the priority programs are going down 1 through 7 and - >> Eighth being codenext. >> Mayor Adler: Sorry. >> The eighth priority program being codenext, so compact and connected, codenext being the second one listed, sustainable water, creative economy, healthy Austin and house hold affordability. >> Mayor Adler: You'll get more chance to talk. You have about two minutes left. >> Then in terms of regulation, the land development code, we know that codenext is well underway and it's expected that on the other side of that there will be other policies coming forward. With more time to talk, this is an area that was a -- there was a lot of interesting concern about the existing plans and how they would align but I'll leave that for conversation later. Then the area of capital investment. So now in the last two years we now have a long range planning cip, capital improvement plan, strategic plan, 10-year focused horizon of planning and allows these two issues that have to be balanced, city's basic infrastructural needs balanced against strategic opportunities. So having an annual plan in place coming out of imagine Austin is another one of the implementations. Then I think finally getting to

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partnerships, how we approach these public private partnerships, this is a big plan with a lot of big ideas. This extends well beyond what our city can do on its own. So Diane Miller of civic collaboration, I think some of you may have worked with her in the past, she's amazing, has been working with the city to develop this guide that really allows us to look at assessing readiness for partnering, what it is to have effective partnerships and in many ways just developing a little better muscle memory for how we work together. In closing I want to say that having spent the last six years working on city planning initiatives as a volunteer for the city of Austin, I know that the one thing that our taxpayers fear most when we begin to plan is this: A bound book that might sit on the shelf. And so all of us, the 31 members of the community advisory task force at some time pledged we would not let that happen and I can say to you

that I believe that the implementation is well underway, long way to go, two years into a 30-year plan but I'm really happy to see what I see in the implementation. >> Mayor Adler: Great. Ms. Reeds, thank you. Thank you very much. >> There, now I'm on P manned did I Demayo, executive director of housing works Austin, we're a research education and advocacy organization here in Austin and I'm having trouble getting the clicker -- the one on the right. Once it comes up. Where is my tech guy? >> Mayor Adler: Do we have

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someone that -- they're working on it. >> It's only four slides. I can go without the slides. Mayor, mayor pro tem, councilmembers, thank you so much for having us here this morning to participate in your policy forum, formerly known as deep dive. We're happy to be here. Matthew covered this. Here we go. Matthew covered this initially. Housing works Austin we were intimately involved in the imagine Austin comprehensive plan, in the development of the plan and we were really excited about a variety of aspects of it. One of the recurring themes was complete communities and that really resonated with housing works because our tag line is all kinds of homes in all parts of town. One thing that came out of imagine Austin was this vision for complete communities, where there would be all kinds of homes for all kinds of people in all parts of town. I have up there out of the imagine Austin vision statement the idea that economically mixed and diverse neighborhoods across all parts of the city have a range of affordable housing options. So we're really excited to see that being an integral part fortunate imagine Austin comprehensive plan. >> Mayor Adler: Can you point that microphone a little more towards you. >> Being lean in. Better. >> Mayor Adler: That's great, thank you. >> But the idea of complete communities and the vision of all kinds of homes for all kinds of people in all parts of town hasn't come to fruition just yet and that really came to light when we had the recently released land development code diagnosis that was published in may of 2014. There were a variety of problems with the land development code. One of the major, top ten problems, was the lack of affordable household affordability, lack of diversity of housing choices. So we saw things like household affordable gap continues to grow, lack of appropriate zoning tools, limits housing choice. So really the code has a really important impact on household

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affordability. One other thing Matthew mentioned in terms of the priority programs, one of the important priority program number 6 is household affordability and it's important to know we're not talking just about affordable housing, we're talking about household affordability. It whereas in connection titled that because it encompasses more than what you pay for rent or mortgage, it includes utilities and transportation, two really key parts of any household budget. Some really important trends, a backdrop, one is inordinate growth, we're expected to double every 20 years in population. We have changing demographics and tie into household affordability, increasing population in the elderly, smaller household formation and loss of families from the urban corridor, and, you may know they recently came out with a demographic report that shows they're projected to lose in excess of 4,000 students over the next ten years. One thing I also want to point out in terms of growth is that

we have a recently released comprehensive housing market study that shows -- this came out in summer of 2014, that shows the need for in excess of 48,000 rental units affordable to folks earning \$25,000 a year or less. That's a big number and something we need to tackle as a community. In terms of our community and what it looks like and what the housing needs look like, a couple statistics I want to point out. One, 2, 5 -- wrong one. Two and five people are living at or below the poverty level but one in three children in Austin lives in poverty, an increase from 17 to 30% between 2000 and 2012. We have nearly 2,000 homeless people in the city of Austin, that's from the 2014 point in time count. We are anticipating the most recent Numbers any moment now. We're hoping that the Numbers

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will go down because we have had a really strong push for permanent support of housing and we're hoping that is having a positive impact on the homeless population. We have increasing cost burden and extreme cost burden, the cost burden where people are paying more than 30 percent of their income for rent or mortgage and extreme cost burden is 50 percent for rent and mortgage, and in the city of Austin it's higher than Travis county, higher than the state of Texas and higher than the United States as a whole. That's something we're really monitoring. We also -- one thing I want to point out in the city of Austin we have in excess of 90,000 low wage jobs but currently only have 18,500 approximately subsidized units so that goes back to the comprehensive housing market study that is telling us we need in excess of 48,000 units affordable to those folks making -- working low wage jobs. Housing works, these are our policy priorities that are coming up and fortunately our policy priorities align with the housing priorities that were outlined in Imagine Austin. The first one is preserve. Preserve what we've got. Even though we only have 18,500 subsidized units we have in excess of 65,000 market affordable units. Those are units that are just class C or D apartment complexes that are older but that are ripe for redevelopment and displacement of low income people could we need to develop a strategy for preserving those units. City council in fall of 2014 adopted a recommended policy goal which was a goal of preserving 20,000 units in the next 20 years. Another thing we would encourage is the continued investment of local housing dollars, the 2013 housing bonds are providing resources of \$65 million, and we encourage the really smart investment of the affordable housing bonds. Another recommendation is partnering and we talked a bit

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about this earlier, public private partnerships are critical but it's also critical for partnerships within the city departments. About a year ago city council created the housing transit jobs action team and it's a cross-departmental team of about 20 different organizations, includes crowd organizations like cap metro and Austin energy but also economic development, housing and neighborhood housing community development, and pdl. So a variety of different teams are getting together to tackle these issues and align their policies between departments, incredibly important. The last item is include. We are advocating for inclusion they're policies, I think code next is an incredible opportunity for us to institute policies in strategic areas. I am serving on the citizens advisory group of codenext and that's one of the things I am pushing for, the development of really strong policies so we can ensure we have

all kinds of homes for all kinds of people in all parts of town. >> Mayor Adler: Great, thank you very much. Thank you. I was talking about Austin -- imagine Austin affecting affordability. How will imagine Austin affect how and where we grow? Mr. Galindo. >> Mayor Adler: Can you turn that on? >> Push the button? There you go, that helps. Mayor, councilmembers, thank you. As I sit here with this distinguished company I'm reminded that I have four daughters of my own and so this is an environment I'm accustomed to. [Laughter] >> Good practice for the future too, I'm sure. But I wanted to just -- my comments really are going to be related, I think. The question I've been asked to talk about is how and where imagine Austin would help us in terms of the built environment

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that we create for our city. I want to step back just for a couple of minutes and talk about the fact that despite that we all love our city and we love living in our city, we are -- there are a number of different issues that frustrate us, that infuriate us, that cause concern, that we all deal with every single day of our lives here. And that's regardless of what our socioeconomic status is, where we live, what our geography is, our gender, our age, we all deal with a handful of issues every single day that are of concern. There's three of them really that percolate to the top, and the evidence of that is that pretty much every one of you in your campaign literature mentioned one of -- or all three of these main issues. And those issues are traffic congestion and the inefficiencies and the frustration asso associated with that; household affordability, which we've heard a little bit about already; and the third one is our water supply and the concerns long-term about that, what the implications are of a declining water supply and additional consumption as we grow. So if we think about those three, just to select those three issues, I'd like to think of those or I would challenge you to think of those not as what's wrong with the city or the disease that we suffer from, but rather think of those as the symptoms, the symptoms of a more in gracious for fundamental disease our city needs to grapple with and we as leaders need to grapple with in the future. If bethink about it in that way and we're trying to dig a little deeper into what are the causes of these symptoms and we start to study that, we see that really the issue is about our settlement patterns. It's about the way that we have distributed on our land the places we work, the places where we study, the places where we worship, the places where we work, and how we connect those

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and different options that we give ourselves to move back and activities that we have to conduct the wonderful lives that we have here in Austin. So one of the -- the disease I would say is that we have allowed our city to grow in a very disbursed and very disconnected way over the past decades. And the phenomenal gleaming we experience really just exacerbates that and makes those symptoms even more visible to us every single day. So in the long run, I think the solution to these issues that voters talk to us about every day is to really think deeply about how do we change those development patterns that we currently see in the marketplace or we currently see in our environment? And that's really the main message behind imagine Austin, is that we need to figure out how we change those development patterns from a dispersed and disconnected pattern of growth to a more compact, more connected

form of growth that's more efficient, that preserves our -- the lifestyle that we love, and that really has a lot of the different benefits that we love about Austin and helps us to protect a lot of the things about Austin that we love. So I think the main point of my comments here is the imagine Austin plan is the guide that helps us to figure out how we're going to grow in a more compact and connected way because that's the only way in the long one that we're going to have any kind of impact on our congestion issues, on our affordability -- household affordability issues and on our water supply issues. I would also add on top of that, just the fact -- the indisputable fact that Austin has grown at about 3% per year since it was created over 150 years ago.

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We've tried in different varying degrees to slow that growth down and manage it better but we're going to continue to grow. We're one of the best cities in the country to live in. We continue to attract people. And all of those people are going to fit -- are going to have to fit in your individual districts. There is -- none of you have the option of saying, no, we're not going to -- you know, the rest of the city can grow but my district is really nice the way it is and we're going to keep it the way it is. We all have to absorb growth in our districts and so what imagine Austin does for us, it gives us the conceptual framework by which we start to figure out how do we absorb that growth in our district? How do we do it intelligently, in a way that will actually -- that will not continue to negatively impact the lifestyle of our residents, of our constituents, in terms of the traffic congestion they deal with. And whatever other issues that you guys hear about in your districts. Finally, I think I would just note that the participation in the plan was really I think outstanding but that is a relative term. I mean, we get pretty excited if we get 10% of our population to vote in a municipal election so, yes, no, we -- I mean, we didn't hear from every single, you know, citizen of Austin in the plan, and we can talk about, you know, how much participation there really was. But I can say there was an outstanding effort, city staff one awards for the level of participation, the depth and breadth of participation in this plan, ask and it really is the people's plan and we need to treat it as such. So those are my comments, and I appreciate you inviting me here this morning. >> Mayor Adler: Mr. Galindo, thank you. For people watching, Mr. Galindo is with the congress of new urbanism, central Texas

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chapter. Cookie Lee was on the imagine Austin task force and is executive director by the -- Heidi Brock, vice president with the real estate council of Austin. >> Lights on. Must be okay. >> Mayor Adler: Thank you. >> Good morning, thank you all so much for inviting me to be here with you this morning. If any of you -- please forgive my voice. If any of you want to start off with getting rid of the cedar in Austin I'm sure I could get the real estate council on board for that. I decided not to have a powerpoint presentation this morning. I thought it might be more useful for me to talk off the cuff a little bit and tell you a little bit about what the real estate council might perspective rewards to imagine Austin. We advocate on behalf of the commercial real estate and I that's really the whole ecosystem of the commercial real estate industry. We have all different types of members, and they all have an interest in imagine Austin. We perceive the plan to be big and bold. It's a high-level plan. We believe that it is -- it's

had an amazing amount of input from citizens in Austin. More than I ever saw in my time here at the city. Now, we haven't had a comprehensive plan since I was two years old and I'm not that young. So that was a long time ago. And, you know, Austin is changing really fast. And we have to think about how we want it to change. One of the things I really want to leave you with today is that a lot of times in Austin we're really good at the big picture. We tend to agree on what the big picture problems are. A lot of my colleagues up here on the board have talked some about that. But what ends up happening is we start to dig into how to fix

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those problems and that's when we have big fights and we get so ingrained and enfolded those fights that we never focus back up again at the big picture and talk about how we're getting to that goal, the big picture goal that we all set. And imagine Austin is really that roadmap for us. And we should all, as we're advocating to y'all and y'all are thinking about decision making, I think the real estate council is prepared to be a partner in this, really focusing upwards on that goal, focusing upwards on that roadmap that some of the citizens of Austin weighed in to create. There will be disagreements and disappointments and people will have different positions about that, but if we really focus on that big picture and are honestly with ourselves and each other about what our policy decisions actually do in practice, then I think the real estate council believes we will be able to achieve that goal. You know, I think our challenge is that some of us may have a little bit of buyers' remorse reward to imagine Austin. And I don't think that the real estate council has that. I think we're very excited about imagine Austin and how we'll get there. You know, we have to change the code. We have to change the code in a way that will allow us to implement imagine Austin. You'll have a policy workshop on codenext and some smart people will talk to you about how that needs to happen, but we have to really dig in and make that happen or we're just not going to be able to achieve imagine Austin's goal and vision. I think there's been some questions about whether the real estate community believes, you know, imagine Austin vision is achievable and I would tell you that my members do believe that. The market I think reflects imagine Austin, imagine Austin reflects the market. And we believe that we can finance, develop, and build the

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visions that laid out in imagine Austin with the partnership of the city and the other governmental entities and our neighborhoods and neighbors. We're ready to do that, and I think we're fully committed to it and we would just encourage torch stick to that high-level goal. When you're getting bogged down in the questions, the details, focus back upward on that goal and let that guide your decision making. So thanks. >> Mayor Adler: Thank you very much. Now Mary ingal, who is the president of the Austin neighborhoods council. >> I decided to be different today and I brought props instead of a powerpoint. Yes -- maybe. Thank you. So in Austin, sometimes we do things backwards. And we completed many neighborhood plans before the comprehensive plan was done. So I brought a little prop here and I'm using Greg Guernsey's analogy of making a quilt. Having a quilt, that's imagine Austin and we put all the 29 neighborhood plans on it. This is not a perfect analogy because this isn't how you make a quilt but

this is the quilt we have, and we immediate to make it beautiful. And accommodating. So the one thing that I want to say is that the neighborhood planning process is an infill program only. So all of these neighborhood plans that we've adopted was about adopting infill. And that means density and growth. And during the imagine Austin process, there was a study done by Paul frank at the city called the zoning capacity analysis. This zoning capacity analysis, redevelopment analysis, says

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that we have enough density and entitlements on the ground right now with the existing neighborhood plans to double our population. So we have that in place, and we need to proceed very carefully and make sure that we accommodate the neighborhood plans and also other density that might be forthcoming. Not only do we spend millions of dollars on these neighborhood plans, but a large amount of community effort and volunteerism and collaboration with city staff. So it's very important for us to keep these plans in the forefront of our minds and on page 207 in imagine Austin that's where you'll find a reference to these neighborhood plans about respecting them, and that is paramount for our growth in Austin. I also wanted to speak about areas that don't have neighborhood plans. Many of your districts, probably only district 9 is excluded from this, but many of your districts have areas that do not have neighborhood plans, and it's probably a greater land mass than the urban core. So who decides how these areas get developed? Where are the rules? Where are the parameters? They're not in imagine Austin, per Se. We have a growth concept map that is conceptual, it's a vision, but we need to be very careful about how we proceed with those areas. And also protect those areas because our neighborhoods are actually O jewels, as I think Matt lewis just said. There were also other things that -- on page 207 there's a

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reference to compatibility standards for existing neighborhood plans. These plans were adopted with certain ordinances and regulations in place, and they are the basis for these plans. So as we move forward with codenext, we need to keep these things in mind so that these plans actually are respected in the way that they were adopted. These plans, the flumss, nccds or whatever, these are ordinances. These are our laws. And then I wanted to quote one of my friends in west Austin, Michael curry, who is a lawyer, he's a nice lawyer. [Laughter] >> And he has a very good mind. He said "We must craft a land development code that protects and observes existing neighborhoods, compatibility standards and other provisions, existing ordinance and can ensure compatibility between new development and regional neighborhoods are critical for the successful implementation of imagine Austin." And this would include policies about affordable housing, about growth. And we must have things that respect all of these elements -- all of these elements must respect our existing neighborhood plans. Thank you. >> Mayor Adler: Thank you. And thank you all for coming again on late notice to the first one of these we're gearing up. I appreciate that. Greg do you want to comment at all, having heard now the panelists, on anything the folks said or any of the topics? How it's to be implemented, affordability? I'll give you a few minutes if you want to respond to anything. >> I'm going to keep my comments very brief. It's nice having a balance of panelists I think here and in other voices you'll hear letter because all those voices

make up our community.

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The nice thing about having a comprehensive plan, it does lend credibility to the city of Austin. For people to move forward, to make investments to move here. It also recognizes that -- as it was said, 3% growth, I can't tell you how many untold hours we spend talking about that very topic with council directly to other neighborhoods, to the commissions, that he's served on but we can't put up a door and close it and say, I'm sorry, you can't come here anymore. I think the plan lends itself of giving direction, giving the roadmap that Heidi talked about that actually states in here about areas that we should grow, that council has made the decision, the city can try to organize its investments, align the departments to show others where -- that we are thinking that is a positive place to go. And it is Mary said, the neighborhood -- and I did remark about quilts. I didn't invent it, although my wife is a quilter, those are very important. They do -- the neighborhood plans, those special area, small area plans, they help inform the greater plan, the imagine Austin plan. But it's a 2-way street. They talk to either each and one doesn't necessarily trump the other and you have to realize that the neighborhood plans are more specific and I can tell you that the hours that citizens have spent, depending on when those plans were adopted, could have been years. I mean, four or five years to maybe only the year and a half to two years but those are documents that must be respected. And I agree with that well. [ Applause ] >> Mayor Adler: Was there -- when imagine Austin was adopted as a plan, as a strategic plan, was there a minority view? I mean, was there a different school of thought that was

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saying we see this plan, but we like this plan better is this was there -- did that dynamic exist? Was there an alternate world view to imagine Austin? Miss ingall. >> Well, yes, there was. And I didn't totally embrace the end product myself. I thought that the -- the outreach was imperfect, outreach always is imperfect, but this could have been done better and it seemed like it was a series of pizza parties and then also -- which to me doesn't actually promote the seriousness that should be given to a plan. And secondly, I don't think the east side of Austin was engaged enough in this plan, and maybe other outlying areas, district 6, for example, or district 10. A lot of people just didn't know about it. And I also think that I know about a -- some layers of data that are missing from the plan. And I can give you one specific example. I think that there are not -- that there's not an archaeological layer of data, which would give you some historical sites that are in Austin that aren't documented on any maps. For example, there's a fort off of Springdale road that's sort of hidden away and it might be a very important site. So you have to have these different layers of data in order to go out and to develop and to make new development work in the community. So I do think that there are -- there's an opportunity to maybe correct that and to make sure that those layers of missing data could be brought in. Every plan is imperfect, but this might be an opportunity to do that.

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>> Mayor Adler: Ms. Kitchen and then Mr. Zimmerman. >> Kitchen: First off I want to thank you all for being here. This is very helpful. This is obviously an area that is ground zero for a lot of what we'll be dealing with and also as one or more of you put it, this is critical to how we grow as a city and achieve our goals. So I want to have -- I want to talk about some policy issues and I want to key in on the neighborhood issue. Because -- and I want to talk about one aspect of it, and that is the aspect that relates to -- that you brought up, Mary, that relates to the parts of the city where there are no neighborhood plans because I think that one of the things that we will need to think about as we move forward -- and I'd be curious about what my colleagues think -- is that, you know, at least in the areas that we have neighborhood plans, we've had some opportunity for people to discuss what they want in their areas. And the parts of the city that we don't have any neighborhood plans, I'm not sure that we have a mechanism to understand from those folks -- and I know that in my district there's a lot of my district that doesn't have a neighborhood plan and I know that at least some of the folks in my district have wanted to have a neighborhood plan but are not on the list because the list grows from, you know, the middle out and that's understandable, in terms of resources, et cetera, but -- so I think as a policy matter, for our council and as we go forward with land development code, we're really going to need to think about what are the roles that neighborhoods play and what are the roles -- how can we engage neighborhoods haven't had the opportunity to have a discussion around a neighborhood plan? I don't know what the answer to that is, but I do -- from my perspective, just to share with my colleagues, I think -- -- whibelieve that it's important that

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we respect neighborhood plans and we respect neighborhoods' thinking about their neighborhoods but I'm not sure exactly how we do that, particularly in neighborhoods where we don't have a neighborhood planning process. So I'm curious what others think. >> I just wanted to respond to that. One of our challenges is reaching out to people across the city. After the first phase of codenext, which was the talking to the community -- is the mic not on? Okay. Geez. The first phase of codenext, which was speaking to the community and the consultants came back and they had crunched all the data, everybody that they talked to. It was a large number of people. And we reached every single zip code in the city of Austin, which I think was great but I don't think we can pat ourselves on the back because the feedback was disproportionately homeowners, I want to say 70 to 80% homeowners, but 55% of the city are renters, disproportionately higher income, dispose we need to do a better part of reaching those folks. It's about everybody, all different socioeconomic groups. So I think that is an ongoing challenge from the codenext perspective and we're trying to be very direct and intentionnal about the folks we reach out to. >> I just wanted to add a little bit to that, which is y'all have been having a conversation about input and how you take input from citizens, and I just wanted to follow up to say that I think while I do believe that imagine Austin did a very good job particularly with regard to other stakeholder processes I watched in terms of death and breadth of feedback, the neighborhood planning process has similar issues with regard

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to engaging the entire neighborhood. Mary talked about how long the meetings are, how many there are, how long it can take to develop those plans and not everyone has time to sit through those meetings and attend them. So I would like to encourage y'all to think about that as neighborhood planning processes change with imagine Austin, as y'all are here, think about how you engage citizens who may not be able to be at every meeting with regard to how we incorporate their feedback into neighborhood plans and then incorporate that into imagine Austin. >> Mayor Adler: Mr. Reeds. >> Mr. Mayor, thank you. I'd like to add a little historical insight into where we are in the neighborhood planning process, but typically cities when they engage in -- or launch into a neighborhood planning process, they do that within the context of an existing comprehensive plan because every city in Texas is supposed to have a comprehensive plan. Well, one of the consequences of our failure to have a comprehensive plan for the last 30 years until now was that when we launched into our neighborhood planning process, we did it without that overarching concept of what were the main themes that every neighborhood would need to incorporate into its plan that were the priorities established for the greater city. And so we launched really into an experiment because it wasn't -- it wasn't like other cities had done it this way. We built the quilt, you know, piece by piece, without having a master plan of what that quilt was going to -- was supposed to look like or what order it was supposed to come into. So as a result of that, I think that's part of the difficulty that we have now, is that all our existing neighborhood plans were made really within the context of just what's good for our neighborhood, what do we want for our neighborhood. Without taking into account what are the things that we need to provide in our neighborhood to

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be good neighbors -- >> Mayor Adler: Are we finding the neighborhood plans are inconsistent with -- >> I'm sorry? >> Mayor Adler: Are the neighborhood plans and the flums that we see inconsistent with imagine Austin? Well, I think we will continually see small examples where there will be conflicts, yes, I think that's going to be part of the challenge -- you're going to be spending most of your time as city council members figuring out where does a neighborhood plan -- is there something about it that may be in conflict with the greater goal for the city? That is spelled out in imagine Austin. Or it will be even more concentrated when we start looking at the code and actually start making changes to the code that might put a priority for a neighborhood plan in conflict with the greater priority that's spelled out in imagine Austin. >> Mayor Adler: Got it. As we talk here, let's think about it kind of like speed dating. We have literally 40 minutes we want to have as many number of people, including people at the council talk as we can. To the degree you can respond to something in 15 seconds or 20 seconds, let's try to do that. Mr. Zimmerman and then Ms. Tovo. >> Zimmerman: Thank you, Mr. Mayor I'll keep this short as possible. I appreciated the remark on historical insight and I really appreciated the remarks about what happened in 1928 when zoning was first put in this approximate goes to my argument that we should even -- that we should be discussing whether or not central planning is a decent idea. If we go back to 1928, let's rep remember that we had a supreme court decision, plesi versus Ferguson that established this crazy idea you could have separate by equal accommodations and that was really a violation of the 14th amendment passed after the civil war, which granted equal rights to everyone. So there was really an abuse by the Austin city planners in 1928

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that didn't respect the constitutional rule of law and they segmented can be it was a form of apartheid. It wasn't just property rights denied, voting rights as well. I don't think there's any question that a majority of the stakeholders, as you refer to them, the majority supported that illegal segregation that was unlawful under the 14th amendment. So I want you to back up and think isn't that lesson that the city government shouldn't be empowered with this kind of power to plan everybody's life? It's easy for us right now to look in the rearview mirror and say, man, that was a additional thing that they did, but if we were to jump 90 years ahead and look at imagine Austin, we might say, man, that was a terrible thing that they did. So I think that the 1928 example of segregation is an illustration to us that we should not have this master plan and centralized planning. To that. >> I think if we pull back a little bit and say less regulation -- or less control over the way we control -- over the way we settle the settlement patterns is not going to improve our transportation issues. It's not going to make traffic congestion go away. It's not going to do anything for more affordable, in fact it will accelerate that and certainly it doesn't have any direct concern about water supply and long-term care of the environment. So my position would be that, you know, cities exist for a reason. They have regulatory powers for a reason. And the more that we live in closer proximity to each other, the more we need rules to regulate how that's going to happen. >> Mayor Adler: Thank you.

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Ms. Tovo. >> Tovo: Thank you. Interesting question and real interesting answer. And while I'm -- I'd like to sort of stay on that, I do want to get back to the earlier question, mayor Adler, that you asked about neighborhood plans and imimagine Austin. I had the benefit of participating in imagine Austin as a community member attending the -- this is one of the benefits of a process taking five years, I was a community member and on the planning commission, on the comprehensive plan when it was beginning to work its way through the process and then as a 00:00 on the council that a that that approved it so I'm familiar with that particular question because it was I think probably the point of most controversy over the course of that project. How neighborhood plans in the areas that had them were going to interact with the comprehensive plan and I would say Ms. Ingall pointed -- directed us to 220 -- I'm sorry you directed us to 207. I would also suggest page 220 because it talks about in areas that have neighborhood plans, the neighborhood plan provides the answer on how that area should develop. And so, you know, I don't think we have time here to talk about it, but this is an ongoing question, and I think what we're seeing, even among our panel, is a difference of opinion about how those two things interact. But, you know, again, as somebody who worked on this, I would say that that -- that was the promise as a community member I heard from our staff and it was certainly one that I felt like as a councilmember we were make, that in areas that had neighborhood plans, those would continue to dictate the small land use issues. The small land use planning issues. And that imagine Austin was sort of the larger framework for that. And I don't know of -- I would be interested to hear what the panel sees as inconsist tensies. When we talk about

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inconsistencies, it tends to be in the framework of -- I'm not sure as I read the comprehensive plan and with my familiarity with some, not in specific detail, but familiarity with some neighborhood plans there doesn't seem to be much conflict there. >> In answering that question, to focus on that question and also what Mr. Galindo said, about two different direction, if you're planning for one specific area, you may come up with a reason and correct best choice and you're planning for a larger area and are looking at that region in the context of a larger area, you might end up with a different reasoned or best choice. It's that tension. So I would like to hear additional comment on that as well. Let me start with Ms. Ingall. >> I actually was for -- I had some foresight on this. >> Mayor Adler: Pull your mic closer. >> I had some foresight on this because I picked out a potential conflict in imagine Austin regarding neighborhoods and it's also regarding the planning process on page 116 and 117, we're talking about historic preservation in imagine Austin and also conservation, where it should be coordinated with conservation. It speaks about buildings as historic assets as well as neighborhoods being historic assets, yet the city of Austin doesn't do much to promote conservation and preservation in its planning process so that is a potential conflict already with our neighborhood planning process and the existing neighborhood plans. >> Mayor Adler: Thank you. Ms. De mayo and Ms. Reeds. >> This is one of the biggest challenges with the land development code, what is the -- the neighborhood plans and the interaction with the new land development code. Just a specific example, I live in a neighborhood north of 35th street, the neighborhood south of 35th street is part of a

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neighborhood plan but we have not had the good fortune of being in a neighborhood plan. I'm in the urban core. We have planning on one side, major transit corridor, so I think one of the advantages of a high-level look is that you're looking at the activity centers, the connections, you're looking at it from a different perspective than from the neighborhood that ends at a distinct boundary. So I think that's really important. Another thing I will say is some of our neighborhood plans -- my understanding is when neighborhood planning started the idea was it was going to be a living, breathing document, constantly updated, for whatever reason that has not actually occurred. We have some neighborhood plans that have been sitting on a shelf for years and years. I think that does a disservice to the neighborhoods and does a disservice to the city, particularly when we've envisioned these areas that may be activity centers, regional activity centers and how does that interact with the neighborhood plans that maybe do not reflect what currently is going on in the neighborhood. >> Mayor Adler: Ms. Reeds. >> I want to go back ever so slightly to that whole process of getting the community involved. There were actually dissenting voices every day, every step of the way, throughout that process. It was a process in which the city was convening the meetings but the citizens were having the conversations and I really wish also councilmember Houston was had been here today because she was very, very really fervent and very critical of the fact that we did the best job we could, that I don't think we went as far as we could even though we tried. The one thing I wanted to offer as a sort of cautionary note perhaps in 2006, when we began creative Austin and in 2009, in neither of those two situations were we able to out of the city produce Spanish language materials. >> Mayor Adler: What. >> We were not able to produce materials

in Spanish language which I think is something we need to think about going

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forward. We always need to be in a position to do that or we're leaving a lot of people out of the conversation. >> Mayor Adler: Again, I want to give the opportunity for the councilmembers, if there are issues or questions, make sure that the -- the priority floor space is for us to be able to ask questions or introduce issues on to the table. >> Thank you very much for being here. We love hearing your ideas and voices and appreciate your time. One of the things that the district 10 office decided immediately was that we wanted to have a lot of interaction with our neighborhood groups and our neighborhood associations. And what we found was there was a lot of inaccurate, and outdated, and incomplete information about the different neighborhood associations and homeowner associations. So I would ask the help in updating in making sure all of those groups are included and the word gets out. With technology that should be a simpler process. The one thing we've probably -- have been participating in over 30 neighborhood association and homeowner association meetings over the last three weeks, what we find is particularly in district 10 there's not been a lot of interaction with councilmembers in the past. They are amazed and impressed and appreciative that we've taken the time to actually go to those meetings in the evenings. What I see is that that has also encouraged them to participate more in the process. So if that information with the different neighborhood organizations could be made available more easily to the other councilmembers -- and I know we're all working to try to do that -- it would be very helpful, understanding also that the neighborhood associations' responsibility is to continue to build their membership because the membership is a small percentage of the actual number of people that live in those neighborhoods and we want to be able to hear the voices, not

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just of the people that are members of the neighborhood association, but the -- all the residents in those areas. So working with neighborhood associations and with the city to try to figure out how to get the complete voice of those neighborhoods would be really helpful, but thank you for what you're doing and please help us to try to get that complete information. >> Renteria: Mayor, thank you. In my district 3, I've had people come up to me about the neighborhood planning team and contact team. It seems to me we're really not monitoring these contact teams because people have been telling me, the people that have created some of these -- that have been in charge or are the chair and all that are not going out, reaching out to the people. They're giving out misinformation, telling people that they can't vote or can't participate because they haven't lived long enough in the neighborhood. They're coming up and saying, hey, you've only been here three years so you're not entitled to have any say so. I'm seeing this all the way across my district. And I would really appreciate that, you know, when the contact team comes, you know, we immediate to really have the city monitor, to make sure that they are being inclusive. You know, that's what I'm hearing. How can we make an honest, true neighborhood plan if we're not being inclusive. >> Mayor Adler: Okay. >> Cesar: Quick question, Ms. Ingall, will you remind me of the name of the study you referred to about att entitlementments already existing. >> Redevelopment analysis -- >> Cesar: I'll just call it the study. >> Yes. >> Cesar: That's the study I'm

referring to. So considering the fact that we

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have obviously great housing demand within the city and particularly within the central city or as close to the central city as you can get and then also considering that we have a study that says that the level of entitlements already available within our current code is what it is that you described, perhaps several of you really quickly -- I know that you could probably give a long speech on this, but if you were to list the do reasons why we are seeing so many housing starts outside of the city and fewer inside of the city, considering those facts -- okay, you're laughing at me, but I'm just saying if you could give me, you know, one, two, three, these are the reasons why, and you can refer to the study or not or current code or whatever, free form it, it seems like an odd phenomenon, economically and obviously has impact. I'd love to hear from several of you what your thoughts are. >> I'll be happy to start. Without getting into the details, but broadly, a lot of that entitlement isn't in the right place manufacture up pieces of property, particles that are entitled for additional density but it may not be appropriate to have that density there. To really looking forward to the challenges that I think you will all be dealing with in the coming months and years about this is when you look at slid neighborhoods, you know we do want to preserve the character absolutely of the single family areas within our neighborhoods, but what imagine Austin calls for is figuring out how to absorb additional population within our corridors that can be served by transcomposite in centers where we would be able to have mixed-use types of developments, where people's daily needs or a large portion of people's daily needs are provided and people can walk there or bicycle there and don't have to get in their car every time to get their daily needs in the neighborhood. So the issue is is the entitlement in the right place? In many cases it's not, when you

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dig down into the details, when you look at it on a neighborhood-wide basis the Numbers make sense but when you dig into the details, it isn't always so. So the challenge is going to be really figuring out those transitions, how do we make smooth transition from single family neighborhoods where we really want to preserve the character into what we hope will be more densely developed corridors and nodes within the neighborhoods. >> Mayor Adler: M de mayo first and then Ms. Ingal. >> I agree and I would say also the issue in terms of development is the cost. It's expensive to develop. The state just released - had this article that said 10,000 units are coming online and this is going to help with our housing supply. It certainly will help with the housing supply but the reality is those units coming online are generally disproportion analyst efficient one bedroom units that doesn't do anything for our families in the city of Austin. They're also expensive units. Class a apartment complexes. These are not affordable when you look back at the market study, the market study said we need 48,000 units for people earning \$25,000 a year or less. So there's a supply manufacture demand mismatch in terms of what product is being developed and who it's serving. So one of the things we advocate for is really intentional development, to serve that need, get that 500, \$600 a unit, you need to layer on multiple things, including published did I. >> Mayor Adler: Talking quickly we have 15 minutes worth of public -- 15

minutes worth of public speakers that have come for public voice that's we are going to get to probably in the next ten, 15 minutes is somewhat we have left for the conversation here. Let's do Ann. >>

Kitchen: It strikes me -- you know, we had started down a road of talking to some extent about conflicts between the

[10:37:53 AM]

imagine Austin, Idc rewrite and neighborhoods. I think of it more in terms of we've got a whole list of priority programs, and all of these are important. And my thought is that sometimes we get too caught up on one of them, like the compact connected, and we may be thinking about compact and connected and we that I be interpreting it a certain way and forgetting that all of the rest of these are important. I think that your comments, Ms. De mayo, spoke to that, you know, in terms of affordability is important over here too. So I just -- you know, to my mind, I just wanted to make a comment, not really a come, more a comment, I think we have to be careful. Compact and connected is one piece and it's an important piece but these other pieces are important too, and so part of our deal is not to think so much that these conflict with each other but how we balance them so we can achieve them all. >> Very quickly, I respectfully disagree with my compadre here. I think that the planning process for the neighborhood plans was done very well because the density -- there was a lot of density placed on corridors, transportation corridors. That's where it's supposed to be. A lot of it hasn't been built out. And I'll take west campus as a density node, for example. The high-rise building would require steel construction. None of that except for one particle has been touched because funding has not been available. It will become available. When the buildings and when the market levels out for that area. But that's a place where there's a ton of entitlements still left, probably enough zoning there for the next 75 years around the university of Texas, and it was appropriately placed by my neighborhood plan, and it does need to be tweaked to integrate affordable housing because -- and the market will

[10:39:53 AM]

have some bearing on that too because it will level out, and we can't always charge expensive rents for the rest of our lives. >> Mayor Adler: Let me ask a question that goes to the desired building that does not conflict with the neighborhood development. The plan calls for growth in activity centers. What is it that you do from a planning place in order to help effect that part of the strategic plan? How does that happen? What action should the council be take to go support taking to support the activity of activity centers. >> It's a lull. Let me jump out there. Codenext is actually looking at that very issue, looking at those corridors and nodes or activity centers on where we have chosen where we would develop. And so there are -- there was issues I know brought up about compatibility standards and compatibility standards was done at one point in time. Probably needs to be discussed. I've had citizens come to me and say "Well that meets all compatibility standards but it's the ugliest thing I've ever seen," and people want to live in places where there's pedestrian traffic, that there are services that are close to them, that basically have a complete community so they're not having to travel far distances. And those need to be balanced with not only just compatibility standards but with those neighborhood plans we're talking about. You are looking at -- and what imagine Austin did consider -- was growth coming and not

planning for the growth to be scattered, but to be in those corridors or those nodes. So in code next, you are looking at future redevelopment or incenting development along

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those areas for more density. That's not to say we're not going to try to preserve the character of the neighborhoods, but it is looking at that. The infill options that we've been talking about, and you'll be hearing in a matter of months, dealing with accessory dwellings and things like that, those are also tools that are looking within these neighborhoods, that I think Mary may actually be talking about that there's some existing capacity within these neighborhoods. So you might be preserving the character, but it's still allowing for an increase in density. >> Mayor Adler: Okay. At some point, maybe not at this meeting, I'm just unclear. You know, moving away from the neighborhood issue, moving way from auxiliary dwelling units in a neighborhood or short-term rentals, moving out of that conversation, which is an important conversation to have, the plan calls for dense development in certain areas, and I just don't understand -- you have the market that's going to drive some of that, and then you have planning tools that are available, and I don't have a real good feel for what the planning tools are that that -- that facilitate that kind of development. >> Codenext will probably address that, mayor. In the west campus area is probably one of the best examples of how we planned, and -- that additional growth and development occurred. The area that's west of the university of Texas is no mistake on why you see all the density that you see in that area. That was planned in advance to try to encourage people -- >> Mayor Adler: Kathie. >> Tovo: Just to be really clear it was rezoned, right, is this it was rezoned with entitlements that allowed developers to come in and build to that scale. I appreciate -- I really wanted to say that I appreciate councilmember kitchen's point because one of the discussions

[10:43:56 AM]

that we had last fall was about that very fact, about there's a lot of discussion in the community about compact and connected and we need to also be mindful of the other priorities, and there was a resolution before council to adopt some language that would recognize that explicitly. In the end we made some other changes and not that one, but I think it is really critical that we recognize all of those priorities had support from, you know, looking at ways to build a healthier community, which also relates to zoning if we're looking at ways to support community gardens and farming and, you know, other kinds of changes. Thank you for that. Bringing up that point. I also wanted to mark that I think we've hit on a few areas that are really -- about which there's disagreement and I think the one that we just talked about is one of them, whether the existing neighborhood plans provide for that level of density or whether -- and the other issue about how often some of the them are updated and at some point maybe will be relevant to talk about Hyde park because their neighborhood planning team has been doing what's available to all of the neighborhood planning teams, which is revisit their plan every year and consider amendments. While some of them haven't been changed dramatically since they've been crafted, every neighborhood planning team I'm familiar with meets regularly, quarterly, every other month, sometimes less frequently but they do have an opportunity to consider amendments and some have actively done so. >> Mayor Adler: Ms. Pool. >> Pool: I wanted to say I appreciated

councilmember kitchen's members too about the entire nature

[10:46:00 AM]

>> I know on the campaign trail we talked about the management and code and I felt like we were leaving out large swaths of the work that is done by the council, including health and communication. I appreciate that we're talking about the quality of life and affordability of it all. I wanted to note that these are living documents. And our community evolves over time as the early -- the very first powerpoint presentation showed the year I was born was one of those slides and Austin doesn't look a thing like that slide from 1955. And that's because the vision that created that Austin in 55 has evolved over the nearly 60 years to get us to 2015. And I hope and I've talked a lot about this in a number of meetings I have been having with my constituents. I hope that my time on council, I'm able to help craft the foundation that can continue the evolution in a real strong and positive way, so the younger generation, the millennials will be able to take over this time and make it a place they want to live here, too, as much as I want to live here now, while respecting and supporting the visions of the people older than me who have made this Austin the way it is today. It has areas and things I cherish, we all really hold it close to our hearts. It's a delicate balance that we're all engaged in here. I think we all recognize that. I will put my best efforts towards both of those things, both making sure that things remain the way that they need to for those communities that wish them that way, and that we are also poised and ready

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to accept the change in the evolution that is inevitable in the years to come. >> Mayor Adler: Thank you, Ms. Garza and then public Vo voices. >> I wanted to add to the discussions of council member tovo and kitchens had. On thinking of keeping imagine Austin as this broad vision. And in a perfect world, every single project and case could have an equal percentage of the eight priorities. Obviously, we don't live in a perfect world, and it seems a lot of contention is the neighborhood versus the plan. And so I think 101 will change the conversation a lot. I know there is an emphasis on the connection. I think 10-1 will change that conversation. Because each of us represents an area that maybe we'll put a little more emphasis on one of these. Popping out at me it would be healthy eating. That is one that matters a lot to district 2. Please have hope that we will change that conversation. I think we are going in the right direction, in a broad sense. >> Mayor Adler: Let's have a couple of voices from people that have traveled to see us. Ms. Booker. I think there is a podium there. Thank you. >> Is it on? Oh, good. It is on. I'm Janet Barkley booer. I represent the area east of 35 and south of Ben white as far as imagine Austin is concerned, overall we feel it is a good plan, but it was missing a few points, in fact, the southeast contact team

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became active to get southeast Austin or dove springs as many people call it, included in the plan. And by our action, we were able to get some neighborhood centers designated in the area as well as get a

high capacity transit line from capital metro or hopefully through capital metro included in the area. Then we found out to have other plans, in order to get it on the plan, we have to have it on the capital metro plan, the campo plan and other transportation plans. The complexity of trying to get all this stuff ath -- stuff together and implement imagine Austin is difficult from a community standpoint. The other thing is to ensure that our neighborhood plan matches imagine Austin, southeast Austin is a rapidly expanding area. There is 50,000 people that live in that segment that I was talking about. And a lot of it is not currently in the city, but soon probably will be. It is in the E T.J. So there needs to be an effort as has been mentioned here, to have some areas not in the neighborhood plans either included in the plan or have a neighborhood plan of their own. Our contact team has taken the initiative to include all of 78744 so all of the people are included. They can't vote on plan amendments, but they can vote on other things and we're an active team working to improve the neighborhood. The other thing I would like to say on implementing the plan when the council acity approves low income housing, it is our hope that you make sure there are public services to support it. The experience of 44 -- 78744

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in the last 10 to 15 years is there is rapid change in the population with the closure of the Bergstrom air force base. With the [indiscernible] Of moving people to south Austin. As a result of the time frame, we have a lot of low-income housing, what we don't have enough of it is police is fire protection and we don't have enough parks activities. The contact team has been working on that so that we have developed parks and parks that are updated. We have the rec center open during the weekend. My point here being that be sure that there are support services so you don't have high crime and unsafe places and unhealthy pralaces for people to live. And also to help us with the public transportation. Make sure all that fits together. So thank you for the opportunity. >> Mayor Adler: Thank you very much. San sanaria. >> Thank you for the opportunity to speak. I'm here today as a long-time citizen planner. I was involved in the Austin plan in the '80s. I was part of the group that organized all 10 sectors, we called ourselves. I was in sector eight. We had an overarching steering committee from those elected out of their sectors. We were the Guinea pigs and the pilot neighborhood plan in the '90s. The east Cesar Chavez team. I was with cookie and others here at the imagine Austin task force. I just couldn't take it anymore so I have not been with the code next. I have faith that what Mr

[10:54:16 AM]

Mr. Guernsey said and that there will be a plan. I object to the fact that Greg changed our names from planning teams to contact teams. And I think that's a part of the big problem. Because in the early rounds, the first three rounds, everyone was called a planning team. And we were the luckiest ones because Mr. Kitchen, we were able to include any item -- any of those priority items you can find them in the Cesar Chavez plan. But being understaffed and having a council that said we want the entire inner city core planned, they dropped the ability of neighborhood planning teams to add anything but transportation and traffic, land use, and environmental stuff. So the -- and that is what made people engaged. Believe it or not, our plan is almost 15 years old. We had 65 people participate in writing the plan. Actively writing the plan. Hundreds of others participated in voting and everything else. And we

probably have about 40 of the original writers still actively participating with our neighborhood planning team. Because they're gardeners, they're educators, they're crime and safety nuts. You know, it was the supplemental activities that engaged the whole community and brought the diversity that you need. There are very few people, including me, that get off on land use zoning and master planning. So I would suggest that you, first of all, audit all the planning teams and existing neighborhood associations, there is one guy in my neighborhood, he who shall not be named, has seven different

[10:56:18 AM]

neighborhood associations registered. So the registry needs to be cleaned up. You need to make sure that your neighborhood planning teams are planning citizen planners, not just people in contact. Neighborhood plan, law of the land. [Chuckling]. >> Mayor Adler: Thank you. Danielle bones. >> Thank you mayor and new council. I am Daniel dionis. I sit on the executive committee of the Austin neighborhood council. Mr. Zimmerman and mayor, I am one of the dissenting minority voices of the imagine Austin and comprehensive planning process. I want you to know that I lived in west Austin and was part of west Austin neighborhood association for 22 years. In the '70s and '80s was part of imagine Austin, which -- I'm sorry. The Austin plan. Even though it was not adopted that allowed for over 200 neighborhood associations to create individual neighborhood plans. Those are the law of the land. Now, by the time that the contact teams and all that happened in the late '90s and early 2000s, I was then in go valley Johnson terrace and was part of that process. I want y'all to know that -- well, I'll talk about the neighborhood plans in a minute. I know I have very limited time, but this is what I wanted to say to this group and to the council is that I think imagine Austin and lcd are top-heavy with development interests. We have competing interests in

[10:58:19 AM]

Austin. Basically, it is people who live in Austin, work, and make their living in Austin. And then there is people who exploit Austin. The lcd has 11 members, only one neighborhood advocate. The rest are rica or the chamber of commerce. That ain't right. That absolutely is not right. Out of 11 members, there is one person of color. That's not right. Mmm. The previous two city councils have created terrible problems for our community, eroded -- and have eroded our neighborhood protections, the city manager, they allowed the city manager to appoint four members on this -- on the lcd. The city management and city staff are not policymakers. They have no business -- they carry out policy that you and I -- we're the people, we're the government, we make policy, they carry it out. But our last council allowed the city manager to do this. This is like the fox's guarding the hen house. I suggest to you the new city council, you have the power to do any of this. I'd like for you to sunset this commission -- this cag and bring in not only business interest, development interest, but plenty of neighborhood interest. Plenty of working class, economic levels. Everybody on that cag is all high-dollar people. No working-class people, no regular people on there. [Beep] We need housing advocates and definitely need a racial MIX. I ask you to indulge me. I am a minority voice and dissenting voice of this entire process and I have something very important to say to you all. The policies here that -- the policies that are going forward in planning our city are unconscious and are not addressing the unintended negative consequences.

[11:00:20 AM]

Negative gentrification consequences of the entire central city in general. The entire central is being priced out. There is racial connotations. Mr. Zimmerman brought up the 1928 master plan. That is still in existence today. We're still reeling from the effects of that today. I hope that you all start looking at all of our policies with the ends -- with a lens of undoing the institutionalized racism on which we exist today in Austin, Texas. >> Mayor Adler: Thank you. >> Growth -- the whole pr of imagine Austin is pr. People say 150 people are moving in every day to Austin. They're not telling you 75 to 100 are moving out every day, too. Nowhere -- this is very dangerous to me for the future. Nowhere is water being taken into account. If we're going to be planning places -- if we're going to be planning developments, we need to be sure that there is water infrastructure. Because I can tell you by the time my daughter is my age, we will have water wars. We already have them with San Antonio and San Marcos and new Braunfels. >> Mayor Adler: Mr. Gianos thank you. >> Thank you, Mr. Mayor. I appreciate it. >> Mayor Adler: Thank you. Mr. Jacks. >> Good day council. I want to thank you for the opportunity to come speak and congratulate all the people who just got elected and the ones who got re-elected. Gosh, we could dive deep on any one of these things for a long time. There is a lot of material here to consider. There is a lot of

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misinformation to get through, and there is a long list of information that we need for the future. I'm not going to go through the list that I have prepared, because if y'all know me, you know the list is very long and it would take forever to get through it, but I want to tell you one thing that's very important. The reason that you're sitting here is because the community hasn't trusted our city government in the past. Let vote for 10-1 was the vote to change that. As Mr. Yanos just said you have the power to change how our community relates to city council and our city government. Trust is the most important thing you can do to build with our community of our future. Without it, you will continue to have the problems that we've had in the past. I sat on the committee that wrote the guidelines for neighborhood planning back in '97. The idea was community driven staff supported and unified to create plans that everybody could agree with and stop the fighting. Guess what, it didn't work. Lots of reasons it didn't work. One of them, a lot of the information needed to make those patchwork quilts knit together wasn't available. It is still not available today. We have a growth concept map in imagine Austin that relies a lot on mythology as opposed to fact. I'm an architect by pro profession. I don't build a building that doesn't have soil that has capacity. There was a question Greg asked why people are out further in town, even though we have the zoning capacity? It is cost. It is much cheaper to go outside. Demand, we don't look at. We always are focused on the supply side of the equation. To that end, I have made a recommendation for years that the city hire an economist, because all of this has to be

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looked at as a totality in the economic sense. One of the things that we do in planning is that we sub

optimize, council member kitchen brought up the issue about compound and connected. We often focus on one thing and optimize it the best we can. But the end result is that we have a zero-sum game. While some benefit, others lose. We don't want to do that in this community. We want to have a win-win. If we don't look at all the other things important to our city, other than building a shiny new city, we build that other essence that we have. If we build a shiny new city, connected, beautiful street trees. Most of the folks I know can't live here anymore because we can't afford it. It doesn't mean anything to us. We have to find a way to have the things imagine Austin talks about, building a community and a future with access to amenities and transportation, but in a framework that keeps the existing population viable. It is easy to have an affordable city. Get rid of the moderate income people and replace them with rich people. Let's not do that. >> Mayor Adler: Mr. Jacks thank you for that. [Applause] >> Thank you. >> Mayor Adler: There was one speaker I overlooked was pat Smith. >> Helly council -- hello council members. Thank you for this meeting and the opportunity to speak. I represent southeast Austin and the dove springs community. Janet referred to our community earlier. I have a couple more statements to make. Janet did refer to this, but our community very nearly was completely left out of the imagine Austin plan, which is hard to believe. And it was noticed by a

[11:06:29 AM]

community member at the very last minute, and so we were able to have some input but really not adequate. And in regard to neighborhood plans, neighborhood plans, ours is very outdated as many are, because the communities have changed so much in the years that have come to pass since they were developed. And we did look into amending our neighborhood plan. At the time we looked into it, which was about a year ago, I believe only one amendment had been made to any neighborhood plan in the city. It was such a complicated process, and so burdensome, that we do discuss it, but it is -- it's -- it's very slow and complicated and intimidating process. So I think that amending the plans, making that process more amenable needs to be addressed. And then also, in relation to imagine Austin and making it a more family-friendly city, I know when I personally have met with city departments regarding policies, they are not -- they don't reflect the imagine Austin vision at all. I'm just curious as to how the city is communicating to their departments that they should embrace and refer to the imagine Austin vision and take it seriously when they are developing policy? And that's all that I have to say. Thank you so much. >> Mayor Adler: Thank you very much. To the panelists, I want to say thank you very much for coming. As we go through these, we make these better. We either have the deep dives or have what is both an informative and not altogether satisfying conversation because we could have continued any one of these.

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So thank you very much for your time. [Applause] >> Mayor Adler: Consistent with the conversation, go ahead. >> I thought that I had, as we were having this discussion is, we talk about developing density into existing neighborhoods, the school district is a critical component of that. Because as we do things to increase enrollment in neighborhood schools, I think it is really important that if we don't have, we need to establish some type of collaborative discussion with the school district to make sure if we're

dealing with an overcrowded situation already. If at some point we can have that voice as part of the dialogue, I think that would be important. >> Mayor Adler: That would be good. You know, Vanessa, on my staff, if you haven't met her, I think has done an incredible job of trying to pull this together quickly. She's laid out kind of a schedule. Please participate with her in terms of suggesting people or suggesting topics or suggesting -- I mean, a lot of this is directed by the questions that we ask. So identify the controversial question you would like to hear somebody talk about within that subject area so we make sure we have that question and someone that can speak to that. Everything is on the bulletin board posted. There is a really opportunity for people to buy in and get direction and give Vanessa direction on what we want her to do. Go ahead. >> Along the lines of what council member Gallo just said, my district has a loss of students. So I would be interested to know, in addition to what is being asked, which schools at what level are seeing a reduction, a loss. Thanks. >> Mayor Adler: Ok. Make a quick comment. This is not the planning time to do this because we have the executive session we're back at 12:30 for the next session and we have other things to take care of too. There will be an opportunity to give suggestions outside of

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this meeting. But anything other than giving suggestions on how this should go? >> [Indiscernible] >> Mayor Adler: Quick comment? Ok. >> The taxpayers' union was involved in a school bond in 2013. The demographer for the Austin school district was predicting enrollment growth. We argued vigorously that we were facing enrollment shortage and shrinkage. We were right. The point is for council member Gallo. We can ask for the studies and estimates, but we have a huge issue in the accuracy. And I'm going to present -- you want to know what will be the effect? Well, we're not sure. One expert says we're going to grow, another says we're going to shrink, and the truth is we're not sure. >> Mayor Adler: Got it. All right. The second item on the agenda is approve a resolution relating to the fire department hiring process, diversity in the collective bargaining process in the budget. This is a resolution offered by Mr. Casar. Is there a second? There is a second. Now that we have called that matter up, we will address it in closed session. We will recess to go into closed executive session pursuant to section 51.1 of the government code. The council will consultant with counsel regarding the collective bargaining process, the hiring process and the budge. We also have a legal item that arisen relating to the appointment of council members to council committees and governmental entities. Pursuant to 557704 of the government code, the council will discuss personnel matters related to the appointments of council members to council committees.

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Any objection to going into executive session? We will do that in the back and we will reconvene here at 12 12:30.

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[ Music ] >> Mayor Adler: . >> Mayor Adler: We ready? To start up? All right. We are out of closed session. In closed session, we took up and discussed legal issues and personally matters related to

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item number 4. We're going to go ahead now and proceed with our second effort. Again, I had called these deep dives when we started off, and I shouldn't have. It created an expectation that at the end of one of these sessions we would all actually learn everything there was to know about a subject area. But I hadn't planned on sessions that were lasting a week so it became readily apparent that was not the proper goal. But what we wanted to do -- and I appreciate y'all being with us today and the folks that are here to talk. We're just trying to touch on an area and highlight some issues within that area as a way to begin to approach that area. We recognize that in the questions we've asked there are hundreds of questions we could have asked. But we narrowed it down to just a few. Again, not to get an exhaustive answer. When everybody talks and addresses for, what we're looking for is not so much history, except insofar as that history is necessary to inform, what we're hoping is more a conversation about what are the issues that this council is going to have to face. What are the issues we're going to be rest wh wrestling with and how do we get into housing area generally with respect to what is going to be causing us consternation or what is the background we need in order to be able to deal with those, what can we do and be looking forward to move the city forward in really great and good ways and what are the balances or the disagreements with respect to arguments, the clash of values to the degree that we have those. So that's the kind of conversation we're having. And I think the one we had this morning was both invigorating and helpful and very frustrating and not satisfying because we weren't able to really conclude anything or get the breadth of

[12:58:57 PM]

issues, but, again, we're not intending to do that. So we're going to begin this. Again, our hope is that people keep comments relatively brief so we save as much time as we can for the conversation. We're going to begin again with the city giving us context do kind of the housing framed in the way we had just talked about. And we have Betsy Spencer, who is the director of neighborhood housing and community development in the city. Ms. Spencer, thank you. And we're anticipating this to be eight to ten minutes. Thank you. >> [ Off mic] -- Things that will be important to this council going forward. >> Mayor Adler: Ms. There was a powerpoint put out at our defines this morning, in case you wanted to see it. Thank you. >> Before I start I would love to introduce the panel that we have with us today. We have some amazing individuals here to help us with this conversation. We have Elizabeth mule muler from the university of Texas, Mike Berger with the city of Austin, unfortunately terry Mitchell not here yet, Tim Irvine with the Texas department of housing and community affairs and ruby rowel with the daughters of charity. With that I'd like to let you know today is an overview, briefly talk about key housing policy issues, tools, resources and regulations that we utilize to achieve housing and upcoming issues for this council. Again, the key housing issues that we're going to touch on today include preservation of existing

affordable housing, increasing the housing supply in

[1:00:59 PM]

Austin, site affordable housing through prioritized scoring, how we ensure safe and decent housing and address substandard housing and how we promote geographic dispersion. Before I -- I'm sorry. So affordability requires diverse approaches. I want to give you a couple of definitions we utilize for the different types of housing. There's market rate affordable housing. Market rate housing, housing built by private developers that is affordable due to size, location, age, quality, maintenance. I'm going to stop real quick and highlight Mr. Terry Mitchell has just joined us. Very good. There's income restricted affordable housing. That's housing that is reserved for households of specific or particular income generally for a specific period of time. There's also affordability through regulations or incentives peripheral you'll hear today about density bonus programs, and hear about it again during the land use presentation, we utilize code or incentives to encourage developers to include affordable housing units in their development and there's subsidized affordable housing, when we actually subsidize the housing through federal or local funds to make the development feasible for lower rents and prices and usually has an affordability period. So we'll talk a little bit about the tools and resources that we currently utilize. I think it's very important for everyone to realize that we have several federal resources that we've been -- that have come to our community for quite some time. The U.S. Department of housing and urban development is a tremendous partner and has been for a long time. We actually are -- what's called a participating jurisdiction and in that we receive several formula grants, the two most important are the community

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development law grant or cbgd and how many investment partnership acts. The cbgd fobs we received for 40 years and the home investment by funds have been around for 20 years. The community development block grant funds are -- is a very flexible source of block grant funding that can be used for housing, public services, and economic development. The home investment partnership funds are specifically for affordable housing, for income eligible individuals and families. It's important to note that there are a variety of regulations and rules that go along with these funds. One of the regulations, one of the obligations that we have as a participating jurisdiction to the administration of these funds is we have to conduct an analysis of impediments to fair housing choice and in that we have an obligation to affirmatively further fair housing choice throughout the city of Austin. You can see on the slide that over the last five years there's been a decrease in federal funding. That's not a big surprise, right? And so it shows you the trends over the last five years. And the -- we are not certain what will happen this year, the president just put out his budget but it's possible there could be another cut to the federal program. Another strong partner that we work with is the housing authority for the city of Austin. They administer what is called the housing choice voucher and or section 8 program. Public housing agencies across the country receive these federal funds from, again, the U.S. Department of housing and urban development. This program is designed, it's the major program from the federal government to assist very low income families, to include the elderly and disabled, to afford safe, decent and sanitary housing

in the private market. Participants are able to find their own housing, that's why it's called housing choice, and

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includes single family homes, townhomes and apartments 37 the and apartments. They'll free to choose their housing as long as meets the requirement. That's the maximum household income based on family size. This is traditionally -- as time goes on we'll refer to fmi, feed yum family income, this represents 50% of the medium family income for a family in Austin. Sorry, sorry, sorry. So we are fortunate in that we also have local resources to help us with our household affordability here in Austin. The general obligation bond funding has been a very successful tool and demonstrates a tremendous local commitment to affordable housing. Our program activities currently include home repair, preservation of affordable housing, creation of new affordable housing, and also providing housing for the chronically homeless through permanent supportive housing initiatives. This program would not be successful without all the many partners that we utilize, non-profits, for-profit development, it has been a tremendous success and some of the folks here today have been our partners in this as well. So that's the general obligation bond. Local resource. We also have the housing trust fund. The housing trust fund was established in April of 2000 to expand or affordable housing initiatives. It was funded -- it is currently funded through 40% of the incremental tax revenue that is derived from developments built on city-owned land within the defined desired development zone. Last year we received a little over \$800,000 in the housing trust fund for this year's budget. And then it's also important to note that our department receives general fund funding for staff.

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About 40% of our staff are funded through the general fund. Another tool that we utilize for citing our rental and homeownership opportunities is our scoring criteria. We have an application process for what we call our rental housing developer assistance program. That's for rental housing. Then the acquisition and development program is for homeownership. There's a variety of points that can be received through the application process. One of our -- one main focus for us is our core values. We have three core values that applicants can receive points for. Deep affordability is a core value for us. So we traditionally will fund projects that serve very low and low income families. So the more units that provide services to very low folks receive higher points. Long-term affordability is another core value for us. We're looking for oftentimes 40 years of long-term affordability on a rental project. The longer the affordability, the higher the points. We're wanting our investment to really make a difference for a long period of time. And then geographic dispersion. It is a core value for us. It is part of our imagine Austin goals. It's also part of our responsibility to fair housing. So providing housing opportunities in high-opportunity areas has been a core value for us and so we receive more points for that as well. We also have priority initiatives. In the last several years we've had a strong focus on providing permanent supportive housing for the chronically homeless. Studies have demonstrated that there is a cost benefit or reduction on city services. The health department, police, fire, ems, when you take someone

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and you provide safe, decent housing for them and stabilize them, there's a cost reduction to those other, very expensive services. So we've had a very strong focus on permanent supportive housing. There's a huge need for accessible and affordable housing for persons with disabilities. We also prioritize housing that's located in high transit areas and high opportunity areas and then preservation of affordable units have a priority for us as well. We have underwriting criteria which includes developer experience and qualifications, sources and uses of fund, debt coverage ratio, leveraging, cost per unit, project readiness, property management and support services. You'll hear a little bit more about that also from Tim Irvine, I know the state also has significant underwriting criteria. I'll spend a few minutes talking about how policies and regulations can work to help maximize the tools and resource that's we have. Community land trust. Community land trust is a great tool in that it's an opportunity for a public entity or a nonprofit to hold title to the land. In that, then the improvements on the land -- it can be a single-family structure or multifamily structure. The public entity holds title to the land, has a relationship to the property owner, the improvement or the structure through a ground lease, and then the single-family owner or multifamily maintains and has responsibility for the structure. What this does is it relieves the tax burden of the value of the land by the land being held in title by a public entity. This is a very useful tool in an area that is -- where we have gentrification because the land values are going up so quickly. So this is a tool that we have. We've utilized it in several partnerships for multifamily and - there is a nonprofit that has the first single family

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community land trust that just passed a couple months ago and we're just about -- we've got several ourselves. This is a tremendous tool. Whoops, sorry. Homestead preservation district. Homestead preservation district was originally introduced by legislature in 2005 and amended several times. So it is legislative driven as far as the definition of a homestead preservation district. What's important to note is there are three main programs that the homestead preservation district can provide for or fund. It allows for a homestead land trust, very similar to the land trust I just described, only it would be within the specific district. It allows for a land bank, and so the land bank would allow the city to operate by -- sorry, the land bank is operated by the city and buying vacant property that has been foreclosed on due to nonpayment of taxes and then be made available for affordable housing developments. Finally it also allows for a homestead preservation reinvestment zone, allowing for the use of a tax increment financing or tif to help provide funds for affordable housing within the district. Again, this is another useful tool in an area where you have gentrification. A pooled loan fund or strike fund can be a very beneficial tool for preservation of existing affordable housing. Again, this is a public private partnership, typically where a community development financial institution or cdfi would administer the loan pool, provides an opportunity for banks, private banks, to pool their funds into one pool. The cdfi would administer the fund. They have the ability to act much swifter than a governmental entity. The primary focus is to be able to deploy the funds quickly for acquisition, specifically in a housing market like we have now,

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the availability of quick capital is very important. So the strike fund allows a nonprofit developer or for-profit developer willing to do affordable housing easy access to the money to be able to acquire the land and then provides the time, flexibility -- usually three to five years to assemble the permanent financing to be able to pay back the original loan and then complete the transaction for the long-term. A strike fund can be a very beneficial tool for preservation of existing housing. A density bonus program. We have a density -- we utilize a density bonus program currently. A density bonus program is an incentive H based tool where we provide addition entitlements, to a developer, nonprofit or for profit, in return for positive community benefit. These additional entitlements can be things like floor area ratio. Far, additional floor area ratio, additional units per acre and additional height. The benefit of the density bonus programs in and of themselves, they're not designed for deep affordability. This is an excellent tool to get the private development market to provide additional -- provide affordable units at their expense. So on its own it's not necessarily meant for deep affordability, combined with subsidy, then it's a very good tool for deep affordability but this provides a good incentive for private development to provide affordable housing. And then finally the low income housing tax credit program, and I am concern that Mr. Irvine will speak to this probably far more elegantly than I can. The Texas department of housing and community affairs administers the low income housing tax credit program. It is very much a collaborative partnership between -- it's a federal partnership, state partnership, local partnership, and private investors.

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The tax credit program includes a 4% tax credit and a 9% competitive tax credit. The program is a means to provide direct capital toward the development and preservation of affordable rental housing for low-income households. It's funded on a state level. The state of Texas this year -- correct me if I'm wrong, sir, -- is due to get I think 58.6 million of tax credits for the state. There's 13 regions, the city of Austin falls within region seven. It is an application process as well. Those that score the highest receive the credits. Program benefits. The state program provides, in my opinion, very rigorous compliance and monitoring requirements to ensure that the properties are well maintained and operated. It is a very unique funding source, in that there is no other tool like this that provides the equity to be able to provide for the housing. And requires a lot of different partnerships. It increases the supply of affordable housing for low-income families with children, persons with disabilities, seniors, and veterans. And for your consideration next week, we will be bringing forward items to this council next Thursday in regards to six applications. Our department has received six applications for funding and support from the city. And that -- the commitment funding and the support are requirements for those applications to make their way to the Texas department of housing community affairs by February 27. And all of those applications are online for review at our website, [austintexas.gov/housing](http://austintexas.gov/housing). With that -- >> Mayor Adler: What is the funding commitment associated

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with the resolution support? >> They each vary. Do you want me to -- >> Mayor Adler: Just generally. >> Generally, it's about 1.6 million per project. I think that's the average, about 1.6, \$2 million per project on average. >> Mayor Adler: Thank you. >> But the total is about \$6 million? In total? I added them up, about 6 million. >> There you go. >> Zimmerman: One quick question. You said there were six properties but I believe there are more projects submitted on the application log for the year 2015. I believe there are actually nine projects that show up in the application log. So our first question is there were nine that are in the application log. Why are there only six put down here? >> I'll look today Derr he administers the program, David, are they all 9% or are some 4%? >> If you're talking about the application log -- >> Yes. >> Ours or the state's log? I apologize, are you referring to the log that the state puts on their website? >> Zimmerman: The application log for td8ca. >> That's for the whole region. I apologize. So there are communities outside the city of Austin limits that are within region seven. >> Rural versus urban, right? >> Some are different counties. >> David potter, housing development manager. Some of the ones you'll see are in buta, for example -- >> Zimmerman: Thanks for the clarification. >> You're welcome. >> How many total are going to be rewarded in region seven? Tax credits being submitted, how many in Austin? >> I believe there's six within the city. >> Cesar: Not all six can be -- >> Generally speaking, two to three will -- generally two to three will be awarded within the region. Last year, there were three awarded within the city of Austin limits. But generally speaking -- I

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didn't mean to cut you off, there's generally enough credits to award two or three projects. >> I have a question about the homestead preservation districts. You said that legislation has been there since 2005. Why haven't they been utilized? There currently hasn't been any established, correct? >> There is one district that is established. It was established in 2007. The boundaries roughly are interstate 35 on the east, Springdale on the -- sorry, 35 on the west, Springdale on the east, the holly neighborhood or basically the south and manner road on the north. Roughly the geographic boundaries. It was created in 2007. At that time the legislature required that the county participate in the creation of the -- what would have been the ters. The county did not participate and therefore we never moved forward, we didn't have the ability, city didn't have the ability to move forward and create the ters and or the tif. Then the legislation changed just recently. That existing district under today's standards would actually not -- it would not meet the requirements. The poverty level is -- there's -- one of the requirements is that the median income in the entire district be twice the rate of the poverty in the city for the city of Austin the poverty rate is 20% so the district would have to be 40. Currently that district is 30 -- less than 40%. But the law allows, since the district was created and never eliminated, it is grandfathered in. So we do have one district that actually is in place. We've never enacted anything with it. I believe -- I'm going to look to other folks -- we have put on either your iPad or your bloomfire, we did an extensive report last year analyzing under the new legislation, the potential for districts. So there's several different districts that actually qualify,

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and that would be a policy decision for this council to determine if that was something that you wanted

to do. >> I'm still trying to understand all this. It's the form of a tif, right? Is it considered a tif? >> It can be. That is a tool that can be used. >> The city has limits on how much they can tif? >> That is correct. >> So even if we identify homestead preservation districts in various parts of the city, there would be a limit on which of those could be tifs? >> I'm not the finance department, I don't want to speak to you about that. As of right now, the current tifs we have utilize about 1 percent of the city's tif ability with all of these -- is that a word? If we were to utilize a tif in any of these districts in and of themselves it would not exceed that 5% limit that you have. >> Garza: It wouldn't exceed the five? So the one that's been developed right now, if we made out a tif it would not exceed the 5%? >> That's correct. >> Mr. Casar. >> Cesar: Thank you so much for your presentation, Ms. Spencer. One last question on that same homestead preservation slide I had, this line at the bottom in italics, that the tools may be deployed independent of the district. Could you flesh that out a little for us. >> Absolutely. So we can do a community land trust, as we are, with or without a homestead preservation district. It's not required to create a land trust. Same thing with the land bank, it's not required. We could establish same sorts of tools of land bank without the homestead preservation district and clearly we could create a ters and a tif without the homestead preservation district. I just wanted to be very clear with everyone, those tools are available to the city of Austin with or without the homestead preservation district. I believe the benefit of the district is that the funds would

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then be, number one, the tif would be -- the increment or proceeds would be very specific to affordable housing and they would be utilized in that district. >> Cesar: We could deploy these tools independent of a district but if we did it within a homestead preservation district, it gives us extra -- what does it give us that we wouldn't have otherwise. >> It would be very specific. The existing area that the district that we currently have, gentrification is clearly an issue in that district, right? The land values are going up. So this would provide dedicated revenue to that specific area to be able to mitigate the gentrification. Make sense? Auto. >> Cesar: If we didn't designate a homestead preservation district we could not do what you just described? >> Hmm. I'm not -- I apologize. >> Cesar: You're not sure if you understand my question? >> I'm not sure if I understand the question. >> Cesar: We could not do what you just described, have those funds be allocated to that specific area if we used one of these tools and didn't utilize the homestead preservation district legislation? >> Betty -- excuse me. Let me ask Greg, our deputy cfo to assist. I know he's been very involved in assessing this issue and I think Greg could be able to sniff this area. >> Thank you. Greg financial services department. In general the city does have the ability to create tax increment financing Zones. That's enabled under state legislation in different vehicles, the main one being chapter 311. The city has used tax increment financing successfully and startinged in different developments that we have used. Whenever the city does create a tax increment financing zone it requires you to have two main things, project plan and financing plan. Within those plans, you designate how those funds will be used.

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Whether debt will be associated with those and the increment that you calculate and generate how you

use that. As currently written, we are allowed to do affordable housing under the chapter 311 so we could -- you could set up a tax increment financing zone for a project that may or may not be within a homestead preservation district. And you could still utilize funds to assist in affordable housing projects as well infrastructure that indirectly could also assist in the building of units. So it's a -- it's been traditionally used as an economic development tool. We actually have used it in the housing realm in our Mueller redevelopment project. That is a tax increment financing zone where housing was a component of the public benefits as well. I would just add that I think the whole discussion about tifs is not a deep dive in itself but we are prepared when we come back as the finance team later in these series of policy sessions to have a kind of broader discussion about the use of the tool, as well as public improvement districts and other financing techniques that assist in delivering many different types of financing tools for our departments. >> Mayor Adler: Thank you. All right so we're going to go now -- thank you very much, Ms. Spencer. Let's now get into the conversation. The first question we had was how do we preserve existing affordable housing in Austin? I guess we've heard what the tools are. So more, Ms. Mueller, on how are we actually doing it and maybe what are the challenges associated with how we're doing it. Thank you for participating. >> Oh, okay. >> Mayor Adler: Ms. Mueller for people who are watching is with the -- professor with the university of Texas in the school of architecture. >> Okay. So I'm going to talk a little bit about preserving affordable rental housing in Austin and I

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was told I have eight minutes which I'm not usually good at being that quick so I'm really going to try. These are the four points that I want to talk about. First, the bulk of the affordable rental housing that low-income people live in in Austin is not subsidized. Much of its value comes from central location near to transit corridors, what we're call core transit corridors. Many of the properties are -- I think that strategic preservation and renovation of these properties could serve multiple goals for us. I'll give you a little more on each of these points. There's a lot more detail about the details of the problem in a report that was done for neighborhood housing and community development by housing works, proposing a preservation strategy. I know it's on their website. And some of this data is also from the comprehensive market report that also was done recently and is on their website. So currently in Austin we have, according to the market study, 61,000 renter households that have household incomes below \$25,000 which makes it very difficult for them to find a place to rent that they can afford. We have 18,524 units affordable because of various public programs or tax credit rules that came with their production, and of those about 2400 have subsidies that will expire within the next ten years. So the market study, based on the data it had in 2012, calculated there was a gap between those two Numbers of around 41,000 units, and in the process of finalizing their report, they found that gap had increased to 48,000 units. So you'll hear that number cite aid lot. At the same time, though, we have a large stock of aging apartments in Austin, much of which was produced in the

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'activities and '80s because of tax incentives that were offered for multiple family housing production at that time and we even have another chunk produced earlier, and a lot of that aging housing doesn't

have any subsidy attached but it's become our de facto stock of affordable housing. We have more of that than we do of anything we produce through a public program. So I've put some Numbers up there manufacture over 21,000 units in larger buildings that have rents under \$665 a month, for example, based on a survey, housing works did of smaller class C properties, there could be between 2600 and 7500 additional abu units depending on how you set the definition of affordability there. So the question I think is what can we do to prevent or minimize the loss of this housing given our rapid pace of change in Austin? So the second point I said was that much of its value comes from its central location. And the map on the right is a map that my students made that shows data that we purchased and gathered from tcad about the class C apartment stock in the city, which are generally the older properties that are going to be more affordable, and we just put the dots on there that are along areas that have been designated as transit corridors. So you can see there's a lot of housing along these corridors and it's -- some of it you can say is more dispersed than what we've been able to produce through public programs so it may help us also on fair housing concerns. Another one of my students calculated, given the bus lines, frequency of service and other things how many jobs can be reached from, you know, particular housing units on these -- on eight corridors within the city without transferring and found, you know, thousands of units. There's really great access to employment, and he was looking only at low-wage jobs that would

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be the likely jobs that people living in these apartments would have. So they're very valuable to those households because that means they have to spend less money on commuting with a car or maybe they don't even need to have a car. I know from another study that I did last year, based on a survey of city and UT workers that commuted at least 10 miles to work in the center of Austin, we simulated what their costs would be with their current commute and if they moved it could save them between, you know, three and \$9,000 a year, depending on whether or not they got rid of their car. Really valuable to the households, and also valuable to the city because these are transit-dependent households, they're the ones that ride our busses and will be the core riders for whatever transportation system we develop moving forward. Another thing that's valuable about these properties and their location is that they -- we found in the survey done by the Austin tenants exponential survey that housing works did they more often will accept vouchers. So we know from the tenants council survey that, you know, we have a problem getting landlords in larger properties to accept vouchers. Many of these older properties are happy to accept them. So that also is a very valuable thing. So we all know that currently, you know, Austin has been growing rapidly for decades and currently development pressures are quite high, especially in the central part of the city. This is on the left is a map that a student of mine made in 2009. It just shows large class C properties of that era, and she overlaid all the different initiatives that we had at that time, vertical mixed use, overlay districts, transit oriented development, you know, core transit corridors and we overlaid those to see what was the overlap between these older buildings and these things we were doing that were

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signaling that we wanted to change these areas in some way. And there was a tremendous overlap. So two-thirds of the units were within a half mile of the corridor and three quarters -- no, wait a minute. 3-quarters within half a mile, two-thirds within a quarter mile so tremendous overlap and tremendous potential, I think, for these properties to be redeveloped. And in research that I'm doing now with my students, we've been looking at two corridors in the city and the property on the right is an example of one of the types of things that we've found in the Burnett road corridor where we have in that area a lot of smaller rental properties and we're seeing a lot of evidence that owners are upgrading them, you know, modestly, like fancy paint job, but then there's a substantial rent increase associated. So there's a lot happening in particular areas of the city that are effectively removing these unsubsidized properties from our stock of affordable housing. So strategically thinking about preserving and renovating some of these properties I think would be a very smart investment in ongoing affordability for the city. To try and replicate this stock, if we were to lose these and think, okay, we're going to build new affordable housing would be tremendously expensive and, you know, well beyond the resources we have. Rehabilitation and renovation is -- estimates say one half to two-thirds the cost of new construction to achieve affordable housing. I think it's important right now that we think strategically about which places are the most important locations, which offer residents the most benefits, where is the potential loss the greatest, what's the status of development pressure in different parts of town. And that's what I'm working on with my students, metrics for, that we're scoring different parts of town, to think about

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what are the different conditions in different places and how can we act on those things. It's also important to understand what the interests of owners of different types of properties are in these areas. So there are some owners that are undercapitalized, can't afford to make upgrades, there may be ways the city can partner with them and that they would be willing to keep their properties affordable. In other cases, it may be more a matter of being strategic about buildings to encourage non-profits or other owners that want to keep buildings affordable in the future. Am I going too long? People are making that face at me. Okay. So those are the main points I wanted to make about the importance of preservation. There are a lot of tools, as Betsy said, we can be using and a key piece of that is going to be finding the resources. There's a lot of conversation right now about how to help put forward -- or build up that strike fund so we would have a pool of resources to do that. And then I just give you some more information about work that I've done that might be useful. >> Mayor Adler: Great, Ms. Mueller, thank you very much. Also addressing this same question we have Mike Berger, who is head of haca, housing authority of the city of Austin. Mr. Gerber. >> Thank you, Mr. Mayor. >> Mayor Adler: Can you grab the microphone. >> Thank you, my name is Mike gerbe, president of the housing authority. Thank you in advance for your service to our community. Many of you, just to clarify, haca's role, we are not a city agency but we are -- we receive no city funding. All of our funding comes from the federal government or fees we earn through services we provide but the mayor appoints our board of commissioners and we work closely with staff to make sure we have an integrated approach to housing policy.

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When you think of housing policy, much has Betsy described earlier, from really homelessness to homeownership we're closer to the homelessness side, homelessness, public housing, tax credit and other subsidized housing, market rate housing and homeownership, we're serving folks who are teetering on the edge of homelessness. We're serving an income level that's generally 30% and below. So to give you the number for that, for a family of four, at 30% and below, we're talking 23,400 or below qualify for public housing, most of our folks make far less than that. Many of you may not be familiar with the housing authority. Let me give you three quick facts about us. We're the oldest housing authority in the United States, created by the 1937 housing act. Second, we're one of the highest performing housing authorities in the units. Hud comes and grades our properties and financial management and other controls each year. On a scale of zero to 100 we scored 96 last year. In the operations of section 8 we scored a perfect 100. So we're pleased by that. That wasn't always the case. Many years ago we were a troubled agency. I would be remiss if I didn't age or former chair who was a big that turn around. For the last 15 years we have been a high performing agency. A lot of our mission is centered on self-sufficiency and that's why we're unique, in that we spend over 1 million and a half dollars each year on self-sufficiency programs, education in communities and schools, boys and girls club to ensure educational success of our kids, work with workforce boards, job training programs, focus a lot on health and wellness. I've provided for you a map that would hopefully show you the location of our 18 public housing properties. At those 18 public housing properties there are roughly

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4300 individuals served, the net income of those on average is \$10,000 or less is -- the average working is about \$14,500. Over 30% of our residents are disabled, 10% are elder early, almost 50 percent of our residents are kids. You can tell that we're really well-dispersed across southeast and network Austin. Our second slide,ing -- third slide, actually, is the -- shows the dispersion of our section 8 or housing choice voucher properties. As Betsy mentioned earlier, we run a tenant based section 8 program so the tenant gets the choice of where they choose to live, where they're able to find housing. They get a voucher and go on to the open market and locate housing. We strongly encourage them to identify areas of opportunity with good schools, healthcare opportunities, job opportunities appropriate for that family so counseling becomes a big part of that effort. We work closely with the Austin apartment association and landlords to try to identify housing opportunities. We have about 1700 landlords who participate in the program and our approach is landlord focused, it's a federal program with federal rules but there are things we can try to do to minimize the impact on the landlord so they can run their property and run their business as they choose to. So we try to limit forms and try to limit inspections but we do do an inspection of the property at the time of lease up and an inspection at least once per year. You can see the dispersion of the properties throughout Austin. And we've worked very hard, again, to try to increase the number of landlords that are in west and in north and in areas, again, where we see higher opportunity in growth in our community. We've worked closely with green doors, which has done interesting opportunity mapping

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to identify where those areas of opportunity are, which I'd encourage our residents again to seek housing because it's -- our view we want our residents to have the choice of all types of housing for all types of people in all parts of town. The next chart that I'll show you is reflective of other properties that we operate that try to meet the affordable housing need in our community and I think this is really touching on the matter of preservation that is really the topic today. Because there is a lack of affordable housing in our community and because particularly there's been a shortage of section 8 housing in our community, we have created a subsidiary that we've had almost ten years, Austin affordable housing corporation. Through that corporation, which has only used up to this point revenue generated by the housing authority to actually purchase properties. And we've purchased six of them scattered throughout Austin in largely high opportunity areas. We have one property we're very proud of located at mopad and stack, high opportunity area. The rents on all these properties are nearly one quarter to one-third less than the prevailing market rate for the property. We do that as a matter of self-policing. No tax credits assigned to those properties, part and parcel of our mission and our goal is to get as many section 8 residents to give them a choice on where they choose to live as best we can. The map shows those six exports you see three others that are in green. Those properties we're working to develop and that would be a case we're working to develop them using what are called 4% low income housing tax credits, noncompetitive tax credits you won't be making a decision on on our -- on those properties at that February 12 meeting. You'll be dealing with competitive 9% tax credits that the one. Eventually the 4% tax credits do

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require council approval so we'll be bringing those issues do you over the course of the next year. One you most recently heard about was at Springdale and that's reflected in the center green dot. We're looking at -- senior deal up north, family property down south. We do have two properties that are side by side under construction right now located at Ben white between Riverside and matopolis. We went to that area, it's an area of high growth, also a new veterans administration service center there we feel one is targeted to seniors and we're targeting it to veterans. We feel we can make a difference in veterans' lives by marketing it and have been working closely with the VA. We go into development with a lot of intentionality. The goal, again, the Austin affordable which is really our development arm, is to try to, again, expand the base of affordable and particularly section 8 housing in our community and to do so in high growth areas. Right now, we have almost 1,000 units within the Austin affordable portfolio. We're hoping we will double that over the course of the next -- next several years. Our goal is 2020 units by the year 2020 but we believe, again, it's centered around giving section 8 residents maximum choice. Our goal also is by taking properties that are older, you know, we're providing oftentimes just extraordinary opportunity, but it's hard to come by those properties. We're going to hold on to them for a long time. We're not looking to hold on to a property for a few years and then sell. We're looking at a 30, 40-year investment really for the duration. And so it's a challenge and a very, very competitive market. To give you an example we were trying to purchase recently on south Lamar. We offered an exercise came in sixth. This was a 1981 property selling for more than \$110,000 a door.

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We are seeking out areas where we can find to get in under the market but it's certainly a challenge. I'll stop get. >> Thank you very much. Okay. As we move down the panel, thank you very much. >> Steve, could I just ask a quick question? >> Yeah, go. >> Mike, thank you. It might be helpful if you could explain how the voucher program works, particularly in a market like Austin where market rents are going up very quickly? >> Yes, ma'am. In short, once a voucher resident is qualified, let me tell you, there's an extensive wait list for getting a section 8 voucher. We just reopened the section 8 wait list for the first time since 2006. Back this past October. We received 19,000 individual applications over an eight-day period, reflecting 45,000 people. Those 45,000 people have identified that they have a need for rental assistance and believe that they would qualify. We haven't qualified all those folks, but they've applied believing that they're eligible for the program, so there's incredibly intense demand for the program, first of all. Once a name comes up on the wait list, and we believe this year we will issue probably about 500 vouchers this year, once the family's name comes up, we go through an extensive qualification process to make sure that they met federal eligibility requirements, and then we, working with our eligibility specialists, try to identify what communities are most appropriate, where they would find the best housing opportunity for their -- to meet their individual needs, again, based off of health issues, job issues, proximity to jobs, location and proximity to services that they might wish to engage in with goodwill or skill point, workforce solutions board. Working with landlords, we try to get them into a unit and give them 60 days to locate a unit, again with the choice always being in the hands of the resident. And, again, a lot of case work, very, very intensive, and becomes very, very cute when

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you're dealing with families of children who are trying to get into particular schools and seniors who are trying to get particularly close to different health care providers. So we work a lot and do a lot of hand-holding. And it's important and special work, we feel. >> Just one follow-up question, I think. Are the vouchers for a specific amount, and if they are, what if the market rent no are that unit is higher than that amount? >> The voucher on average is valued at about \$7,700 a year. That is based off of a hud estimate of what the fair market rate is for our community. We have the ability to go and increase that - we have generally pegged our voucher amount to what the current fair market rent is, although this year we actually raised it to 105 percent of that standard because we know the costs are continuing to rise, and affordability is a challenge. We have the ability in certain cases to go to 110%. But even there, we're talking very narrow difference but a little bit can make a difference to getting somebody into a unit, but often we come under what the market is none. Also, our residents struggle a lot with dynamic pricing. Rents do change quite a lot in this market, and our ability to get out and do an inspection of a property within the time that, you know, a person is willing to hold the unit, given the demand, also becomes quite a challenge. So those landlord relationships become key, and a little bit of flexible in pricing also helps. >> Yes. I have a very quick follow-up on that same question. Thank you for asking that, council member Gallo. There are around 4300 units right now? Is that what I heard you say, that you're doing vouchers on, about 4300? >> Actually, we have 5,000 -- I'll tell you the exact number -- >> So 5,000,000. >> Based on funding availability from Washington. >> That's what I'm asking. So what is the

annual cost to the Austin taxpayers for the

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voucher program that's already in place? That's the first part. What would be approximate annual cost? More complicated than that, what would be the cost to state and federal taxpayers? It's not as simple, just as what Austin taxpayers are paying, there are other costs associated with the program. >> Lisa? What's -- we receive annually in general about 45-million-dollar in -- about \$45 million for the voucher program. That's one program. We have several other program, we have a program for veterans, a program for disabled persons, other, to try to deinstitutionalize persons with disabilities. But the program which is our largest, about \$45 million. >> You receive if whom? >> I'm sorry, from the federal government, the U.S. Department of housing and urban development. >> Okay. >> Real quick question. So the voucher, let's say, is for \$800 and the rent is a thousand. Do they make up the balance with their pages? How does that -- then my other question is, do we have people competing against each other? Like those who qualify for vouchers are competing against those who don't, but they still get low market rent? >> Lisa Garcia is our manager who oversees the voucher program. I thought there might be some interest in this. Lisa, why don't you touch on it a moment. >> Good afternoon. I'm Lisa Garcia. I'm the vice president of the all assisted rental housing programs for the housing authority of the city of Austin. >> Would you pull that microphone down? >> Sure. >> Mayor Adler: Thank you. >> The way it works, families receive certain subsidy, and they're able to rent a unit in the private rental market.

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They pay approximately 30% of their adjusted income for rent and the program pays the balance to the owner. There's also affordability caps, so when they're looking for unit, they can't pay more than 40% of their adjusted income towards rent when they first lease the unit. So if the rents are, you know, higher than what they can afford, they wouldn't be able to access that unit. So not all units are available under the program. If the rents are priced outside of the reach of the families in terms of the affordability, they wouldn't be able to lease that property. >> Mayor Adler: Okay. Thank you. Thank you, Mr. Gerber. Mr. Mitchell will be speaking to us on how we could increase the supply of affordable housing, as well as geographic distribution. >> Hi. You've given me a research paper to give in seven minutes, so my first disclaimer -- >> Mayor Adler: Ready, ready, go. >> My first disclaimer is to say I'm going to give you just some ideas, and I had a partner one time, he said you're great at ideas. Give me a hundred of them, 97 of them are really bad, three are really good, our job is to figure out the three really good ones. So it doesn't -- when I give you the rationale, I have to first give a predicate of, you know, kind of was going on in the marketplace, and it applies to Austin and it applies to the nation as a whole. We had a housing bubble crash, everybody knows about that, in 2007-2008. Prior to that time, we had between 800,000 and a million two housing units built across the country on average for 40 straight years. It was very stable. The housing bubble, began to climb up to a million 8, then it busted and it went down to about between two and three hundred thousand for several years. On average, people generally say that the housing industry across

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the nation shut down for three years at around an 80% reduction in volume. What happened was, and there is an article that kind of explains this in 2011, it was one of our local research analysts that's known nationwide that talked about there was going to be a coming housing boom understand a very rapid price appreciation, and what he was focusing on was that all of the suppliers and subcontractors and people that do work on housing, they're going getting jobs elsewhere. They're not sitting around waiting. And so as housing demand comes back, which he said it works and it has, we will see a housing boom -- a big housing boom, in terms of circu escalation in prices and demand. That's what's happened. And in awning, Texas, that boom, that tightness of supply, has been worse than probably anyplace in the country because while other people, job growth and population growth stopped, we had zero jobs in 2009 and grew 50,000 people. You know? We grew -- we've grown 200,000 people or so, more than that, since 2008. And we didn't build housing in any measurable quantity for three years. So whatever excess capacity we had got sucked up, 2011 people started saying, oh, looks like we need to appoint some housing, but it's about a three-year cycle. It can be as little as two and as much as four or more to deliver housing, and we got caught in that increased demand, very tight supply. It drove up housing prices, but it's also been driving up the cost of houses. I'm in the process of bidding a new project and I've had contractors tell me that over the last 24 months, between 24 and 30% cost increases have occurred. One of them said since 2011 his costs are up 40% on a construction site. And it just -- I've got copies of articles. Lumber went up 80% one year, in the '10-'11 time period.

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Those kinds of things we've been facing, and that then means, and I want to explain this, in any private development we call it the capital stack. If you know this I apologize, but it's, first, the debt, the lender, the bank, they have a primary lien on the property. They're at the top. They get paid first. Then it doesn't matter if you're a solo guy building a home or the largest home builder in the country, you procure capital. You either do it through the public markets, the private market, the institutional markets, or friends and family, and they require a return. And then after that is whatever you put into the project to happen. And the reason I say that is, the challenge we have today in our marketplace that costs are going up and we're setting prices based on what we think the costs are. A year later, they're up 15%, and all of a sudden we have to raise prices or the project doesn't happen. It doesn't happen because the investors, they say, well, I was expecting this return and I'm not going to accept half of that, you know. I'll go someplace else. By the way, a large portion of those investors when they get to a certain size are retirement monies, mutual funds, pension funds, they're out there investing in that to make real estate happen. So that's the pressures that we as developers face. So with that predicate, we can take off here. Most of you have heard this, but as a developer -- we can pull up that board, Vanessa. I have two tools that P help me lower the cost of housing. I have to pay whatever the land price is, and I'm subject to the construction costs, whatever they are. There's some variations that I can do. You know, I can do Formica counter cops or granite countertops and those are relatively small Numbers in the overall cost, but really the two tools I have as a developer are density and square footage. And you see this when you go to places -- I used to practice law years ago and had a client in Japan, and his family

of four lived in a very small unit. It was under 450 square feet. I'm not suggesting that families need to live in that here, but I'm simply saying in a high cost area, that's what happens,

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whether it's anyplace in the country, they're renting 200-square-foot units in downtown San Francisco today for eight bucks a square foot. It's that kind of dilemma. But I can increase the density. What I have here is a project that I just completed in 78704, and this was a spreadsheet that when we were trying to understand the cost of housing that we prepared, on the side where it says 54 units, if we had done a single family community, based on what we were paying for the land, the sales price would have been about 475,000. And at that time interest rates were higher. We made some assumptions about income but carried that across. You would have needed an income of about \$173,000 to afford that house. If you go over to the -- probably the lowest would have been about 300 units, the 800 eighth explain in a minute, but you would have added 300 units. Your land cost went way down. You would have had the ability to make it smaller, and your income levels, you would have then been serving 63,000. Where we ended up was in the middle, where it was 123 units. Construction costs ended up being substantially higher. Our prices were higher, but luckily, the income was in that range, maybe a little bit lower because interest rates were so low. But that gives you just -- that's how replay with those tools. That's what happens. And it's bringing -- it's density and square footage, and those are the tools I have. As you go up higher, the construction cycle -- the cost per square foot goes up but you can also get the benefits of density to do that, so as we go forward. Those are the tools that I have. And so keep that in mind as we do things, and I'm not -- anytime I talk about ideas here, I am not advocating any of them. I don't want to hear anybody say that I said cut down trees. I don't want anybody to say I said pave Austin. I didn't say that. I'm just tossing out ideas; right? Just to go. But there are things that we can do, but when you think about it in this context and what I can do, how I can get housing prices down, then you'll understand why throw out these things.

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There are regulatory issues that we face, and I'm not complaining. I live here, I love here, I will live here the rest of my life. I love Austin, so I'm not complaining. But I will put out, for example, I had a -- I was in a meeting this morning where a developer said they're playing games where they're doing townhomes and they're not wanting to classify them as single family because if they do that, they have a 45% impervious cover -- or 60% impervious cover, I don't remember what he said, but if we classify it as multifamily in a jurisdiction, it gives him 75 or 80% impervious cover and they can put more units which means the price goes down a little bit. My point is, impervious cover greatly affects the value of what you can put on a particular piece of property. I'm not saying that everything should be paved, but that's one idea. The other thing is, we love -- we have done some great things to preserve our environment, and I have supported those. I love those sort of things, but we are now seeing that there is a cost to it on the affordability side. Heritage trees is an example. I love heritage trees. I've moved over a hundred trees in my career. I had one of -- one of my funnest battles was having Travis county tell me take out a 40-inch tree in the city of Austin and city of Austin say leave it. I said just tell me what I need to do. I

have a project I'm working on that's 14 acres on a transit corridor with two metro rapid transits, so it's probably one of the richest transit corridors. It's zoned mixed use. As a rule of thumb I could point my fingers at that and say, okay, that's one place density should occur. People can get on this thing and Miguel is try to have people at \$30,000 be able to afford and get on that and not have to have a car and get a \$9,000 raise because they have to get a car. I'm living that by the way. I have a daughter in Boston that lives in a 300-square-foot unit in back bay and she doesn't have a car. So I watched that occur in Boston. >> I'm sorry, I missed -- >> 300 square feet.

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It's a 5 story old house, the owner lives in middle floors, he has two units in the top two floors. It's a pretty nice lady. Tom Brady lives four doors down. She keeps telling me she's going to meet and have dinner with him. Anyway, because of heritage trees and compatibility -- once again, I'm not advocating those things -- I would normally say I could do maybe 11 or 1200 units on that site pretty easily and still have quality open space, mixed use, probably puts a little bit of employment there. With those limitations, and part of it's just the site, the strategic location of heritage trees, we're going to be able to do about 600 units. It's N bad or good, it's a great community, but prevents me from pushing the house price down, if that makes any sense, from that standpoint. We're cannot plating the potential of spending \$150,000 and moving two trees because they are at the exact place where the best interest from a transportation standpoint should occur, but we'll move on. Parking requirements, sometimes parking does make projects very difficult, and I -- I will tell you, in this project here, we could have reduced our parking -- my lender said if you don't give me one place per bed room, I'm not financing it. So I'm the tail at the end of the dog and he's wagging me. There are places -- nationwide, where we have a highly walkable area, less people use cars. I did a project at Texas state, a welcome from Texas state campus, student housing campus, I built one space per bed room and the project is half empty. It's a walkable space. The grocery store is a block away, school a block the other way, entertainment the other way. They didn't need a car. If it's in the right location, parking can be relaxed. You don't have any parking requirements downtown, that's probably the right decision. I would not say no parking in, you know, district 8 or someplace where things are very -- >> Mr. Mitchell, thank you.

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>> So housing variety and -- is another idea. I would strongly encourage you to encourage transit-rich development, in other words, where they are close to the existing rail. Any other good transit, that's very, very important. Property taxes are the big issue in growing areas. >> Okay. Thank you. Mr. Mitchell. Mr. Irirvine talking to us about some projects we have coming up next week. >> Thank you very much. My name is Tim Irvin. I'm executive director of Texas department of housing and community affairs. And I can see already I've made a strategic error. I didn't prepare a powerpoint presentation so I get to see myself up there behind you. Before I talk about scoring, I'm going to talk a little bit about sort of tax credit 101, because I think that the tax credit program is a misunderstood program. When you say affordable housing, people naturally gravitate to stereotypical images. I've got to say that what the tax credit program is designed to do is to provide high quality, affordable housing, for people primarily at

the 60 and 50%, very median family level. These are people who have a stable source of income and can pay rent. These are people who go through landlord criteria for qualification to make sure that they are, you know, appropriate residents, and the housing itself that is developed is developed in a manner that I'm very proud of. You know, it's one thing to live in a -- in an apartment development that's owned by a private landlord, and I've lived in them and seen what happens when, for example, the market turns and things get tight, and all of a sudden that beautiful landscaping doesn't look quite as good, the soffits are peeling and thing like that. Well, in the tax credit program,

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because of the private sector investment and the internal revenue service ability to reclaim taxes, we have a significant financial incentive for these people to keep these properties up and to maintain strict compliance and assure that they are really high quality. These are properties that are rigorously, physically inspected every three years, sometimes more often if there are issues. The conditions in the properties and the eligibility of the tenants are monitored scrupulously, and you can only feel good about having tax credit development in any neighborhood. Betsy mentioned your core values, and I was so glad to hear her talk about geographic dispersion because, inc. T I think the tax credit program is something that is a powerful tool for reinforcing that particular core value. This is where I sort of segue into scoring. You've heard the term "High opportunity area" thrown around. High opportunity area means something very specific to us. It's a census tracked with a very low level of poverty, a very high level of income, and primary antenna attendant zone for a highly rated elementary school. One of our scoring criteria is intrinsic to the site the developer selects, that you get points for going into the highest possible opportunity areas. They get additional points if there is a very high quality middle school and upper school, high school. So the criteria, the characteristics of the place where the housing is being cited cited is going to be a very important scoring determinant. It's something I hope you will look at as these six deals are considered and you will think about which of these deals will best reinforce the city of Austin's expression of its core values of geographic dispersion,

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which will really serve your longer range objectives. Our statutory scoring criteria specifies that our top eleven scoring items are the same eleven every year. They are always the top eleven. We cannot change the order. But in addition to those eleven, we have a total of 23 scoring items, and the ones that are not in the top eleven, we refer to them as below the line items. And those are scoring items that are fashioned each year in the development of what's called our qualified allocation plan, or qap. That's the rule that for each year will govern now 9% tax credits are scored and awarded. And I'm extending a public invitation to the city of Austin, to austinites, to participate in the development of our qaps. It's process that really gets rolling after July 30th when we award competitive tax credits. It carries through into the early fall, and by November, we're finalizing our qap and getting it to the governor for review and approval. And this is really a great opportunity for you to participate. We use online working drafts that provide opportunity for significant comment and input. I have W -- with me Cameron Dorsey, our chief of staff. We'll meet with anybody one-on-one to educate you about this and help get you engaged

in this process. But going back to what you specifically asked about, scoring items, in our top scoring items, one of the very highest ones for the 9% kits is resolutions from municipal government. When a deal is in city limits, the applicant gains points for getting a resolution of support from you. It is not a requirement that you support it specifically, but a point item.

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It is a scoring item. For four percent credits, which are not competitively awarded but are paired with private activity, tax exempt bond issuance, a local resolution is a threshold requirement. A four percent deal can't happen unless you say it can happen. If a deal happens to be not only in a city's jurisdiction, such as like an extra territorial jurisdiction, if it's an etj, resolutions for scoring purposes must come or can come from both the city and the county. If it's a four percent deal and the development is in your etj, it's required to get torrential clearance from both the city and from the county government. So that takes care of the city resolution for scoring purposes. In addition to all of the other information about the program that we put on our website, we put on template resolutions. You're welcome to use those resolutions. We believe they're fully compliant. You're certainly not required to use them, and be glad to work with your city attorney if there are any questions. Another scoring item for nine percent credits is local political subdivision financial support in the form of development funding. And this is where cities provide financial assistance. It can be direct financial assistance, such as a loan. Quite often, you look at the total financing needs of the development, you'll see the the nine percent credits will generate about 70% of the total needs. The remaining 30% is typically conventional financing like bank loans, then what we consider to be soft loans, often city home loans under the home program, which you administer through hud. Smaller cities are given tools to make smaller financial

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contributions. For a large city like Austin, it is a significant financial contribution, and that's one of the things why things like home loans are often the most attractive way to provide that financial support. In addition to those particular scoring criteria, we have resolutions are no different types of local input, one of them being resolutions or letters of support or opposition from local neighborhood organizations that are on record with us or with the county where the neighborhood's boundaries encompass the proposed development. The fourth area of input that we get is letters of support or opposition from state representatives for the area where the development is sited. And these four tools, combined with the other scoring items, are really -- we put together who's going to win and who's going to lose. I will say that it's phenomenally competitive. The state gets about \$60 million of nine percent tax credits each year. Those credits can be claimed each year over ten years, so that's really worth \$600 million. It's allocated statewide. Austin is in the urban subregion of region 7, and as Betsy said earlier, Austin will probably get enough tax credit awards to do three deals. A deal can't do more than \$2 million worth of tax credits or a total potential of \$20 million, more or less, in tax credit value, so that's -- that's the lay of the land. >> Mayor Adler: I think there's a question for you before we go on. >> Yes. Thank you, Mr. Mayor, and thank you, Mr. Irvine. Your office has been very, very helpful for us to understand this complex formula and how this works. Thank you for meeting with us and coming. >> It's a pleasure. >>

I'm going to read very quickly, I've got a city of Austin letter in front of me dated February 3rd to the city

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council members. I'm looking at the second paragraph. This relates to the agenda item coming up next Thursday. This is very important. And I'm quoting: Please note that by recommending support for the application, the developer may submit his or her application to the Texas department of housing and community affairs. And so when I think the average person reads that business? , you would be led to believe, oh, well then we need to recommend support so that the developer can submit the package. And I think it's a completely false statement. In fact, you had told us that the reality is, they've already submitted reapplication packages, and they could submit a final application package on the 27th, irrespective of whether we vote on it or not. Isn't that correct? >> It is correct that they could submit a final application package. I would say as a practical matter, the application package that does not include a resolution will have a very difficult time being competitive. >> Okay. That's true. I wish that were stated in here because the way it's stated, it sounds like if we don't express support, they can't even submit an application. But the truth is that the support that they're asking for is important for the project to be scored high enough to succeed. >> That is correct. >> Okay. Thank you. I run into this problem, I'm bringing this up and making a point because I run into this again and again and again. I read something that leads me to believe something, but when I investigate further, it's not the case at all. So I just want to make that point, that even if we did not vote for this on the 12th, the application may go through, and I want to bring one other point. Here's a resolution from last year. It's for the cardinal point development on Zimmerman lane. It's the city council, it's dated March 12th, 2014 -- or March 20th, I'm sorry. And so the final applications

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are due by the end of February by state law; right? >> February 27th this year which is the last business day before March 1st, which is the statutory date. >> So last year the applications had to be in by the end of February before this resolution was passed. Because this resolution was passed on the 20th of March, which is nearly three weeks after the final application deadline. >> Correct. >> Okay. So, in other words, the council could vote weeks later. It doesn't have to be next Thursday. They could vote in March or April, and it would still count. There's 17 points right here. >> Mayor Adler: Does the recommendation catch up -- >> I apologize. Iometer ply sorry. That was, we actually had -- there was a change in the name of the entity. The only reason that one came forward after the fact, the legal name of the entity had changed. We brought them all forward in February and had received the support. That particular one, we had to make it -- we just had to make a change. So that's a very unique specific, separate situation. We didn't bring them all forward in March. That one was just a correction we had to make. >> And I believe, and C Cameron can correct me if I'm wrong, but these resolutions are due by April 1st, we allow till April 1st for letters from state representatives because we want people to have the opportunity to assess the entirety of the application pool before making their decision. >> Okay. Thank you very much for that clarification. One other quick point. The letters you referred to from, say, homeowner groups, groups registered with the county, say, so they actually exist, if an organization

expresses support, they're granted plus two points towards the score. Is that right? There's some scoring in place. I think there's one situation where letters in favor count for plus two, but letters in opposition only count for minus one. >> Okay. >> Okay? So what that does, obviously, it gives an advantage to those in

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favor of the project. It's not a balanced scoring. So if I have two people in favor -- or two groups in favor and two groups against, there's a favoritism built in for people who want the project to go forward. Would that be correct? >> I don't necessarily agree completely with that. I think that scoring is different types of support. The way our scoring structure is set up, obviously if you're opposed to something, you're not going to be providing, you know, the same measure of point benefit that support would be. So -- >> Okay. Then the final point, as a district representative on the city council, when I write a letter in opposition on behalf of my constituents, as I've done, it counts for zero points. >> It is not scored because there's no statutory basis to score it. >> So the state representative, if they issue a letter against it, it's minus eight points. >> That is correct. That is by statute the only scoring item that can provide for negative points. >> Just real quick. These criteria, are they established in state law or is this a city ordinance? >> These criteria are established in state law. It's chapter 2306 of the government code. I'll be glad to e-mail anybody here that wants them. >> Thank you. >> So forth. Also, our qualified allocation plan is adopted as a rule under the Texas administrative code. >> Mayor Adler: Okay. Yes Ms. Tovo. >> Tovo: Just a very quick question. The four percent projects you said have to have a letter from the municipality as a threshold item. >> That is correct. >> Tovo: Okay. So in that case, with the four percent projects, you would review them, I mean the application -- >> Until a developer makes you comfortable with a four percent project, it's not going to happen. >> Tovo: Okay. Thank you. >> Mayor Adler: And on the nine percent, it's so competitive that having the recommendation, it's effectively not going to

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fare well. >> Correct. I would say typically in this subregion, the deals are so competitive, quite likely the three that win will have the same score. >> Mayor Adler: Great. Thank you. So now we move on. Thank you very much, Mr. Irvine. How do we ensure safe housing and address substandard housing? Ms. Roth with the ladies of charities Austin. >> Thank you mayor and city council. I want to congratulate each and every one of you. I, too, didn't bring a powerpoint. I have stories to share with you of people that I have served through my retirement. My name is ruby roah, and I worked for the city of Austin for 27 years. I finished my service as a manager at Austin energy. Since I retired, I have been active in the ladies of charity. This group of catholic lay women strives to be the service to the poor, the sick, and the lonely. I'm here today to describe for you the housing conditions of people I serve. I remember an elderly lady with cancer, and her husband who lived where you could feel the wind blowing through the house. After a program of neighborhood housing, fixed her home, she told me that now, when she takes a shower, she isn't cold. I remember a widow who could see daylight through the ceiling, and the rain leaked through rotting -- and rain leaked through the rotting wood of her most valuable asset, her home. She was sleeping at a neighbor's sofa, desperately looking for help. Again, the neighborhood housing, she

got -- through neighborhood housing, she got a new roof, and then her son was able to make

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enough repairs that she could return home. I want to really acknowledge what a transparent and hard-working group neighborhood housing has become, under their director of Betty Spencer and Rebecca Jelo. There are many more elderly homeowners like the ones in the two stories I've just told. You have good programs to help them, and we need to continue to expand the program that help the vulnerable, low income, elderly, stay in their homes and communities. Now I'm going to talk about an area where the city needs sharper tools. Four years ago, a pta president told me that he and the parents of 109 children from the apartments where he lived in Riverside had to move because the area was going to be rebuilt with luxury apartments. The owners, Grayco, were still collecting rent, but many tenants were living in uninhabitable conditions. When the city granted Grayco the zoning for luxury apartments, Grayco promised \$90,000 to relocate the tenants. But when I met the pta father that was promised, the only promise they had was a notebook of a list of all the apartments in the city of Austin where there were vacancies available. And it took citizens reminding the city of Grayco's promise to get the tenants the help that they needed. A year later, a former Grayco tenant, who moved to another Riverside complex, Wood Ridge, called me because the walkways to the upstairs apartments were shaking. The next day, this walkway actually collapsed. It's ironic for a city with such

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a value on environmental resources, that we treat rental property like a disposable asset. We collect the rent, it falls apart, it's dragged into the landfill, and come down to city hall -- the developers come down to city hall looking for new development entitlements. The start of the cycle starts all over again. This attitude overlooks the people who are paying for a place to live. Our building safety system is complaint-driven. The tenants fear retaliation if they report problems -- if they report the problems. And I've seen exactly why their fear is justified. When tenants do report problems, what they report is limited to their apartment, and it is hard for tenants to make repair requests for structural issues such as a shared walkway. I have four recommendations for improving the safety of homes in which renters live. Protect the tenants from displacement. Rental registration. Loans for homeowners to make repairs, and take owners to -- who will not make those repairs to district court. When an apartment complex closes, tenants face a costly burden of finding a new place, paying application fees, paying utility fees, and moving expenses. And although many of these low income tenants are the backbone of our workforce, they struggle to find housing to their -- to their jobs and services. You've heard others today on this panel who spoke on a

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long-time affordability for low wage families, so I'll focus again on the health and safety issues. Other cities as Chicago and Dallas have adopted displacement protections, and we should, too. Those protections include advanced notice, helping a new -- finding a new place and helping people move. The

community development clinic at UT law school studied best practices from other cities and recommended rental registration as a way to make the rental property safe. The inspections that go with rental registration get in front of the problem instead of waiting for the tenants' complaints. Our time -- and over time, proactive inspections bring up the safety of our rental properties. For owners who make repairs, we should have a long program to help them. For owners who do not make repairs, we should follow Dallas's example of code inspector and a city proactively -- a city attorney proactively identifying unsafe apartments and taking owners who do not repair to district court. Where we will get these results and we will get them faster than our system today. I've heard that Austin is going in this direction, but if we are, we're moving too slowly. The city is responsible for building safety of all residents. Homeowners and renters alike. I have seen neighborhood housing work effectively on behalf of homeowners. I would like to see the city, we, as a community, work just as diligently to protect our renters. Low income people who often have to deal with property owners who

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advocate the responsibility of stewardship and who force their tenants to live in dangerous conditions. So it's time for us as a city, as a community, to say no more. And thanks again for the opportunity to speak here on behalf of the people that I serve. [Applause] >> Mayor Adler: Thank you. Thank you. Spencer, do you want to comment on any of the points that were made by anybody on the panel? >> I apologize. You caught me off guard. >> Mayor Adler: That's okay. What I've been doing, I've just been coming back the the staff at the end of these so the staff -- so there's an opportunity to comment. >> I just really appreciate the opportunity. Actually, I'm really kind of awe struck by the fact we have the opportunity to do this. What we do through the city we could never do without all the partners that we utilize. This is just a very small example of the really crazy, smart, amazing people that we work with to do what is a huge job. I think you've heard an awful lot from folks. And sometimes we forget. And I'm actually kind of glad Ruby was the last one. Housing, we build houses. We build units. We repair places. But we don't do any of that if it's not for the people. And so when we're doing -- when we're building the units -- and what we're struggling with is how to become better at demonstrating the outcomes. We've been counting people in units and households for a long time. What we've got to get better at is the outcome that I know we're effecting but not telling the best story about, where how what we do changes lives. And it really does take all of us to do that. I'm will get look at all of you guys. I don't have a great wrap-up, other than thank you so very much. And ants awful -- we appreciate everyone's support on this, and I'm confidence we'll be having these conversations going

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forward. >> Affordable housing. >> I just want to ask a quick question, too, Mike. On the tax credit that you partner with, are they normally just 30 years, or are they 40 years? >> Generally they're 30 years. It's a 30-year compliance period, and I actually had some experience with the Texas department of housing and that compliance program is very rigorous. We want to make sure the landlords do what is expected of them in exchange for those taxpayer benefits. There were other parts of the financing of a tax credit property, home funds from the city and other resources, that sometimes come with other

conditions, some of which last as long as 40 years. >> And one more question. And when you do these tax credits, are there any examples out there that -- where there is mixed income, diversity in income, through your housing projects? >> Here in Austin the housing authority has not done a mixed income development using tax credits. Rehope that we'll have an opportunity to do that -- we hope we'll have an opportunity to do that in the years to come, but we generally made use of the 9 percent program. There are some examples, I'll refer to Tim to highlight one or two. >> There are great examples. Martin Luther king to M station, that's a classical example of mixed income development. It's also an extremely energy efficient development. And it has got wonderful attributes of an after-school center, a learning center to ensure that the kids keep up their gpa's. It's really cool. >> Thank you. >> Mayor Adler: I have two questions that relate to affordability generally, as it relates to housing, in the broader conversation that we could be having as a group. We're weighing everything we do

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on how it impacts affordability, generally. So we have a push-pull here that might be worth having comment on, that affordable housing costs money. It costs money. We're adding to the budget. That impacts affordability. So how -- how do we reconcile or consider those points together? Then the second affordability question I would have is that we have a market that is driving a lot of real expensive housing. We have some programs that are dealing with affordable housing at the lower levels. And some of the things we hear about are affordability questions from people in the middle. And are there things that the city could or should be doing in that area as well? So two just general questions about affordability, generally, from the lens of affordable housing. >> Mayor? >> Mayor Adler: Yes. >> I would like to encourage this council and you, mayor, to look at the general fund and see if we can find a way to put three or four million dollars for the trust fund in that general fund so we will be able to do more for our families. >> Mayor Adler: Ms. Mueller, then Mr. Richard. >> I think there are things that we can do with land -- our land development code and land planning process. Some of this gets at things that terry Mitchell was raising. We have in that comprehensive market study, one of the things we learn, we have a lot of higher income renters who are kind of stuck there because they can't afford to make the leap to buying something. We don't have, especially within the city, the range of types of things that somebody might buy at their first place to buy that other cities have. We need -- we need to have more kind of smaller condos or townhomes or, you know,

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different things like that that would allow more of those people to move on to become homeowners and relieve some of the pressure on the rental market. So that's one thing I think is directly related to the land development code issues. >> Mayor Adler: Mr. Mitchell. >> Thank you. I think you as the council have enormous challenges balancing these things. I was on the 2012 bond advisory task force, and my eyes were opened. I consider myself relatively fiscally conservative. We had one point four billion dollars worth of request that we and the bond advisory task force were sitting there, and I tend to be a pretty conservative person. And when we went through the 200 and some-odd different projects and needs, if it had been me, and it was not me, I would have done 750 million. Because those, to me,

were the essential needs of our city. Over 300 million of that would have been transportation improvements. And because we are suffering from an affordable housing challenge and taxes going up and all of those sort of things, we limited it to 385 million. A good example, and I'll just give two comments about that, our biggest need, we all know, you don't have to be a transportation analyst to know that I-35 is just overly burdened and there was \$50 million in there for, in the proposal, that would have designed improvements from Williamson county down to hays county, managed lanes, and would have fixed the congestion -- not fixed, that's a wrong word, I can't fix that, but would have improved the congestion problem by taking the turning movements getting off of downtown onto what they called limited access lanes. It would have also paid for the redo of Riverside drive to allow those limited access lanes. And we chose to give them 15 million. They needed to get that designed so thattthcra could come in and put in their money because it was a high value deal.

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At that point in time, txdot would have jumped in. You know, we're challenged with transportation, and it's two years later, three years later, will be a number of years later, and we couldn't do that because of the financial constraints that you guys have to horrihorrific -- heroically address. So I think you have the smartest is it a fair in the country, they're really, really berate, bright. I was asking about this issue, they said the one million dollars we saw was pared down from four million in the first round. What that tells me is that the needs as a city are very high, so the ability to do what ruby and others have talked about, where we fix taxes and we do things -- those are needed, no question, but the challenge is, you're having basic services and basic needs and transportation needs that are competing against that. And it's a huge battle. It's a huge battle. And so as a private developer, I don't say density and square footage everywhere, I say, you know, figure out where appropriate density and appropriate locations can occur because that's the only way I can address getting my price down. I don't do the tax credit stuff. That's beyond my pay grade. But I do do workforce housing over and over and over again, and people just cry for that kind of stuff. I mean, it's just -- the need is very, very great. And I applaud what you guys are doing. Thank you. >> Mayor Adler: Thank you. Spencer, then Mr. Zimmerman. >> Mayor, Jew just one thing that we're -- there can be a cost benefit analysis to a lot of what we do, and we've seen it most really in the permanent supportive housing realm where we're really looking at the cost reduction to other very expensive public safety areas. And so I do think that's something that this council may want to keep in mind as we start to look better at outcomes. If we can expend a small amount of money to house folks in a very safe, decent way with the support services they need,

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there's evidence to demonstrate that there will be a cost reduction in some very high areas, the public safety and health. So I think that's just another part of the big question. Right? >> Right. Thank you. Mr. Zimmerman, and the mayor pro tem. >> Zimmerman: Thank you, Mr. Mayor. I'd like to get an overhead put up, which we developed after some conversations with the tdhc. I'd like to -- yeah, it's up there now. I have copies of this is anybody -- I handed out copies and I've got a few more if anybody would like them. Thanks. And so I wanted to call attention to -- on this diagram, some things were referenced here.

I think Mr. Mitchell referenced the capital stock, right, now you pay for it. That's in the lower left corner, so the tax credits might be 70%. The city's soft money might be, say, 3% or so, and the rest could be conventional bank financing like you would get on your home. So -- but what I want to do now is briefly look at the upper right corner where it says investors. So we've done kind of some research into this, and we were trying to kind of figure out the money flow. And where does the biggest benefit of these projects accrue? Does it actually accrue to the city or to renters? Or does the benefit actual accrue to qualified investors? Large corporations, very, very wealthy individuals who are looking for tax shelters? And these tax write-offs are on the order of \$100,000 of tax credit. So imagine if you're a corporation and you have a million-dollar tax bill. Okay? You are in the market to buy these housing tax credits. Because you can take a million dollars and then over a period of ten years, you can credit, just write off the taxes that you owe, say \$100,000 a year for ten years. Now, I've got a lot of

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Progressive democratic friends in the city and they call that a corporate tax loop hello. It's a corporate tax loophole. It's a way that very, very large cornings can avoid parking taxes legally, while instead investing the money in these housing tax credit projects. The other thing I want to point out, if you follow these arrows, it's my understanding, and Mr. Irvine can correct me if I'm just completely wrong, but somebody owns the property. Right? Someone is going to own this property. You know, after of the money has been spent, the loans have been paid off, the city loan is dispersed and processed, it's disposed of, somebody owns the property. And it's not the people that live there. And it's not the city. So what we understood by following the money trail here, as you see, 99.99% of this limited partnership is actually the corporate investor, which kind of makes sense because they're the one that put in the hundreds of thousands or the million dollars. They get benefit from the rents that come from the project. They get benefits from the taxpayer subsidies, from the vouchers we talked about. They get write-offs over the year on depreciation. So, basically, basically, in my study of this, it's a method for the rich to get richer and for the people who are renting the apartments, they're going to be renters, ten years, twenty years, so they don't have an ownership in the property. So the reason I bring this up is in the spirit of transparency, so hopefully we understand the money flow and where the wealth is accruing. My opinion of this is this partly explains why the rich get richer and the poor get poorer. So I'd hike your reaction to that. [Applause] >> Well, I think this accurately describes the flow of the funds into the development. I don't think it completely captures -- it doesn't even try to capture the way the development itself operates and

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so forth. We evaluate these proposed developments with pretty rigorous real estate underwriting analysis. When you put the subsidy into the development, obviously they are carrying much less debt than if they built the whole thing with debt. And that subsidy is what enables them to charge reduced rents, which go to paying reduced operating costs, because they're not servicing as much debt. And we monitor or analyze this pretty carefully to make sure they're not getting any more tax credit development assistance than is necessary to keep the deal stable and cash flowing through its 30-year

commitment. You're absolutely right, that there is a valuable asset underlying this. Somebody, the limited partnership, does own that asset, and will ultimately probably realize some value of that. There are provisions in federal law for these assets to be sold to qualifying non-profits or to tenant organizations. Also, we have some instances where they've actually been sold directly to tenants. But, yeah, it's something that's private sector-driven. It's a way to attract significant, in fact, huge private amounts of capital to develop something and commit to running it for 30 years in a completely compliant manner, you know, painting the soffits, even if they've got to dig into their pockets for the paint because there doesn't happen to be cash flowing at that particular moment. Yeah. It's something that's been pretty carefully balanced over the years it's existed, since 1986, and I think it does a remarkably efficient job of pulling in this private sector capital, turning it into an investment in affordable housing and running it for 30 years. >> Sure. Sure. I concur with what you

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say, but, again the corporate income tax that's not being paid, somebody else has to pay. It's being piled on to an 18 trillion national debt. Someone is paying for those tax credits. Someone else is paying. What I keep hearing from the panel, benefits, benefits, benefits. I'm trying to underscore the cost. There's a cost to someone else somewhere else that isn't mentioned. Thank you. >> I just want to point out, I think we used to pay directly to construct public housing. We used public money that was on the budget to do that. We no longer do that, we haven't since the 1970s. We have shifted to a system where we use tax credits to incentivize private investment that allows nonprofit providers or for profit providers to provide affordable housing. So, we've just changed the way we do it. It used to be on the budget, now it's through a tax expenditure. They are getting some -- they're buying tax credits. There's a market. They get some payoff, but that money actually is used to produce a affordable housing that does lower people's rent significantly. Typically, after the ten years, they're out of the deal. They're done. Their tax credit is over. And that property then becomes owned by the, you know, the nonprofit or the other entity running it. If it's a for-profit entity, there is a phase where they're no longer under obligation to keep it affordable. There we have the expiring subsidy problem. Maybe we should say, we should prefer nonprofits because then we're not going to have that problem. They're going to keep it affordable, we get the public benefit for a much longer time through this process. >> Mayor Adler: Thank you.

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Ms. Tovo. >> Tovo: I had a couple things. I was going to suggest, I know, Betsy, I was just looking through your presentation. In the past, the housing department, and also housing works, has provided some really good information about what the economic benefits are of the affordable housing construction that's going on in Austin, for-profit, nonprofit, and city properties. We had a little exploration a year or so ago. My office and another council office, and some of our housing staff and our economic development staff to see if there's any way we might start to evaluate the affordable housing projects that come forward in light of those economic development benefits, and we couldn't quite figure out a tool that was appropriate for doing so. But, housing works has done a great job trying to quantify economic benefits. I should've asked Mandy, but, if there's a way for housing staff to help us get some

of the information I know you have about the way in which our public dollars have been leveraged, and also, that information from housing works would be really helpful. >> Sure. If you'd like, we can put it on bloomfire or your iPads. We have a tremendous report. [ Please stand by ]

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And then ongoing management, and it was \$865 million. The 55 million then became 865 million over a ten-year period. We're anticipating with the 2013 housing bonds a similar leverage ratio. The tax credit properties have a higher leverage ratio, typically, for every dollar, local dollars that we do. It's about a ten to 1 leverage, I can think of several properties that exceeded that, but, it was a 4 to 1 leverage ratio. That's up on our website, I'm happy to share that. Or have economics come talk. >> That's really helpful. Thank you very much. I just wanted to say, thank you to the whole panel, really, for all the work you do and for being here today to highlight some of the challenges. Some of the issues are not new. We've had some significant conversations about rental registration, and preservation of affordable housing, but, I'm really eager to see that dialogue continue, and maybe make some real progress on those issues. The only topic that didn't come up in today's discussion, I know councilmember Renteria mentioned it, I would love to have a conversation among our council is the issue of density bonuses and whether it's appropriate to start looking at requiring that housing be provided on-site in our density bonus programs, rather than be a fee and lieu, which is rarely, really, never enough to construct housing anywhere in town. And if we're really serious about achieving geographic dispersal, it's one of the tools we have at our disposal, to require the housing be on site if a developer is participating.

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I know know councilmember Renteria has talked about that, I'd be interested to hear other people's perspectives on that. >> I'm sorry. We'll come back to you. >> The density bonus is a great tool. There was something else that hasn't been talked about today, and I'd be interested in maybe talking about it a little bit further. And that's coops. Continulative ownership of property. And how that might fit in to the fabric that the city has for the different ways to reduce the amount of money. I think coops are a great approach to ownership. It can be for starters, and it can be for seniors, and people with disabilities, and vets. So, I'd like to expand the conversation, and talk about housing cooperatives. Thank you. >> That was one of the issues I was going to bring up. In the fee and lieu, that, you know, I know that just a couple years they increased it from 50 cents to a dollar, and I still think it's kind of low. But, I'm really glad to find out that -- in it for student co-op projects, so I really want to thank you for looking out for our students. You know, we have given up a lot. They have given up a lot, of their affordable housing there, at that area. But, I still would like to see that fee go up just a little bit more so that we could fund more student housing. >> Mayor Adler: Miss kitchen. >> Kitchen: I just wanted to touch on our goals as a council and as a city, including our goals to address our homeless population. I know that we have set goals for a range of housing

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affordability, I'm not sure we've talked about them. I would really like to focus in on what our goals are to understand, how do we get to, you know, a hundred percent affordability? I know that's probably an outrageous goal, but I'd like to know what we're working towards. Do we think we can provide a level of housing that's affordable for everyone? And I know the populations are very different, you know, and there's different issues related to different populations. So, there's no one-size-fits-all kind of solution. I know we're talking about ways to improve access to housing, but, how far does that get us and what do we need to get us all the way down the road? I'm just throwing this out there as something that I'll be thinking about, and I'm hoping we can have conversations about in the future. >> Mayor Adler: Go ahead. >> I think it's a really important point, thank you for mentioning it. The housing authority is really excited the city has signed onto an agreement with HUD to end homelessness, hopefully, that will generate new tools the city can take advantage of. I know Walter is in the room, through their single-occupancy unit program, that's funded with the help of local housing tax credits. It's been a remarkable program to help folks transitioning out of homelessness get the care they need. We need more of those single-occupancy units in our community. Other communities are using them. Seattle, Miami, having great impact. >> Mayor Adler: So one of the challenges to having affordable housing is the resource issue. We've talked about here. How big a challenge is it to locate affordable housing?

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The stigma associated with affordable housing. Is that something that we're seeing in this city? Locating projects? Anybody want to talk about that, or should we just move on to the next question? >> Yes, I think that's a problem. I think that is another reason why preservation is a good starting point for a lot of things, because these are buildings that are already there. These are people that already live there. And in some cases, we can use it as an opportunity to, while renovating those buildings, make some changes that will be more compatible with the surrounding neighborhood and whatever's happening on that corridor. So, it is really hard. I think that's something that we know, you know. And as we look at the pattern of where we have typically been able to put affordable housing, I think that tells us something. And now, to get the tax credits and other things, we need to be focusing on areas where we don't have a lot of it. Maybe there are some places that are already there tucked away that we can capture as ongoing sources of affordable housing before prices go up too much in those areas. That's just one piece of the overall problem of siting, I think. >> The situation you're alluding to is the concentration of poverty in areas where that becomes the most likely, or most frequent locational element for this kind of affordable housing. >> Well, I mean, not -- you know, sometimes, a project is located in an area because there's an active community development group doing a lot more and bidding into that. So, it's not always the case that it's just piling on more and more poor people near each other and there's no value to them of that community. But, when we think about access to opportunity in terms of school quality, you know, can

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people rent near high-performing schools? You know, we -- over the years, we've created a structure of planning and land use in most cities where we have homogeneous neighborhoods, we keep large rental

properties away from them. We've done things that have made it difficult to get more of a MIX throughout the city, so we have to be creative in taking advantage of things that are good starting points as we think about how do we get more diversity in housing types and housing choices throughout the city. >> Mayor Adler: Thank you. We have two other voices that will come to the podium in just a moment. Mr. Mitchell. >> Mayor, just one general comment. I think, often, and if anybody disagrees, correct me. But, I often think perception among the community at large is not reality in terms of affordable housing. Housing works has given a lot of tours where they take concerned citizens around to educate them, and the general consensus that I see is that they had no idea that good-looking project with that, you know -- I'll use the educational program, they didn't know that was an affordable housing project. When you finish, they almost say, can you put that in my neighborhood? There's a benefit there. I really believe education in terms of giving people a real boots on the ground look at what's there, the perception is far worse than reality. And I would say that almost across the board. My condo project in 78704 backs up to one of his projects. I had investors flipping out, came up one time out of 119 units. >> Mayor Adler: Thank you. >> Thank you, mayor. I live just blocks away from terry's new project. And I also want to say, I think that he's very correct in saying the matter of educating our

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families. We -- with the housing authority last summer, we took some of our families at rosewood courts on a tour of all the affordable tax credit housing. And many of the ladies, children that went with us on that tour -- you mean I can live in something like this? And they have daycare? So, you know, it's just a matter of getting out into the community, and educating our families. And another thing that I like about councilmember pool, on the coops. You know, I see myself within the next five or ten years not being able to afford the taxes where I live. When I bought my house, my house payment was 325. Now, I have to save \$450 a month to pay my taxes at the end of the year. And so, as we -- you know, the taxes increase, I think that, you know, if we can start looking at a co-op, I see myself living in a place like that in the coming years. They have all the amenities. It could be mixed use. They have a food pantry, you know. Anyway, Louis and I have been talking to some folks on co-op, so, I think that that's a good idea for many of us. >> Mayor Adler: Great, thank you. >> Thank you. >> Mayor Adler: Ms. Spencer, and then the two other people. >> Just a quick question related to senior housing. I don't know if there's anything different or unique about the availability of senior housing in the community. Is there any comment that any of you all would make about that? >> We just had a meeting with councilmember Houston, and we brought Shirley Johnson to our meeting. In the last 25 years, she Mo

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moved . . . We . . . Her story is she went from an all bills paid apartment of \$525 a month. She lived there for over 25 years. And when sunny need was torn down, she moved into city view. In the last 5 1/2 years, her rent went up \$225. She's in senior housing. So, I look at that, also. If we develop some of these coops, I look at people like Shirley living in a place like that. >> Mayor Adler: Okay. And real quick, then we have to move on. >> The need for senior housing is growing greatly, just as a side note. It's a big issue. >> Mayor Adler: The need is growing. >> Because we're all baby boomers, and we're all reaching

that age. >> Mayor Adler: Ms. Spencer, I've been holding you off so you can conclude. >> Excellent. Going back to your original question to us on, do we have concerns or issues when siting housing, perception is huge. I appreciate your bringing that up. Oftentimes, the picture folks have in their head is not the reality. I'd welcome to take anyone around, when we take folks on tours as you've stated, we have never had a tour where folks were not surprised, amazed, and their perception had changed. So, I won't go on too much about that, you've done a great job on that. Cost is something that we need to -- I hope that we can all get better at looking at the cost-benefit analysis. We're in a very hot housing market. Land costs are high. So, it is one reason why the tax credit project, or the tax credit financing can be so beneficial. The equity to that is one of the tools that help us acquire land in a high-opportunity area that is more costly. And/or, when we help assist with that, as well. We have demonstrated, as well, when families live in a

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high-opportunity area, we don't have to make those additional improvements to jobs, it's there. It is a cost benefit to us when we can place families who need all the same things we do in an area where it already is. We have evidence that high concentration of poverty is not a healthy situation. Anywhere we can have a diverse community economically, financially, all the different types of diversity that there is, makes for a much healthier community. And so -- but it is always a struggle for us, yes, sir. >> Mayor Adler: Thank you. And thank the panel for being with us here today. We have two people that have signed up to be other voices. Mandy, were there additional comments you wanted to make? >> I'll be quick, housing works. I'm speaking personally, not professionally here. I live in district ten. I'm very interested in all the conversations that we had today, particularly about geographic dispersion. I hope when we heard about all the different policy tools, I hope they are tools we can utilize in district ten, specifically, there is a 75-acre tract, the bull creek tract txdot used to own, now it's owned privately. We're looking forward to working with the developer to come up with solution including affordability, that will reflect the imagine Austin vision, the compact connected, the complete communities. And I think there's enormous opportunities there for both affordable housing with a capital a, subsidized with a small a, maybe it gets to, I think councilmember kitchen and tovo mentioned this. A different type of housing product. The missing middle that's been talked about with the land development code. You're going to talk about that in a couple weeks. But something that would serve those folks who are higher income families with children who can't afford basically our rising housing costs in central

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Austin. It's an enormous opportunity, and I look forward to y'all looking into it further. Thanks. >> Mayor Adler: Thank you very much, thank you for your participation over the day. Last speaker we have would be Ingrid Edwards. >> Hello. My name is Ingrid Edwards, a resident of four points area. And I listen carefully to all what you have to say today. My opinion, probably not going to be as favorable as you all had around here. I have two points I really want to make. I grew up in Czech, I lived there until I was 20 years old. I know what social policies do. You have a lot of money, taxpayers money that you play here with. You owe a responsibility, huge responsibility to reconsider how you using these funds. I heard

people here that I agree with, and I heard people here that I strongly disagree with. The prof professor and the from the ladies of charity, I agree with. The funds are so misplaced, so misused. The other point, affordable. What is affordable? What is the threshold? From what I've read, was the unit that's supposed to go in a four points area, supposed to have seven to \$800 monthly rent. How is that affordable? If that's what we classify as affordable. I look very briefly in my area where I live. There's plenty of apartments in that four points area with the range below \$800, so, I am completely confused as how something that's at 7-\$800 range classified as affordable housing. The lady of charity, what she's talking about, is low-income housing. That's where the money really needs to go. I think that would benefit the

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entire city, rather than moving problem, neighborhood, to another part of the city to begin with. Where I live, the project that was supposed to go on Zimmerman lane was -- the entire community was strongly against it. You're talking about stigma. I used to live in Connecticut with my family. We lived less than half a mile away from affordable housing. Something that the tax credit expired after ten years and nobody looked back. It was disaster. The property values went down. We moved in there because we didn't have any other choice. We couldn't afford anything else. We had a lot of section 8 houses and neighborhoods around us. That is not where I want to live again. When we moved here, we were really careful about picking up an area where our kids don't have to see the police officers on daily basis, where I don't have to find loaded gun in front of my neighborhood, in front of my house, thrown in the bushes, because that happened to us. I came home where I had four police cruisers in front of the house, there was a loaded gun thrown in the bushes right in front of my house. I'm not saying that what you building, or where you living, that there's a high crime area or something, but, I'm really puzzled by definition of affordable. Clearly, at four points area, there's plenty of opportunities to rent for seven or \$800, why build 123 unit, what's called affordable housing? I think that's what confuses most of the public up there. When you think affordable, you think somebody that makes 25,000 a year. People like that cannot afford seven or \$800 rent, and that's not the folks you talking about. You're talking about people that have a hard time making \$500 monthly rent, and she is sitting here being you guys for three or

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\$4 million when we have 45,000,060,000,000 or whatever thrown on new projects, where that doesn't do a heck of a lot of good. I know I have a very little time, but, I would like you -- like to show you, this is discussion paper that Minnesota housing finance agency pulled together, that there's 70 studies here they summarized. What they come up with is where the money makes the most good, is in what the university professor was talking about, preservation. In existing low-income area where they fix the building, where they build infrastructure, where they help the people in the areas. Same thing -- no. I'm good. Okay. What you talking about is people that already live in apartments, they are just not even livable. That's where the money needs to go. I don't really see why there is development here in -- for something that to me, it's not affordable because 7-\$800 rent, that is, how is that subsidized? There's

plenty of private capital here and people that work here that can afford seven or \$800 rent. So, that's . . . And this study basically -- [ beeping ] >> Uh-oh. Basically, what this study is saying is, the low-income areas, path to ownership, those are the places where this money will do the most good. >> Mayor Adler: Got you. >> Could you please put the report on the overhead? There's an overhead right there. >> Yes. >> Thank you very much. >> Just give us the reference for what study. >> Yes. >> Mayor Adler: Perhaps there's a way to get that copied and distributed to the council. >> Yeah, you can have it. Anybody can Google this. That's a great resource. >> Mayor Adler: Thank you. >> Okay. >> Mayor Adler: Thank you so much for coming.

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Panel, thank you for being with us today. Thank you. [ Applause ] >> Ms. Spencer, thank you. We are now to the continuing on in the agenda of our called meeting. We have two things that are left to do. The first one will be the resolution from councilmember Casar relating to the fire department's hiring process, diversity in the department, and the collective bargaining process. This was seconded. We recessed to go into executive session. Mr. Casar has asked for the floor again, and I'm going to give it to him. >> Casar: Yes. Mayor, there were some legal questions, which is why I requested that we go into executive session. It seems that those legal questions have been largely resolved. And so, I think that we can move forward discussing the item. Was there a second at this time for discussion? >> Mayor Adler: There was a second. We're in discussion. >> Casar: Great. >> Mayor Adler: We have someone here to speak publicly. Before that happens, I'd like you to explain to all of us where we are right now relative to the original resolution and where you are right now. >> Casar: Absolutely. There was a disagreement on the timeline for what it would take, how long it would take for a new rfp to be issued. In the be it resolved paragraph two, there was a discussion about withdrawing the current rfp, and disagreement about whether or not we had time to withdraw that rfp and still comply with our commitments under the consent degree. For me, I wanted to be very clear, this resolution had no intent to violate the consent

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decree. There has been agreement between the Austin firefighters association and the Austin fire department is my understanding, on how to move forward and continue discussions within collective B B bargaining rather than continuing to have the discussion now. If the chief would be able to explain that to us, along with the Austin firefighter's association president, I think now would be a great time. >> Mayor Adler: I'll get to the public testimony, but, I want the public to have the benefit of knowing what it is that's being suggested at this point so that they have this context when they talk. My understanding is you have a resolution you have brought forward. Is there a change to that resolution? >> Casar: There will be a change, but, it will be most helpful to hear from Mr. Nixon and the chief first. Then I would like to propose an amendment. Or, if you prefer, I can explain the amendment, but, I think it would be put in context by their testimony. >> Mayor Adler: I'm fine with doing it that way. >> Mr. Mayor, I have a point of order. Can we make a motion on the amendment and second it before we have discussion? >> Mayor Adler: We can discuss the main motion and someone can move the amendment, or we can have the

amendment and discuss it. He's asked if we can get the context first. Debating on the main motion right now, I recognize -- hang on one second. Ms. Kitchen. >> Kitchen: It would be helpful to see the amendment, if that's not premature. We don't have to talk about it. >> Casar: I don't want people to ask questions about the amendment -- >> Could it go on the overhead? >> Mayor Adler: Let's hang off on the amendment, he's the only one that has seen everything. He's suggested a way to do it, let's do it that way. >> Mr. Mayor. Mr. Mayor. >> Mayor Adler: Yes. >> I'll give you, I think the chief and I can give you some basic background to what leads to the amendment.

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And then we can put it up and maybe discuss is specifically. But, we were able to get together this morning and reach an agreement that meets the interest of all parties. I think it goes a long way towards solving some of the issues we've had in the past in the hiring process and collective bargaining in general, and I'm very enthusiastic and confident it will help solve issues. Chief? >> Sure. I think that we have always agreed that the things that are most important to us whether we're on the labor or management side is number one, that we take good care of our firefighters and every day, they go home. The second is that we provide the best service that we can to the community. And we realize that we can't do number two out doing number one. And part of that number one is making sure that we hire a diverse, well-qualified, highly capable workforce. Rather than derail the rfp and the process -- we do have 107 vacancies in the organization right now, and they continue to accumulate at about four per month. That's our average retirement. So, it's important that we move the process along and keep it on the rails rather than let it derail itself. And we've come to some compromises that we think are agreeable between both the organization and the association. So, we're pleased that we're able to come to some type of agreement and move our process forward. >> Rather than put everything in the resolution, after the resolution is brought up and discussed, there are a couple items we'd like to read into the record rather than put them in the resolution that we further agreed to, if that's okay, Mr. Mayor. I think it would make more sense

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if you saw the amendment first and had that discussion, but, we'll do it any way you wish. >> All right, then. >> Make the motion. >> Thank you. You'll make your amendment, we'll get a second to the amendment, then debate the amendment. >> Thank you, councilmember. And so, I would like to amend the resolution to amend paragraph two in the be it resolved, and therefore, we are not withdrawing the rfp, but rather, we would amend it to state the council desires the collective bargaining with the afa include bargaining over a mutually acceptable hiring process include criteria for selecting a hiring vendor, and that such bargaining be completed prior to council action on the selection of the hiring vendor. The council desires the vendor evaluation process incorporate modifications agreed to today, and that the vendor selection process proceed in a manner that will meet the timeline required in the consent degree. In the event the agreement cannot be achieved on a timeline ensuring compliance, the council directs the city manager to include consultation with the afa in the formation of any agreement for professional consulting services with the hiring process at the AFD. And the second piece

of this amendment is to delete paragraph seven of the resolution, which would no longer be relevant. And, to put this into layman's terms and in context of the entirety of the resolution, in order to ensure we comply with the consent decree, withdrawal of the rfp is not necessary. Rather, we can proceed with the current rfp process and collective bargaining agreement as achieved or not, there will be time for the afa at the bargaining table to speak to a variety of items that will shape

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the hiring process in such a way that is agreeable to all parties, and still -- this is a critical piece, still complies with paragraph one of the resolution, heightening racial diversity in a fair hiring process for all as the number one goal. So, essentially, what this does is, it ensures compliance with the consent decree and still gives ample opportunity for the afa to have negotiations with the fire department and give input on what a good, fair hiring process is. I thank you both so much. I haven't known either of you very long, but it's been an honor to get to know you and the fact that y'all came together around this to find common ground is what I think, I can speak for myself, will need in the coming months as you hopefully honor the citizens of Austin with a mutually beneficial agreement. >> Mayor Adler: Okay. We'll now go to the public hearing part of this. Bob, or chief, do you want to make comments? >> I just wanted to say thank you to the council, particularly the cosponsors of this resolution. It's gone a long way to solve some of the problems we've had. It's been festering for a long time. It shows what the new 10-1 council can do, the deep dive discussions have done a great job, it's great to see the courage of the council to lead. We really appreciate it. There's a couple points on the current rfp process, since we're not withdrawing it, but altering the way we're operating within it. We wanted to read that on the record. >> Mayor Adler: That's fine. >> We'd like to change -- this is an agreement that the chief and I had made, I believe it was approved by city manager Ott, I think he reviewed it. Change the composition of the evaluation team on the rfp to three management and two afa members. Others from management will attend as observers.

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Allow nonparticipating observers from afa to meet tomorrow for a technical review committee meeting. Nothing in the vendor selection process will be used by the city or the afa to limit the ability to collectively bargain. Ultimate vendor selection will incorporate agreements regarding hiring reached and collective bargaining as long as compliant with consent decree. City will not select a hiring vendor until after bargaining has been completed. Vendor selection proposal to city council will include the requirement that the proposed vendor meet the requirements of any agreement between the city and association regarding hiring. And if bargaining fails, the associate will be consulted about the development of the provisions of the vendor contract. And councilmembers, I will have -- send a copy of these talking points to each of your email boxes. Is there any question to any of that? >> Did you want to see it on the -- >> Yes. Please put it on the overhead. Thank you. The language you just read, is what's referred to in here, specific modifications? >> Yes. >> Resolution says specific modifications, those were the modifications? >> That's correct. >> Mayor Adler: Ms. Kitchen, before or after the chief? >> After the chief. >> Mayor Adler: Chief. >> Yes, ma'am. >> Mayor Adler: I'm sorry. >> Giving me time to speak? I'm

sorry. >> Mayor Adler: Yes. >> So, you know, the seven items that you see there that are considered talking points, we think that that's a good compromise. And that, you know, our main goal, again, is to get the diversity and to have a hiring process that selects the finest, and I don't know that this council is aware, but it's a great challenge for us when we put out the call to accept applications, we end up with 5,000 applicants within 72 hours. And so, then the process begins of how do we screen that down and how do we narrow that down.

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And we welcome our partners, the association, in helping us define the process that maybe will allow us to start with a much smaller pool, because we only end up taking 150 people out of those 5,000, at the very end. >> Mayor Adler: Thank you. I want to recognize Mr. Steve Brown. Is he in the room? Do you want to speak? You have an opportunity to do that. >> Mr. Brown. I want to thank you all for the opportunity to be here, to speak. I don't have a fancy speech, I just have what I'd like to think is common sense perspective here. So, I'm here today to encourage the council to reconsider this resolution. It kind of seems like business as usual. One thing, with, you know, nominating a 10-1 council, we say we were going to go in a different way of government. And I want to make sure that we're staying on course and not be bullied by big unions and make sure the citizens are truly heard. I believe that the way things are currently don't really help. And I know the union really wants to come off like they've really are trying to create diversity, but they've really done nothing to create diversity here in Austin with the Austin fire department. And if y'all do believe that they've created, or done everything to try to create diversity, you have to ask yourself, why has it taken ten plus years to get one hiring process right? I'm referring to the 2013 hiring process that the union wants to ride off of and say that they've got a process right.

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But it's taken ten plus years for that to come to fruition. And in my opinion, it's a little too late. It's not enough and it's a little too late. Coming to the table with -- it's too late in the ballgame, and they need help. And unions are there to protect firefighters once they get into the fire department, not to control the flow of who gets into the department. And so I want you guys to reconsider that, and have the union play -- I mean, I don't mind the union offering suggestions, and I don't mind them being a voice of reason or a sounding board, but to allow them to have control or to be at the table and say, yes, this is how we move forward, or no, I think that's a clear overreach of union's power. They're supposed to protect. And I know some of the rhetoric that have come out the union would be that, in controlling our having input on who gets into the department, is actually protecting the firefighters that are currently in the department. But, that's not true. I mean, if we change the hiring process, those new applicants will still have to go through the same academy that the current firefighters are in. And so, they will be skilled and equipped just like the current firefighters. So, changing the hiring process, this is not something that's going to put current firefighters in jeopardy. This is something that's going to help create diversity here in Austin. And the union hasn't done that. They've had plenty of time to -- [ beeping ] >> Mayor Adler: You can finish. >> They've had plenty of time to have their input and create diversity here. 1100 plus firefighters, and some have retired, the Numbers might be a little wrong here.

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But, 1100 plus, and only 40 of them, give or take, are African Americans. That's not something -- that's their track record. That's their track record. And so, if you're going to consider them having input on the hiring process, don't narrow it down to the 2013 process. In my opinion, I found it a coincidence they've moved to a new hiring process in 2013, only after I filed a complaint with the eeoc in 2012. So, after the complaint was filed, now the union has this new breath of fresh air and they want to do everything they can to create diversity, only after they're under pressure from the eeoc and the doj to have a really, you know, solid year. And it's just not an accurate depiction of what's going on here. But I just want to leave this panel saying that, and getting you guys to understand that I think what's going on is a clear overreach of the union's power. They're supposed to protect current firefighters, not have a say in who gets into the department. So I'm asking you all to reconsider this resolution. Thank you. >> Mayor Adler: Thank you, Mr. Brown. Does anyone else want to speak? Then we'll close the public hearing. We'll continue on the dais, Ms. Kitchen. >> Kitchen: Just -- >> Mayor Adler: I'm sorry. I'm sorry. Tony, I'm sorry. >> Mayor, council, president of the ems association. I'm here to support the resolution. One of the things, having bar bar bargained with the same people the Austin police department and fire department bargain with, I think there's a bit of a perception issue regarding what the control is. I think the definition of city often is seen as either city council or Mr. Ott or someone on

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the higher executive levels. The honest truth is that the bargaining contract, that's the people involved, is the city manager-level people. And director Washington is probably well-capable of designing a very good program. In our case, we suffer from deficiencies in hiring, we're still challenging with retention, both of which are in the city's purview and managerial rights to take care of. The people that ultimately have to deal with the hiring process by the rules that are defined are at a lower level within the department. So, ongoing deficiencies could be said to have more to do with the ability to follow through with the intent of the hiring process, which in our case is to be fully staffed and to have the ability to retain. And we made every effort at the bargaining table to have those discussions, because we felt they were important. We didn't feel like we needed to limit the city, but it turns out, the city came back -- we ended up coming back with ems management to ask for adjust amounts the contract, just as we had asked for at the bargaining table. I ask for your support, I've read it, I appreciate Mr. Casar's additions. The opportunity for the city's -- city management and the Austin firefighters to get together is well worth it, and I think we'll see some good changes. I appreciate your time today. >> Mayor Adler: Thank you. >> Thank you. >> Mayor Adler: Any other further public comments? >> One last thing. This is an opportunity for the council to show that the city really is truly going in a different direction. And it's not business as usual again. It's not listening to the big unions. It's listening to the little people that are born and raised here. I've been an austinite here,

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educated here, went to lbj high school, currently at Houston university. Right now, the hiring process that the union has been a part of has kept guys like me out. I mean, I'm educated, and I work every day. I've been a certified anesthesia technician in heart surgery for the last eight years, so I know that I can do the job of a firefighter. I operate under pressure in open heart surgery every day. And under the current practices, they keep guys out like me that can do the job and know they can do the job. And I fear moving forward with the union's involvement in this process, it's going to continue to keep guys out that can do this job and do it accurately. >> Mayor Adler: Mr. Brown, thank you. Thank you. >> Thank you. >> Mayor Adler: Ms. Kitchen. >> Kitchen: Well, I just have a question related to clarity. And this is for the maker of the amendment. The suggestion for a friendly amendment to the amendment. If we do go forward with this amendment, I think it's a little unclear. So, the language that says process agreed to today, I would suggest adding language that says, "Process agreed to today by the fire department and the afa and read into the record on February 5th," just so there's not any lack of clarity about what that means, "Agreed to today." >> Casar: I accept that as a friendly amendment. >> I'd like to second that. >> Mayor Adler: Hold on. We don't need it to have it seconded if it's agreed to, did you hear what that was? Would you read that again, Ann? The language is, it's the second sentence of paragraph two of the amendment. This, by the way, has amendment one at the top, amendment two at the bottom, we're treating it as one amendment in two parts. So, with respect to amendment

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one, the amendment is the second paragraph, second sentence. Is that where it is? >> Kitchen: Yes. >> Mayor Adler: Okay. So it would read what? >> Kitchen: Agreed to today, and read into the record. I think that would do it, just agreed to today and read into the record. >> Mayor Adler: You're talking about what the points that were posted that Mr. Nicks talked about? Okay. And that was accepted. Do you still have the same agreement with Mr. Nicks and the chief to that language? >> Casar: Yes, I believe so. >> Mayor Adler: Yes, okay. Yes, Ms. Garza. >> Garza: I wanted to go a step further and say, why can't we put that as an exhibit or include that somehow in writing? So it -- we don't have to refer to it later and go look at a tape, it's right there in front of us. >> Mayor Adler: So, as read -- >> Casar: I would be open to, instead of saying read into the record, as laid out in exhibit a and including that list of talking points. >> Mayor Adler: We can't attach an exhibit. We would say, as agreed to today, and shown on exhibit a, and we'll attach exhibit a. Any further discussion? Ms. Gallo. >> Gallo: I have a question about the sentence, for clarity, also. In the event a collective bargaining agreement cannot be achieved on the timeline that ensures compliance with the consent decree, the timeline has been very confusing. Would it perhaps be better to put a specific timeframe within the amendment so that there is clarity to that? >> Casar: Mayor? >> Mayor Adler: Respond? >> Casar: So, we have heard that the current rfp process probably would have taken about seven months, so the estimate

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was that doing the new rfp would take seven months. But, there have been many creative ideas and evidence shows that could be compressed. And I believe that our city staff and our city departments are capable to tell us when we would be getting close to any precipice to not following the consent degree.

So, in this case, we would, collective bargaining would be occurring, there could be discussion around how long we have. And those are all videotaped and open to the public for us to see if the bargaining is happening in good faith. Rather than trying to arbitrate it today, it can continue as an ongoing discussion during collective bargaining, and I'm sure the city legal department and labor relations staff will notify us if it seems like we are getting any closer to the end of that timeline. So, it creates an opportunity for there to be -- the resolution is an attempt to set up a framework for successful negotiations, and ultimately a contract. And I believe that working together, labor relations and other stakeholders can better assess the timeline than we might arbitrarily do today. >> Thank you. >> Zimmerman: I'd like to make a minor amendment on line one to replace the word "Desires" and change it to the council directs. On line five, it says the council further desires, and change that to the council further directs. Just a word change from desire to direct. >> Casar: I would be open to that. Would you say the council directs the city manager T to . . . >> Zimmerman: Just change the word desires to direct. >> Casar: The council directs that? >> Mayor Adler: I have a question.

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You know, and I need to understand better. And this whole process to me is a little unwieldy. I am ecstatic that you have been able to take this and end up with Mr. Nicks and the chief sitting at the podium. I nearly, I was happy to see that. Because I hadn't seen that before. And I was excited to see that. There are parts of this whole discussion that I find a little disconcerting. I had the opportunity to visit with several black members of the fire department who were concerned about what we were doing. These were folks that filed the eeoc or followed the eeoc action, had gone into court and felt they had prevailed in a way that set up a system that they thought they were entitled now to enjoy the benefits of the litigation process that they had gone through. And felt like victory was being snatched away by this new council that was coming in a couple years after this process had been implemented. So I was concerned about that. I'm concerned a little bit just generally speaking as we're kind of writing policy at the dais on resolutions like this after having spent ten months worried about taking up pens and changing motions and orders. What I want to do is take this whole thing and send it to the public safety committee that we're just about to have so we can do that. But, I recognize we have a time issue here. I'm concerned with some of the sections that remain in this that direct negotiating positions and things that we should be doing in the budget or not doing in the budget. If I'm heading into labor negotiations, I don't want those things as I'm heading into labor negotiations. I want to be judged at the end of the process based on the

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product and what I'm able to negotiate and come back. I do think that this council has made a very important statement to management, and to staff, and to the world, and to the various associations of the level of scrutiny and interest that we have on an issue like this, which I think will have to be taken into account by everybody on both sides of the negotiations that are happening. We've had a lot of time that's been invested with us by Mr. Nicks and that association, his association, which I think has been really valuable in helping us understand the issues. To Mr. Brown I would say that I support this

language in part because of the important changes I think that were made that keep in place the consent decree within this general framework. And I commend you, councilmember Casar, for working with the parties to come up with language that works. I also believe that when we have a group like that that goes out, probably every one of these words was carefully negotiated and carefully weighed. And I wasn't privy to that as we were sitting here. And I just am uncomfortable changing the language from what the parties, in something that was very emotional -- I am uncomfortable with us, without context and not being in that room, taking out our pens and changing this language. I'm going to support this even with all of the reservations I have because I believe in the goodwill and measure of the parties in this, and have had the opportunity to talk to them and where we're going to come up. But if there are going to be changes to this, then I'll probably change my vote and want to send it to a committee to

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work on it, which is a timing I don't think that anybody wants. These guys went into a back room, they came up with language. They argued about the words, I'd let them use the words that they came up with. >> You are. >> I think under the rules, I'm allowed to withdraw the amendment. I don't know if it was seconded, but I withdraw the amendment. >> Mayor Adler: Thank you. Any objection to that? >> Mayor. >> Casar: I was going to give further discussion. This resolution doesn't work exactly the way that I think anybody anticipated that a solution would be come to, but, we tried our best. And I think that -- I don't think anybody's going to be perfectly pleased on the method, but, we did make sure that we upheld the values that were critical, and I would like to express this not just to Mr. Brown, but to everyone. You know, as we move forward, where I was coming from and what my values were, because my values were very informed by where I've come from, my heroes, and around the civil rights and workers rights movements. My goals with this resolution were to in the in any way take away the possibilities for any firefighter who wants to join this department to join the department. My goals were to one, diversify AFD, because just like all three of our areas of public safety, there's not enough diversity there. Two, respect and treat our workers fairly. And then three, up-hold our responsibility to our taxpayers to have a great fire department. And I think we do have a great one. So, for me, I know that there have been many, many people who have put their lives on the line, and even people that have

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laid down their lives. I mean that very seriously, in order to pass the civil rights act of 1964. Similarly, there have been people who have laid down their lives in order to create the opportunity for workers to organize democratically and wield power collectively that they wouldn't have individually in order to responsibly defend their rights. And that's very clearly laid out also in labor law. And my attempt has been to up-hold both of those values and make sure that we have a great fire department with great people at the same time. And this is only a first step. It's trying to set up a framework so that we can have successful negotiations moving forward. And I feel confident, and perhaps it's naive, but I feel confident that considering that the chief and Mr. Nicks were able to come to some agreement about these amendments, that hopefully we will see a labor contract that will then sustainably diversity the fire department. What brought me to the point where I knew I had to do something was the knowledge

that within four years, we very likely, hopefully, will have diversified enough that we're not under a consent decree, and we'll have to negotiate a hiring process with the union. It is a nonnegotiable for us to have a fire hiring process that's not discriminatory. I have tried to lay out several times in this resolution to signal that there will be absolutely no question, and that this council, if it passes this resolution, will show that we have -- we will pull the plug if there is any evidence at all that future processes will not be racially just. And in section five, we direct the city manager specifically to notify the city council if there is determination that collective bargaining or hiring is likely to result in impact against people of color and women. Coming from workers defense project, an organization like so many across the country that

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were formed because labor unions oftentimes were complicit with industry to exclude people of color, I'm very sensitive to this fact. This is a part of our everyday history. Whether or not you believe that the union is changing their tune because they're under the gun and this is their last chance under the consent decree, or whether you believe this is what they genuinely desire, doesn't matter to me, because I can't read people's hearts. I have done my best to create policy that ensures that regardless of people's reasoning, hopefully we reach a collective B bargaining agreement to diversify our department. If we don't get it done now, we're just going to be kicking the can down the road a few years. And this presents hopefully, one last opportunity for us to make sustainable change in our institutions. >> Mayor Adler: Thank you, any further discussion on the amendment being offered? Hearing none, we'll take a vote. All in favor of the amendment by Casar, which has been handed out by the change attaching in exhibit a, all in favor say aye. >> Aye. >> Mayor Adler: Those opposed, nay. The amendment passes, we're now debating on the main issue. Any further debate on the main resolution? All in favor of the resolution say aye. >> Aye. >> Mayor Adler: Those opposed, nay. It passes. Congratulations. I, again, there were several people on this dais that worked on this. Thank you for taking a laboring war on this one. But, there were a lot of people up here that I know participated, and I choose to believe in the goodwill of the people that are involved. And I hope and trust, because we're all going to be looking for that and hoping and expecting that. >> Just a quick point of inquiry, I didn't see any no votes. It was unanimous, wasn't it? >> Mayor Adler: It was unanimous. >> Zimmerman: Okay, thank you. >> Mayor Adler: That ends that item. The next item on the agenda, the presentation about zoning. Do you all want to take a

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five-minute break here, restroom break? Let's recess for five minutes and then we'll come back. Thank you.

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>> Waivers? There were two board nominees, one for the downtown commission, which was the urban transportation commission nominee, and the other one was the land development code advisory group,

the nomination of the land development code advisory group. Does anybody -- usually nose they're handled on consent. Does anybody want to second these nominees? >> I will. >> Mayor Adler: No discussion heard, all those in favor say aye. >> Aye. >> Mayor Adler: It was unanimous, six of us on the dais. We'll begin now with the conversation about zoning. Thank you so much. Mr. Guernsey, do you want to introduce everyone at the table for the record? >> Thank you, mayor, council. Greg Guernsey. I'm joining today by the city's departmental officer, Mr. Chuck, watershed protection department. Mr. Grant, city assistant attorney deals with land use issues at the law department. Director Betsey Spencer, community housing development office, and Rob Spillar, Austin transportation department. Today, we're going to go over land use issues. For an overview, we're going to talk a little bit about the land development process very quickly. Then we're going to go to some development policy questions. We'll probably go through all the questions and turn it back to you, and then we can have the discussion and try to answer anything that you may have in the way of questions. We have some additional staff that are in the audience that we might be able to bring up if one of us are stumped on the panel up here. So, with that. Very quickly, last week we talked about zoning. And I want to just go through and remind you that zoning only

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applies in the limited and full purpose jurisdictions of the city. It divides lands up in the districts, so for every parcel of land in the city, there is some district that is assigned and deals with permitted uses. And also, sets site development standards. Not every property develops to its maximum potential, or the most intense use. So, just because it's allowed 60 feet, doesn't mean they're going to build a 60 feet height on every tract. Subdivision. Subdivision applies, basically the second step in our development process. It creates lots which you can build on. It provides a legal description which makes it very important for doing land transactions. If you want to sell the property to someone else. And it also ensures there are there's utility and emergency access, applying within the city limits and the extra territorial jurisdiction. Sometimes known as etj. Site plan, really, is required for just about every project except those minor projects that are small in size. It wouldn't apply to duplexes or single-family homes. Accessory dwelling units, two-family residential, or secondary apartments, things that are smaller or under a thousand square feet do not require a site plan, but, most multifamily commercial civic uses like schools and churches, industrial uses, trigger a site plan. The purpose is to say where the furniture is arranged, where the building is locating, where the parking is located, how the property is drained, where the location of the ponds are that hold storm water and water quality ponds to make sure the water is clean, to locate the parking lots, landscaping, what trees would be preserved.

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These are on site plans. Site plans are approved by staff for the most part, not going to council. Subdivision is usually approved by staff or your land use commissions, I forgot to mention. Finally, building plans really look at the construction of the building itself. It looks at how the building is constructed, the plumbing, electrical mechanical. Mechanical being air conditioning, heating systems. It looks at health codes, fire codes, how quickly can you get out of the building. Health codes relating to

the sanitary conditions of the buildings, and finally, inspection. After it's in place, the city does an inspection. Buildings permits are basically an administrative process, they don't go to boards or commissions. They only apply within the Austin city limits. In rare occasions, they may be issued in a utility district or certain specialty districts with an agreement. I'm going to turn it over to Brent, and he's going to talk about the legal frame we have for our development process in Austin. >> Brent blade, assistant city attorney. And we appreciate your -- the council's time today. Just briefly, I'm one of the attorneys in the law department who specializes in environmental and land use regulatory issues. And we have several attorneys who work in this area who have specialized knowledge. And if you -- legal issues frequently arise in the context of zoning and environmental regulation. And if you all have -- ever have questions in regard to a particular case, or just in regard to this whole overall endeavor of regulating development, by all means, feel free to give us a call. It's a complicated area even when you take away the acronyms,

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which we are, in deference to councilmember Houston, making a great effort to do. I want to start just briefly by talking about the legal basis for zoning. The city of Austin has actually had zoning in place since around 1931. And that was just shortly after the United States supreme court of zoning. From a legal standpoint, one of the things it's really important to keep in mind with zoning is that our power to zone deprives from state statute as opposed to, you've heard I think in some of your other presentations that a lot of our authority as a home rule city derives from our inherent powers to do anything that is not prohibited by state law. In zoning, we are bound by state law. And state law is the state zoning language, written in such a way that it allows for a variety of approaches. It's not a one-size-fits-all statute, but, when the statute directs that a particular procedure be followed or when it imposes a particular limitation, we are bound by those procedures and those limitations. Zoning is fundamentally about density, about things like height, impervious cover, and floor to area ratio and the relative scale of development based on the lot size and other features of the surrounding patterns of developments. Development. Additionally, in certain contexts, we have what's called incentive zonings. Zoning is never a right. A developer never has an automatic right to have a property zoned in a particular way. And there are certain contexts in which the council has the ability, through voluntary incentive programs, to procure community benefits. And affordable housing is one example of that. Comprehensive planning was discussed earlier today.

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And just very briefly, some legal framework for that. Texas law allows cities to require consistency between zoning and land use decisions in a comprehensive plan. And the city of Austin has done that. Our charter and plan adopted by ordinance requires consistency. There's a handful of Texas court decisions that deal with the issues of how a comprehensive plan relates to zoning. There are a couple cases where a city's action to rezone property has been invalidated because of inconsistency with the comprehensive plan. But, generally speaking, especially for those parts of the comprehensive plan that are written in an aspirational way, generally speaking, the comprehensive plan is a policy document and

a guide. And it's only in certain cases, and it depends on how the plan itself is written that it's going to have any directive force on your decisions. Boards and commissions play an essential role in the context of zoning, and you all will or maybe already have made some appointments to our primary land use boards. I just want to briefly give you a sense as to what their functions are. The land use commission is really composed of two separate boards, and they operate within different geographic areas of the city. And that's the planning commission and the zoning and plotting commission. And those two boards essentially do the same exact thing. But they operate one of them, the planning commission operates in areas that have a neighborhood plan. Principely, but not exclusively, the central areas of the city. Zoning and plotting commission makes decisions with respect to areas that don't have a neighborhood plan. And planning commission and zoning and plotting commission, they make recommendations to you on particular rezones of property, as well as recommendations regarding amendments to our general

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development standards. And they are also sovereign with respect to most plotting decisions. So, subdivision plots will not usually come to you except in certain rare cases. Your planning commission and zoning and plotting commission are the final word on that. The board of adjustment is a quasi-judicial body. They are empowered under Texas law to grant variances from zoning regulations where in particular cases a hardship would result. And they also hear appeals of administrative appeals of decisions that the planning department makes in terms of implementing and interpreting the city code. Environmental regulation. It's important, too. Although there is some overlap, it's important to keep in mind that our environmental regulations are fundamentally adopted under a separate source of legal authority. We have provisions under state law that allow home rule cities to take action and regulate to protect water quality. And the save our springs ordinance is an example of that, and we have several other less-restrictive watershed regulations that seek to further that goal. Like zoning, our authority to regulate water quality is derived from state law rather than our home rule powers, and is limited by state law. Unlike zoning, our water quality regulations apply in the extraterritorial jurisdiction. And they're delineated by watershed boundaries that can change over time rather than by zoning districts. Briefly, I want to talk about what your role is in all of this and kind of the bring Nair primary functions you will have available to you to make your imprint on land use and development in Austin. The first thing I'll mention is code amendments, or we sometimes call them text amendments. When you rezone property, you're applying a particular zoning classification to that property.

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And we have a book called the land development code that for each one of those districts has a set of regulations that apply. And when you want to change development regulations in the city of Austin, you amend those provisions. When you do that, you're not rezoning a particular property. You're changing the general citywide standards that apply within all those different zoning classifications. The critical step to take, the initial threshold step when the council wants to consider amendments is to initiate the amendment. By resolution, the council gives direction to the manager to comes back with an ordinance that achieves certain objectives. And the initiation process is addressed in city code. And it plays a

critical role in terms of allowing the manager to vet the proposal, to make sure that all the technical and administrative issues are addressed, and to put the best thinking into developing a workable proposal that is then presented to you for consideration. Map changes. When Greg appears before you at every week and reads to you the zoning docket, those are actions where you're actually redoning somebody's piece of land from one district to another, and you're not making a general change to city standards, but you're actually changing the rules, the classification for particular properties. Most of the time, these are done on an individual Ba basis but sometimes you have cases where you're zoning to implement a larger area-wide plan, like the Riverside corridor plan we adopted last year. There was a lot of specific zoning done in adopting that plan. Generally, when you're zoning, you're rezoning a property and applying a new set of district

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regulations that already exist in code to that property, but you have some tools available to tailor zoning to particular properties. The primary one you'll hear about is conditional overlays. Those are a way, if you feel that the particular zoning district regulations for a particular property don't quite take into account the unique development pattern of the area that it's located, where you can moderate the intensity of the zoning through a conditional overlay. Appeals. There are times where issues will come before you on appeal from the actions of a city board or commission. You already have one of those pending, the Springdale matter you heard at your last meeting that will be coming back before you. In those cases, your authority is more limited. You're not sitting as just a classic legislative body, but you're sitting truly in the shoes of the board whose decision that you are considering. A lot of what comes before you in the way of zoning in particular is stuff that state law requires to be put before you. But, there are definitely instances where the city has created procedures that place matters before the council that aren't necessarily required by state law. There's also things that are required by state law, but we have adopted a unique process. So whenever the council has questions about whether there's an avenue or a possibility of changing something that's coming before you in terms of development or land use, don't hesitate to ask that. >> Is there a difference between the review when we're acting as a legislative body and the review -- the decision when we're acting as a legislative body, versus review as an appellate body on appeal from one of the boards or commissions? >> Yes. In the context of conditional use permit, the city code specifies certain guiding criteria and limitations that

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apply to the planning commission when they are considering a cup, and those same criteria must guide your decision in terms of acting on the appeal, whereas when you're acting in your legislative capacity, you can consider all range of things. >> Mayor Adler: We can change the rules. >> You can. >> Mayor Adler: But on the appellate basis, we have to apply the rules. >> Exactly. >> Mayor Adler: Thank you. >> So, I just want to close by outlining the big picture. A few limitations that apply, that cut across all the different areas I've talked about, zoning as well as environmental. The first one is this law. There are essentially -- this is a topic that I'm sure will come up down the road, and it's a topic about which a lot could be said. But, fundamentally, takings addresses when regulation of land goes too far. And there are

different standards that apply under the constitution as the courts have interpreted it with respect to takings. And the first one is whenever the government conditions development on the payment of money, or the dedication of land, that's what land use lawyers refer to as an exaction. And there has to be a nexus and proportionality there. And that's a limitation that comes up a lot in context where the commission or the department, or the council, seeks to impose a condition on an individual zoning decision or permitting decision. The general effect of an overall land use regulation on property, though, like a height restrict, a setback restriction, a general impervious cover restriction is just a general regulatory taking. And the standard that we have to meet as the government to survive a Chang on that is a lot more deferential to cities. It's basically, are we leaving the land other than with

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reasonable economically viable use of their property. There's a new few other nuances, but, that's the general test. We have to act in accordance with state law, we have to act in accordance with the comprehensive plan and city code. Grandfathering is another issue that will come up in the background of a lot of decisions you make. You guys are not the ones that make the decision about whether a property or a particular project is grandfathered, but you'll hear a lot about those issues. If you have questions ever about chapter 245, as it's called, the vested rights statute, we're available to answer those. So, those are my comments. Thanks. >> Mayor Adler: Thank you >> Thank you. And Brent did cover zoning. He addressed the text amendments and the map rezonings that I bring you every Thursday. Those are put in place by ordinances. They do take three readings of an ordinance that can take place on the same day that you have your public hearing or they can be delayed. The area that you see that's in yellow and peach is our city limits. The area that is basically in yellow is about 275 square miles and the area that's in peach encompasses about 48 square miles or about 323 square miles total. And that is the zoning jurisdiction of the city. So we have building permit control and zoning authority in that area. Beyond that area is the area that's in blue. That goes to our extra territorial jurisdiction. And in that area we have water quality authority which chuck will probably review in a little bit more detail about those particular rules, but our water quality regulations apply both in the city, so the area in yellow and

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peach, and the area that's also in blue. The other area that I would like to cover is subdivision. And subdivision is not an area that you have authority over. The general land use have jurisdiction over the approval of the subdivisions that come up. And a very rare occurrence when there's with something called a preliminary plan, when it's generally out of the subdivision and there's an environmental variance associated with that, just environmental variance, then that decision of the land use commission can be appealed to the city council. I think I've only seen two in almost the last 15 years or so. So you won't see many of those. So this is a general jurisdiction. Incidentally the area that's in yellow, the area that's in peach and the area in blue also happens to be the area that imagine Austin covers. So as we speak to looking at our land use regulations, water quality regulations that are addressed in imagine Austin, they are also addressed in our codes and we have the authority for subdivision, the

authority for water quality controls and all that area, zoning and building permits are controlled for those areas that are in yellow and peach. With regard to subdivision, we jointly share control of the extraterritorial jurisdiction. Williamson county, Caldwell, Travis, we share those areas because the counties maintain the roads and the drainage structures that are beyond our city limits. In particular in Travis county we have an agreement with Travis county that is brought by state law and it's known by title 30 in our code where we actually

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share as a single office subdivision review and the county takes the lead in part of the city and the city takes the lead in the other part and what's called the drinking water protection zone and desired development zone which I will leave chuck to really show you those particular boundaries are the areas where the city might take the lead or the county might take the lead, but we're dealing with similar regulations. I just wanted to point that out. So this is the first of six questions and so we'll run through these questions, I'll turn it over to rob next if he will run through these next two questions, followed by chuck and then Betsy and back to me and then we'll have a little lively discussion. So with that I'll turn it over to rob. >> Thanks. If you will advance that. Folks, I'm sorry I sound a little bit like a frog today. I'll do the best I can. You know, the question that I was asked to respond to is what tools do we have to address transportation issues. And in order to really answer that, there's a key concept that I want to try to convey and that is the congestion we see out on our streets or transit system or wherever we might be looking is often caused by an underlying issue. So congestion in a sense is like the fever that I feel on my forehead right now as opposed to the cause of the congestion as it would be. So when he with think about congestion it's caused by a lot of different things depending on where you are in our network, that really is the thing. A lot of people want to be in the same place at the same time and so big cities tend to be congested simply for that reason. But there are other things within the network that cause congestion, crashes and construction. Sometimes you will hear traffic engineers talk about that as non-recurring congestion. It's incidents within the system. Those are unfortunate, but they happen. Too few direct or alternative routes. We have an issue within our development pattern where

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there are missing streets or missing sidewalks or missing pieces of interchanges in some parts of our community. And that increases the concentration of traffic on the remaining roadways. It just is what it is. And so that then causes congestion. The lack of travel alternatives as well. We hear over and over again from many in the public that if heather had viable alternatives, whether it be to commute to work or do something during the middle of the day that they would use other means of transportation to get there. And also necessary traffic controls. And so we've heard a lot of if we could just get the signals timed correctly, but actually when you think about a signal, the way we time signals is we try to give preference to the highest volume street. That's the way we reduce total delay within that intersection. But as the two streets that cross each other start to approach the same volumes, you have to split the time half and half. And that is sort of in a vericism way how we time signals and so many people will be frustrated about being stuck at a light and the real issue is there is enough cross traffic that causes that

delay. There are a number of other issues with regards to traffic controls, whether they be city limits or regard, but then also as another piece of that is also cut-through traffic through our neighborhoods is also an issue when we think about what's causing the problem. >> Mayor Adler: Is it possible with respect to the synchronization, there's at least an urban myth in Austin that the traffic lights are not synchronized downtown to the fullest extent that they can be. Are they? >> Well, so mayor, thank you for asking that question. We actually retime our major arterials every three to five years, depending on staffing availability and complaints. And so what happens is you time a corridor for specific

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observed speed and traffic condition at a specific time, typically peak period, but we're starting to do multiple timings, and it works really well and people suddenly start to gravitate towards that corridor. So you've now changed one of the primary variables. You've added more traffic and more turns and so forth and so then what happens is that traffic timing signal degrades over time. We usually find that about every three years on major arterials you need to go back to retime those signals because there's enough volume has shifted to that arterial, if you will, to degrade the signal system and it no longer works. I will tell you that our transportation network is rather fragile, meaning right on the edge of that capacity. It's like when you add that one more drop or that one more car to the system, it fails very quickly. And that's how signal systems also react to that one extra car can cause that whole system to degrade down below a successful timed system. And so we're finding that we have to go back and retime every three years and some arterials every two years. And something will change. If there's a construction on the site that changes the number of signs on an approach or whatever, that can dramatically change how the traffic is able to be absorbed or moved through the grid. >> Mayor Adler: Are there systems in other cities that are more dynamic than the one that we have? >> Yes. We have just -- not just. Three years ago we started investing in a new master control system called our advanced transportation management center -- system, rather. It is the master control system behind our signals here. And I will tell you I believe it's probably the most advanced system in the state right now. In fact, Houston is looking at the system. We've played Austin -- rather San Antonio has bought the same system after we did. But I describe it as having

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a really great sports car and a learner's permit right now. So once you have the tools it takes time to go through and start developing all the multiple traffic plans that then you can sense and then apply when the traffic changes. So I think it's getting better. We know that that is a concern to a lot of people. One of the things that is maybe counterintuitive is in specifically our most condensed or congested core areas it's actually most effective to run the signals on fixed time signals, meaning that we know what the traffic is going to be day in and day out. But if we don't have an off-peak signal plan or what I always hear is late night why do I have to stop at a signal late at night? What we try to do is be much more flexible and not have one or two or three plans, but many plans so the signal can sense at two A.M. There's not many people here, let's go to flash. That's sort of the policy we're moving to. >> Mayor Adler: I'm hearing two different things. To do it well we have to recalibrate about every three years. >>

About every 34 years. >> Which sounds like a long time between calibrations. Might not be given everything that you do. And I also hear we have a system that has the capacity to be more dynamic, more realtime, I guess. >> Yes. >> Mayor Adler: But that's something we have to work into. And we're not there yet. >> Yes, sir. I want to dispell the fact that this is like a super smart computer that can think and do itself. We still have to come up with all the signal plans. What the computer system is good at is taking in data, sensing a change in speed or volume and then saying oh, that looks like this pattern over here that we already thought about and came up with a signal plan for. So that's where we're headed. We have about a five-year sort of deployment concept to do that as we do that. >> M >> Mayor Adler: Five years out? >> Five years. We're trying to learn to drive it and start using it

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on our most congested corridors. >> Gallo: Traffic light synchronization was absolutely one of the top suns in campaigns and the forums, so let me ask you a question. Is the five years relative to the staff you have available to work on this or is there some other function of that time period? >> You know, it's a lot of things. The biggest thing -- yes, it's staffing. I can't leave this table without saying that, but it's also as we start to address the historic limitations of an old signal, it like peeling an onion, if you will. So now we've fixed the central control system and we find we have a reliability problem with our signals in terms of electricity during outages. So went through and put in backup batteries and that relieved a problem, but we find out that historically we've used the state-of-the-art detector loops in the pavement and those are lightning rods, as it turns out. So during some big electrical storms we'll lose many signals due to the electricity that's flowing just in the air. As we start to peel this onion and solve each problem we're getting more and more reliable as we go. And that's part of that development process as well. I think one of the concerns that citizens state is I'm stuck at this light. I've been there three times. They don't have the advantage point of being able to see what's going on on the cross street. We always -- the way traffic engineers approach signalization is we always try to time the signals for the least overall delay possible. Sometimes that means the main street has to share in that delay because there's a cross street that gets -- that has volume or demand. And the reason we do that is because we know if people get too frustrated sitting on a low volume cross street then they're liable to do something that's not safe, like run the signal or jump

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in traffic. Unsafe. I'm sorry. Let me go to the next slide or am I on the next slide here? By the way, we're taking more of a policy dive on transportation, regional mobility on Monday and so some of these questions I'll be revisiting, but also have our transportation partners there to talk about how we're addressing mobility region-wide, so I think it will be a did discussion. Some of the tools from the development regulation or perspective that we have, certainly council is often in the position to designate special Zones. We heard about the corridor plans like for Riverside. We've been doing corridor plans on behalf of the city. We're doing Lamar, west campus, Guadalupe through the university right now. Certainly burnet, mlk are all part of the corridors that we've finished. Those talk about transportation issues and so when council adopts it that becomes the policy for that corridor. And even

in the absence of council adoption, those are often the recommendations of staff to pursue in terms of safety issues and so forth on those corridors. But also council designates special Zones like priority transit corridors or mixed vertical use type corridors that generate a need for certain type of transportation, whether it be transit or sidewalks or bicycle facilities or auto oriented activities. That's how I think council has a direct impact on the traffic that's related to development. There is a tool that is in statute. It's called the transportation impact analysis or tia. There's been a lot of discussion about that, in that is it effective? It does have a threshold or a hurdle that developments

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under 2,000 daily trips, which is a pretty significant development, typically do not have to do tia's. I will tell you that we are also implementing a new process called rough proportionalities that is impacted by the traffic impact analysis. It is the process we use to basically ask developers to pay their fair share of infrastructure that's needed along with their development. And I see you have a question. Hang on a second. >> Go ahead and finish. >> Other cities, in looking at the rough proportionality process and really implementing it, we realize that -- we've realized in the transportation department that we need to go back and take more of an industry look at the impact analysis process, see if we can tighten it up. Other cities do have different thresholds. Houston has a significantly lower threshold of about 500 trips per project that then would generate the need for a tia. And I may be getting these two cities mixed up. San Antonio has a peak period trip requirement of about 74 trips during the peak hour that would generate the need for a tia. But I will tell you when you look at -- depending on the development type, 74 trips during the peak hour often equates to about our 2,000 trips on a delegacies. We note that developers are fairly good at scoping their project so they come in under that threshold. So one thing we might be looking at is how do we capture that fair participation share, if you will, from developers so that we can then invest it into the transportation system. Yes, ma'am. >> Just some quick questions. So the tia process is sort of the intersection between transportation and the review of development, I guess. >> Absolutely one of them, yes. >>> So two questions.

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The first one would be does that tia threshold, is it impacted in any way by cumulative impacts of development or how might it be? And then the second question is a little different. And if you could speak to -- I don't think we have a transportation impact fee, but if you could speak to what that is and give me your thoughts on that. >> So let me answer the first one first, which is -- help me out here. >> Kitchen: That was the tia there's a threshold for kicking it in, which you just talked about. Does that relate in any way to cumulative? >> So when a development is determined that a development needs a tia, and I'll ask for help from anybody who wants to help me here. The first thing that is done is there is a meeting between the developer and transportation review staff, which is in planning and development, and the scope of work is developed. And at that point we have the ability to say, hey, we know these projects are in the process, so you need to account for those -- that growth rate. I think that is maybe not the strongest way to account for the potential of cumulative, so I would tell you that I don't think that our approach captures cumulative development very well, but I will tell you that after development

builds and has its trip on a network, then those trips are absorbed into the background and used as the basis for moving forward. So when you have rapid development, there's also the possibility that four developments are building at the same time and there's not a sharing of information. So I think that is a weakness of our current system. With regards to impact fees, the rough proportionality approach, which figures out what your fair share is, I

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believe is roughly equivalent to the impact fees in that it allows us to calculate what each development needs to participate. I think the challenge is that the concept of impact fees would assume that everybody is affected and the rough proportionality really kicks in when there are larger developments. Now, that doesn't mean if there's a small development we don't say we need this amount of right-of-way for the road. That still occurs. But the rough proportionality approach uses a pretty sophisticated formula that's now used here and I believe Dallas and San Antonio, albeit slightly different, but the process to calculate those impacts caused by the development and then what share of the cost should be attract transited. So what that affects is gee, we really need a new signal in a location and a development contributes a portion of that, a quarter or whatever, or right-of-way frontage of their lot. There are certain a variety of ways that other cities across this across the country. I will tell you rough proportionately is based on state law in Texas and is brand new. So I think it might be too early to judge if it's working or not. >> How new? >> I think we just adopted the formula this last year. >> Kitchen: About a year? Okay. That's fine. >> We can talk about it more. >> Brent Lloyd, assistant city attorney. The term rough proportionality although its appearance in state status is relatively new, it's a legal concept that derives from United States supreme court decisions in the 1980's and early 90's. And essentially we are the city in the last year or so has acquired a new model

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that kinly horn developed that allows the city to calculate with a greater degree of precision than it's been able to in the past the amount of impact that a particular development is going to have. And legally justifiable pro rata share that can be attributed to that development. So we are in -- we are assisting planning and development review and transportation and looking at how that process, that new math mathematical computer process can be done in that process. We've looked at other codes other cities have used. We anticipate at some point having some ideas that staff can bring forward in terms of improvement. Impact fees, and I'm not prepared to go into a full discussion of how they're different than other types of exactions, but it is a device that allows the city to capture some degree of contribution from the developer for the impacts that development is going to have on the overall systems. A basic exaction for off site improvements that are directly necessitated by the development in the immediate vicinity is more of a traditional rough proportionality exaction. That is also the city of Austin has opted not to go that route, but that is something definitely that if the council is interested in learning more about, we can provide more information. >> Mayor Adler: Before we move off that, real quick, because we have the water, wastewater impact fee and that's the third one allowed by state law that we don't do. And I would be interested in catching up to what policy conversation was that had us

doing two, but not the third. Ms. Pool? >> Pool: I had two questions. One -- and they're for Mr. Spillar. The first one is when the

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cumulative traffic shows that now the intersections have failed, how do we go back and fix that or a meal your rate it? >> That goes with the remaining tools that council has. Certainly we can fund or construct infrastructure, new infrastructure. In some cases we can work with the technology at the intersection and make improvements. But many of our intersections are saturated. That's really what it is. And that is sort of one of the struggles that a central city has to continually deal with is that our network receives a lot of the trips that come in from all over the region. So they do get saturated. What we know happens is people change their behavior. So they'll often change their time of travel. So you hear about people flexing their time or choosing not to make certain trips. They will often choose other methods like telecommuting and certainly the fast fiber is helping people shop online and do things other than travel during those peak periods. We know that here in Austin we have a phenomenon that during the summer when school is out and it's not just U.T., we have an amazing transportation system that runs really well. I would guess that's about a 20% reduction in our traffic volumes out there. So that just rehighlights the fact that we're really on that sort of cusp of -- we have a fragile transportation network in that we are very close to that saturation level on any given day. And that's what happens. We have talked to people about understanding and not diminishing idea that congestion is bad, but it's really reliability. If people one day their trip takes 45 minutes and the next takes an hour and a half that's not an

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acceptable trip, so how do we increase the reliability so people can make decisions before they start to travel. Gee, mopac is bungled up today, so I don't want to travel to my neighborhood up in northwest Austin. I want to stop and have dinner and wait until the traffic goes out. So that goes back to this idea that we need to multiple the information, multiple the ways people have choices to travel or not travel or make alternate choices, but we know that traffic, that peak will start to spread into other hours of the day. So that's what we do or what we have to rely on, I think, in very congested networks. Many of our intersections are surrounded by four very large buildings typically this our core and in the outer areas it's often the case as well. >> Mayor Adler: So how do we deal with that question from a land planning -- applicant comes in with a project, with a new project and voices are unanimous all around the project, don't let that project go here because it's congested here. Of course, it's congested everywhere. But that is not an answer to the question. >> That's right, it is not an answer that we usually get. >> Mayor Adler: From a planning perspective, how does a city council or a planning commission, how does it deal with that issue? >> I wish I had an answer for you, Mr. Mayor. Again, I think it's back to where we have the opportunity to complete the network we should focus on completing the network, whether it be at intersections or interchanges that are missing or missing street links. We should look at those opportunities. And then focus on people having alternatives so that they can travel in a variety of methods or choose not to travel. That has been our strategy thus far is to focus on moving people in and

out of our core employment areas, focusing on land use to make sure land use is

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concentrated around appropriate locations. Of course, imagine Austin talks about growth centers. That also implies job concentrations outside of the core. I think one of our greatest challenges right now is that we probably have 20 or 30 or more thousand job spaces building right now in downtown Austin between the med school and potential development all over town. We have a lot of jobs under construction right now or job spaces. That's going to be a challenge for people to get in during the peak time. We'll have to make some changes. >> Mayor Adler: What would happen in the city if we said we're just not going to add to it anymore? We're not going to build that project in a congested area? >> Well, that's very difficult. Like I said earlier today, you just can't close the door. I think in imagine Austin we're striving to look at a complete community so people have options so they don't have to travel as that are, they don't have to make the long commutes. That you have the ability to get the services that are nearby. We talked about complete streets also and having different alternatives that are available. So your trip may not always be by automobile. It may be by mass transit. It may be by bus, by walking. But getting to point where someone cannot develop at all simply because the road is clogged, I find in this state is one where you can't really deny someone that total denial of use of their property. The council can decide certainly with a zoning change to not grant a zoning change. That's your discretion. That may limit the size of a project. But where you grow, how we grow is going to be laid out. It talks about neighborhood plans.

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It talks about in our imagine Austin plan about where we desire to grow. What we want to do is try to attract people to those areas that we can provide funding to make infrastructure improvements. That is where we get the most bang for the buck, where people get the predictability that they're sake zekeing, whether they're someone living in a neighborhood or someone that is a developer so they have some certainty of where they're going is where people are going to be add there will be transportation alternatives. >> Mayor Adler: Thank you. Continue, please. >> I think I'll hand it off to the next person. I'm about to lose my voice anyway. >> Good evening, mayor and council. Chuck, the city's environmental officer. You will see me on a fairly regular basis. The often don't have a lot of items on your agenda that deal directly with the environmental issues, but we do have them fairly regularly. And when they do come up they do seem to generate a lot of discussion and controversy. And so I'm going to talk a little bit about how we address environmental protection in our development process. And what the council's role is. And first I'll talk a little bit about our environmental regulations. These apply across the city. Greg talked about the full purpose jurisdiction, limited purpose jurisdiction and -- these regulations apply throughout all three of those areas, including the E.T.J. So our environmental regulations for development really have about half a dozen categories. We limit impervious cover.

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That's the hard surfaces on the land, streets, buildings, parking lots, parking garages, sidewalks such as that. Because they -- that's what generates the storm water runoff. And that's the big change. It increases the volume and quality of the water that runs off the property when it rains and it changes the volume and quality of the water that infiltrates into the ground that provides recharge for the aquifers and springs that are in the vicinity. And so that address that storm water runoff we have -- back on impervious cover. We have different amounts of impervious cover allowed in different parts of the city. And I'll talk a little bit more about that in just a minute. Before that storm water runs off the hard surfaces we require in all areas of city water quality treatment. For the most part in all areas of the city, we have one set of criteria for water quality treatment. The exception to that -- and a developer has a number of options that they can choose to sweet storm water. The exception to that is the Barton springs zone where we have a higher standard for water quality treatment and water quality protection. The third area of environmental protection is buffers for creeks and critical environmental features. When I talk about critical environmental features, people will refer to them as cef's, talking about springs, wet lands, sink holes, caves. You'll hear about rim rock, which is a particular geologic feature. And we require setbacks for the development to protect those environmental features. And we've been doing that for about 30 years or so. A question came up earlier how long have we been doing

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this? These types of regulations for about 30, 35 years. Then we have tree protection. I'm sure most of y'all are familiar with our tree regulations. These regulations only apply in our full and limited purpose jurisdiction, not in the E.T.J. And we have a tree preservation ordinance that limits whether or not you can remove a tree, if you remove a tree how you mitigate it, essentially replace that tree. And for heritage trees, we have a much higher standard for being allowed to remove that tree. Generally it's not allowed unless the tree is diseased or absolutely prevents the development from moving forward. And the boards and commissions get involved in that process. We limit cut and fill. Which cut is how much excavation you can do on a property. Generally in all areas of the city you're allowed to do four feet of cut. Some areas of the city you are allowed to do eight feet of cut without a variance. And fill is bringing in soil to change the gradable, to lift it up, level it out, that sort of thing. And again, generally it's four to eight feet. And then we limit construction on steep slopes, particularly in the western portion of the city we have a lot of steep slopes, we have cliffs, bluffs. From 25 to 35% is where we start to limit whether or not you can build on those slopes. And those are the primary areas of environmental protection that we have. Those are in -- we made a major revision to our watershed regulations, these regulations, in 2013. Those were the first major overhaul for our environmental regulations except for the S.O.S. Ordinance. The first major overhaul to the regulations in about 30 years since the mid 80's. And so those were approved by council. So let me shift -- let me go to the council's role in

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environmental protection. Really what we've talked about with zoning, the imagine Austin plan and other long range planning tools that the council has, all of those have an environmental component. The imagine Austin plan talks extensively about environmental protection. We have particularly growth

centers that are designated as environmentally sensitive growth centers. And as a -- this past councils have implemented long range planning policies to direct growth away from environmentally sensitive areas of the city. The council sets policies for particular areas of the city. With your financial incentive tools and other tools, how we supply utility service in the extraterritorial jurisdiction. For example, you will start to see on your council agendas requests for approval of a service extension request for water or wastewater service. In the extraterritorial jurisdiction we're not required to supply utilities. When a request comes in in the drinking water protection zone for water or wastewater service, it's required by code that that request be approved by council because past councils have said these are environmentally sensitive areas and we want to look at whether or not it's appropriate to provide utility service in those areas. And then approving and amending codes and ordinances. We have, like I said, our environmental regulations apply city-wide out into the E.T.J. And those are broken up into areas of specific ordinances. I'll shift to a map here. This is the full purpose jurisdiction and extraterritorial jurisdiction, and we've divided up our regulatory areas into the suburban watersheds. All this is based on we regulate development for the environment is based on -- is watershed based.

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So we have suburban watershed, which are primarily in the eastern portion of the city. The urban watershed, which are in the central portion of the city. And then we have the water supply suburban watersheds, the water supply rural watershed. These watersheds drain either into lake Austin or lake Travis that provides our water supply. And then we have the Barton springs zone, which is over the Edward's aquifer recharge zone or contributing zone. And the least restrictive regulations from an environmental standpoint are in our urban areas where we've already got very dense development. A lot of historical development going back hundreds of years, or over 100 years. The suburban watersheds is also commonly known as the desired development zone. It where past councils have said this is where we want to develop. These are areas that are less sensitive, the soils and geology and surface waters are much less environmentally sensitive. And then our water supply, we work to protect those areas, has somewhat more stringent environmental regulations. And then the Barton springs zone has our most restrictive environmental regulations for new development. So in those regulations, from time to time you'll see areas specific regulations come before you. And in particularly the Barton springs zone, the S.O.S. Area, it is -- you can't get a variance to S.O.S. A variance can only be granted by council. Requires a variance of council. From time to time you will see a site specific code amendment that could apply

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only to a particular parcel. The Garza tract, the agreement with the Garza tract that there's been a lot of discussion about recent by, the 2013 agreement was an example of a site specific ordinance that was a site specific amendment to S.O.S. And from time to time you will see developmental agreements that for various reasons will come to you that a developer is asking for an amendment to a specific site. It is usually because it is in the best interest of the city and the developer, but can't be done under current regulations. And with that I'll close if there are not any questions. >> Mayor Adler: Any questions? >> Zimmerman: One of the things I really, really struggle with as an engineer who quantifies things for a

living for decades is people will say, well, I'm for tree protection. Well, everybody loves trees. The question is at what cost? What's missing from the context of all these discussions, and it's happening here again, at what cost? Everybody wants clean water to drink. How clean does it need to be. And at what cost? I keep telling my environmental friends I can make water so pure you cannot afford to drink it. I can take parts per billion of lead contaminants or what have you and make it cleaner and cleaner and spend more and more money until eventually you can't afford to drink it. So what's missing from these discussions is what is the cost connected with some of these ordinances and how do they contribute to the unaffordable development in this city? So what I requested and before this meeting took place is to split this panel

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into people that would say here's the benefit of the tree ordinance, here's the benefit of save our springs. Here's the benefit. And the the other side that says here's the cost. So we would have a rational discussion about a cost to benefit ratio. But I never hear that. All I hear is benefit, benefit, benefit of all the environmental regulations and nothing about the cost so that we can come to a rational discussion about when is it not worth it anymore. So maybe you can just comment on that? >> I think, councilmember, I think it's a good comment. Owe as an environmental officer who [indiscernible] At least a large portion of my time is spent working with the development community, I'm very cognizant of costs. When we develop new regulations, we take that into account, are these viable? For example, when we -- in 2013 when council adopted the first major overall to our water regulations in over 30 years, our staff spent about a year working with the development community, the general public, environmental community, and discussing the implications of those regulations. And a lot of that discussion was about cost. And that what I've been presenting to you today is really this is what we have. This is the framework that we have today, but what I can tell you is that consideration of costs has gone in to the production or the creation of these regulations. It's certainly not created in a vacuum. And there were a lot of stakeholders that had very, very significant economic interests that were involved in the discussion. So in my role as environmental officer and looking at variances and

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presenting issues to council, it's a big issue for me, you know, that you're right, that you can -- we can make storm water runoff coming off somebody's parking lot to the point that you could drink it where it comes off their parking lot. But that's not cost effective and it also would not achieve our environmental goal. What we're trying to do is to protect the environment as best we can with -- while we're balancing economic interests and individual's rights to develop their property and get reasonable use of their property. So I can assure you that we do take it into account. >> Let me add two quick things. One, we have code amendments that come forward now and there's a question will it affect our affordability? My office and other offices work with neighborhood housing and community development office and we have something called an affordability impact statement known as ais. So as there's an amendment that's brought forward our folks in Betsy's office, Betsy Spencer's office do an review of the amendment going forward to say will it impact the cost of affordable housing? Is it positive, negative or neutral? So

that goes forward. Second thing is you're going to have some other policy workshops that are going to be coming. I think one is dealing with environmental issues, so I think you will be hearing those other voices and maybe a policy panelists coming up that may address those in the coming weeks. >>

Zimmerman: That's very reassuring to hear because I have some experts that can speak to this extreme cost to some of the regulations, the unintended consequences. So I'm asking, I'm pleading for this body to let us have a balance of experts that can speak to some of the unintended consequences and some of the extreme costs of these measures. Because I'd -- I brought it up, but I hadn't heard it

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before I brought it up. It's like there's no context for cost, so that's why I brought it up. Hopefully in the future we can have two experts up here on the panel that can speak to the unintended consequences and the high costs of some of these measures. >> Mayor Adler: And we invite and refer everybody back again. We've posted these on the bulletin board. The more lead time we can get. Obviously this one came up right at the very end, but we've he scheduled these out periodically through March, so help us curate these sessions. >> Mayor, this is back to zoning and the board of adjustment. I have gone to various procedure through the board of adjustment and you know, is it a state law when you're delaying it like you give one person a delay and then the client delays it, asks for a postponement,? I've been to -- I went with a senior that was having problems with someone that was trying to zone -- ask a variance. And we went to the meeting and we sat there for two hours and then somebody postponed it. Asked for a postponement. And then we went back in two weeks later and then someone else asked for another postponement. And the third time they made us wait until the very end and then they heard us. So I was just wondering who makes these rules and procedures? Is it state law or is it the board of adjustment that -- your department makes those decisions? >> Well, councilmember, whether it's before the city council or before one of the boards or commissions, board of adjustment, planning commission, zoning and platting commission, they go bye-bye laws. Many times the boards will honor a postponement request by an applicant, the person asking the request. And usually one of the opposing side, which that may be a neighbor, may be a

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neighborhood organization, but ultimately that decision is up to that board, commission or in your case council, whether or not to grant that. And the duration of the postponement is also discretionary up to that board or commission or in your case council. >> Renteria: So the board can also decide? >> The board can decide. >> Renteria: Because that's -- this is one of the most unfair procedures that I've been to when we require people to sit there, especially seniors, and wait for two or three hours and then have it postponed. And then twice, you know, you're going wait a minute, something is wrong here with this procedure because, you know, here we're forcing this person that's having to show up twice and it got postponed twice and then the third time he might be so frustrated that I'm too old to be going to meetings and staying up until 10, 11:00 at night. >> And the frequency of when the boards and commissions meet too plays a part in that. Whereas the planning commission might meet twice a month, this council might meet maybe three or -- I guess possibly four times a month. The board of

adjustment only meets once a month and by their rules they limit themselves to only 16 new cases in a month. So if the board of adjustment were to meet twice a month and basically when they get backlogged on chase cases, the chair calls a meeting and they might have two meetings in a month, but I think part of it has to do with the number of meetings that the boards and commissions have during a month. >> There are -- the board of adjustment has certain sovereign powers under state law, so there are actually things that the council cannot direct the board to do. But we can -- in the interest of just offering up some things that can be looked at, we can look at the viability of imposing deadlines for action on variances. Additionally state law allows the board to be

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broken up into panels. And so one of the things that has been talked about just in concept because I go to those meetings. I'm there until the very end. Is the viability of creating different panels -- if they feel it is a problem that we can definitely look into. >> Renteria: Thank you. I feel like it's definitely a problem because feels like to me they're discouraging people from coming and contesting these variances that the developers and other people are trying to, you know -- so that's a perception that I received sue I -- received when I was taking this older gentleman to fight a variance in his neighborhood. Thank you. >> Mayor Adler: Kathie? >> Tovo: Yeah, Mr. Lloyd, that would be -- I think that's helpful to get a sense of what would be within the council's purview and what wouldn't be. But I'm glad you raised that issue about communicating with the board of adjustment because we too -- we're under the same prohibitions that ordinary citizens are of not being allowed to lobby a board of adjustment member. And occasionally constituents will write and express their concern about something going through the board of adjustment process and unlike any other board we can't communicate to our appointee about it because that's prohibited. Is my understanding correct? >> Correct. It's an important point. The board of adjustment is a quasi judicial body and this is in their bylaws. They cannot communicate with anyone about pending matters house of the public hearing. So there are, as mayor pro tem tovo mentioned, there are some limitations on how you communicate with them that aren't necessarily there for other bodies.

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However, you can through the land development code establish procedures by which the board acts. And we're available definitely if it's something the council is truly interested in and looking into whether it would be within your authority to put time frames on when they act on variances. And as I mentioned, we can also look into the possibility of having the board act in panels so that particular matters appear before one panel and that panel's meetings would be shorter than if the whole board was considering everything in one meeting. >> Mayor Adler: Or something that calls for a 24-hour notice before something can be postponed. But if you're going to make your motion to postpone, you have to do it 24 hours in advance so that that gets posted and people don't show up. We could look at that. Let me go to the question on -- >> Tovo: I had another one too. >> Mayor Adler: Who can we talk to and can't talk to? We can't talk to the board of adjustment because that's a quasi judicial group. Is there any problem with reaching out to applicants or board or commission Numbers that recommendations have come zoning

and platting commission? >> There is some limits that do apply, but in the city of Austin and in most, if not all Texas cities, zoning is a legislative process and you have the full right to meet with applicants as well as interested parties in zoning cases. >> Mayor Adler: So we can't meet with the board of adjustment as concerns of variance. Can we meet with or call up planning and zoning on a --

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or reaching out to an applicant or participant. >> Not that I'm aware of. There are definitely -- when the planning commission acts in a quasi -- -- in a capacity that sometimes borders to quasi judicial, I think concerns, general concerns have been raised in the past about the sort of communications you're talking about. But I have not found any explicit prohibition in Texas law against those sorts of communications. >> Mayor Adler: Thank you for your indulgence, mayor pro tem. Sorry to interrupt. >> Tovo: No, no, that's great. So my question was different. Since you were talking about the board of adjustment I thought it would be good to get clarification on that one point. One of you, Mr. Lloyd or Mr. Guernsey, can you talk about the requirement under state law for public hearings. I actually asked this question and then I have subsequently had questions from constituents in the -- and as I understand it, the state law requires that public hearings about zoning cases happen before the full council, but there's not clear -- there's not a clear description of what a -- what would constitute a public hearing. So as I understand the feedback we've heard so far, the case would have to have a public hearing at the full council, even if it had been through a committee, but there are not -- the answer we received from legal was that you needed to look to case law to see if there was any more definition of what that public hearing would need to look like before this -- oh, sorry. Anyway, if you're still researching that, that would be great. I just wanted to mention that that's an area of interest. I just got asked that question last night, for example. >> You are correct, mayor pro tem, that the state law regarding zoning does require a public hearing at planning commission or zoning and platting commission. -- Or zoning and platting and at the city council level. Prosecute prosecute there is no prohibition of

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having public input at the council committee level. That could happen, but that is not the statutorily required public hearing. We have been looking into for your request the nature of -- what's the -- what is not a public hearing, would a court have said is a public hearing, would suffice as a public hearing. We're still looking at the nuances. There is not very much case law on that. I can tell you that there is a Texas case that says if no one is allowed to speak at council, then that is not a public hearing. So there are extremes, but where you draw the line in the middle we are trying -- we are trying to dice that as finally as we can and get you an answer. >> Tovo: Thanks, I appreciate that. I think the question for us will be if it's had an extensive -- in this case if it's had an extensive discussion at the planning and zoning committee, does it get an extensive discussion again? As a policy question and a decision of the council do we want to have another one and the other is what are our requirements under the state law? So thank you for that investigation.. >> Mayor Adler: Okay. Thank you. So we're down to two more questions. Betsy has the second to the last question. >> I do. All right. Betsy Spencer again, neighborhood housing. We covered a lot of this, actually, as I look at it now in the previous briefing. So

what's the council's role of preserving, maintaining and expanding affordable housing. Developer incentives is a clear example of the way land use and council can promote affordable housing. We currently have something called the smart housing ordinance. Smart stands for safe, mixed

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income, accessible, reasonably priced and transit omniscient. I want to read that, make sure that I don't mess that up. The smart housing ordinance, all of the tax credit projects that you heard about earlier are smart housing certified, in that expedited review and also fees that are waived. That speaks to actually the third bullet, reduced development costs. Terry mentioned earlier when you can reduce development costs, some of that we can offer a wide variety of housing types. Big ones, little ones, detached, attached, all different sizes. When we have a wide variety of housing choices, that will also affect cost, whenever you can share costs like the attached product, when you can share across a larger number of units that helps, so density is another tool that can be beneficial. You -- councilmember, you mentioned earlier today the university neighborhood overlay density bonus program. That has been a successful program. It has created a fee. That's come along with that, it's also increased the density and offered affordable units in the university neighborhood overlay area, roughly 500 affordable units, so density bonus programs can work very well to also encourage private developers to create affordable housing. Then simplifying the land development review process. I think maybe next week is code next. >> Couple more weeks. >> Okay. So -- so we have a relatively complicated land development process. Anything we can do, I think all of you realize time is money, right? If we can reduce the time, that saves money. So I'll stick to that unless you've got questions for me. >> Would you comment for just a second on the issue that was raised earlier about the -- the -- one of the items that you have here, but the incentive with the density bonus? >> Uh-huh. >> Exchange for

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affordable housing or fee in lieu of affordable housing. Would you address the -- the discussion on actual affordable housing versus a fee in lieu of affordable housing. >> So right now, so I'll -- I'm going to use an acronym, planned unit development, P.U.D., P.U.D. Ordinance. In the P.U.D. Ordinance, there is an option. There is an option there -- to -- I'm going to use Brent terms. To extract a community benefit, developer has several options. Number 1, they can contribute land to the Austin housing finance corporation where we can actually develop it. They can pay a F fee in lieu. In lieu of creating housing on site, there is a calculation for a fee or they can produce the housing themselves, the fee in lieu is not typically equal to the cost of creating the housing. Because of that, it becomes a policy discussion, your bigger priority to create funds to be able to create housing someplace else, or if you are looking to make sure that housing is all over the city of Austin, providing or -- or having on site affordable housing can be very beneficial. This always is, though, if we do not allow inclusionary zoning, again I'm getting outside of my boundaries. When there's an incentive offered. So there's additional density. When we want to offer something additional, they will contribute back the community benefit. Again, affordable housing is just one of many community benefits. Open space is a community benefit. Parks, there's a lot of community benefits. So the conversation that was started last year was should we, when there's an

incentive, require on site or in lieu of the fee or maintain the fee in lieu or where do we want to make those decisions. Does that answer your

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question at all? >> Mayor Adler: Yes. Ms. Garza? >> Garza: What's the name of the zoning that you can't ask for something in exchange for something? There was a term you used. >> Mayor Adler: Exclusionary zoning, do you want to address that issue? >> Inclusionary zoning. >> Garza: That's when you can't -- I thought there was another term. >> Inclusionary zoning is when you can't require it. The state of Texas does not allow that you just automatically can include affordable housing. Other states allow that. When we can require it is if there's an incentive. If an automatic incentive in the transaction or in the zoning, then you can in fact have a -- require a community benefit. You all can probably do that better than I can. >> State law allows, acknowledges that cities have the ability to -- to get affordable housing contributions, if it's part -- if it's voluntary, as part of an incentive program, where the developer already has entitlements on the property. They already have the ability to develop but they're going to get additional entitlements. And if it's done as part of a program. So most of our incentive programs are not administered on a single ad hoc basis. There's part of a larger program and you've heard about several of them, I think, already. >> The other two were I think were extraction and dedication. And that's in the context of not asking for incentive for something from somebody where just by virtue of their development they're having to give up something either money or [indiscernible] -- Or a property right. [Off mic] Money being an exactoin and property right [indiscernible] >> I thought there was a term that was used the other day in the watershed meeting, it's when you can't-- it was when you can't say we'll give you the zoning if you do this in

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exchange. It's late, sorry. >> Councilmember, zoning is -- is totally a discretionary act of the council of the governing body and you don't bargain zoning. It's -- you know, it's the pronouncement from on high. So you don't say you'll -- if you give me this, we'll give you this zoning. That's just a concept of contract zoning. >> Contract zoning? [Multiple voices] >> That is not permissible. >> Garza: Okay. So is the fact -- the density bonuses, is making something a P.U.D. Take like a -- it changes, it's not considered contract zoning? That's why, because it's a P.U.D.? That's just like a condition of the P.U.D.? Or that why it's not contract zoning? >> It's all because of the -- they are asking for an additional entitlement. They are asking for something extra. So in exchange for that, we can ask for either a fee or the affordable housing or a community benefit, but they are specifically ask for something above and beyond. >> Perhaps they may be asking for additional height in a project they might be asking for additional square footage, the massing of a building that may not necessarily be allowed. >> Which is a good tie-in to the very last question that we have. >> Guernsey: So the last question -- >> Garza: I'm sorry, one more question, I promise. Do some cities not allow, because we do the fee in lieu, are there some cities that say we're not going to do a fee in lieu if you want this -- these incentives? On site? >> I'm not sure other cities do right now. I apologize. That's a great question. I will find the answer for that. I would be making something up if I told you that right now. >> Question? >> Mr. Renteria?

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>> Renteria: I know that, you know, if you are %-@creating a -- an office building, you know, and if the -- if the zoning that you don't have to provide any kind of fee or affordable housing. But on mixed use where you have retail on the bottom floor, I know there's a -- there's a 10% -- how did we get to that 10% for affordable housing? >> Guernsey: You may be speaking of, you know, certain areas of the city when we do the incentive. Let's say on vertical mixed use. Maybe along some of our roadways, you can take advantage and get the additional floor area if you provide a certain level of affordable housing. That may be at 10% of the housing may be then devoted for that affordable housing of the total amount that you are providing. And it has to meet an income level that would be equivalent to 80% of the median family income. So that might be an example of what you're talking about. >> Renteria: Yeah. >> Guernsey: You end up getting -- you end up getting, doing a little bit more building in exchange for providing that affordable housing. >> Renteria: But isn't that -- if you like -- there aren't a lot there on sixth street. They went up to 60 feet but they want retail on the bottom and condo -- >> Guernsey: That's actually by requirement of our code. If you are doing certain projects that are downtown, we want a walkable, vibrant first floor, so we might have a requirement for "Pedestrian oriented uses" which may include restaurants or retail. Not so much offices or storage or something like that. >> Renteria: So that's an ordinance -- >> Guernsey: That's built into the zoning ordinance downtown. Even on parking garages, you will have that. >> Renteria: But that's just restricted to a stern area. That's not -- to a certain area, that's not city-wide? >> Guernsey: It depends on the corridor that you are in. We have core transit corridor where we do look for those type of uses as

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well. >> Mayor Adler: Ms. Gallo. >> Gallo: If you are looking at a zoning case and there's a critical environmental feature that's part of the tract. Can you as part of the condition of the zoning agree to either allow the waiver for the environmental feature or not allow it as part of the condition of the zoning? >> Greg will correct me if I'm wrong, but I think the answer is less, but let me caveat that with, with zoning cases, you generally, it is the exception -- on a zoning case you look at environmental features. Because usually when you -- when the council is hearing a zoning case, the -- you only have a development plan in concept. Greg has talked to y'all about order of process. In our development process, the point at which you do an environmental assessment on a process generally comes only at site plan or subdivision after zoning. So very often you don't have environmental information on a particular parcel. And I think Greg has said this before as well is that -- if someone -- if you approve zoning on a parcel, and somebody shows you a -- a land use plan, a concept plan, they're not guaranteed that they're going to be able to build that. They still have to go through either subdivision and/or site plan and at those stages and building permit and at any one of those stages, there may be other regulations beyond zoning that they -- that may limit their ability to do that. And that question has come up a lot over the last couple of years. And so -- but the answer to your question is yes, but it's pretty rare that we actually look at specific environmental features at the zoning stage. >> Okay, thank you. >> Excuse me, councilmember. Just so that there's no

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confusion. With a -- in zoning when the council places conditional overlays on the property, a conditional overlay can only make existing regulations more restrictive. So you cannot grant someone a waiver. Now, if there -- if you have a planned unit development ordinance before you, the code does provide that you can waive those provisions and you do that in the ordinance, but in your regular everyday zoning, you cannot grant a waiver through the zoning, through a conditional overlay and the zoning. >> Okay, thank you. >> Additionally, the matter -- in order for council to waive the environmental requirements are in a different part of the code than the zoning requirements. For a zoning case to include a waiver of an environmental requirement, it would have to be posted, included in the posting that council is going to waive that requirement. Additionally, normally, our environmental regulations, except for S.O.S., have a waiver -- a variance process before boards and commissions that they are sovereign over. So when council wants to act on something that -- that another body is sovereign over, there are cases where you can do that, but the posting has to say that you're waving the requirement that -- waving that requirement that -- waiving that requirement that gives them the authority. There are posting and legal issues if you want to do that we would need to know in advance to post it accordingly. >> Guernsey: I will throw one more thing in. The council cannot grant zoning specific to a specific site plan. You are actually prohibited by code to say I'm going to grant that zoning based on that plan that you are showing me right there. That code actually prohibits that. So keep that in mind. >> So that -- I'll go to the last question. What is the flexibility that the council -- does the council have for a project

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that they feel does not meet current code. I think we've already been talking about that. We talked about planned unit developments, planned unit developments have built in a lot of flexibility. We may have a developer that comes forward that may offer additional setbacks and be more sensitive to critical environmental features. In exchange for maybe having a flexibility in your zoning regulations to allow different lot sizes, to allow different uses that may not normally be allowed, that you would find on a particular zoning category that one zoning category, one case does not fit all. We've had negotiations on planned unit developments where developments may offer school sites or fire station site as part of their public benefit package as they bring their zoning case forward so they can get maybe slightly increases in density in some parts of the site and will lower in others because of environmental features. So those are things that come forward. You heard a little bit about development agreements from chuck. Several years ago, we had one that was called the Robinson ranch. If you have heard of Austin white lime, it's located on the northern part of our city. We have a 45-year development agreement with them. It's where the red line and the mopac line cross on that property. It's over 6,000 -- 6,000 acres, almost 9.5 square miles. It's a huge tract. We have both a planned unit development and a development agreement with that property owner, how we will annex, what ordinances that they will follow. It provides certainty both for the city and that property owner as it develops through time. We know the sizing of the utilities that might be needed to serve that property, but there's a lot of give and

take in that. I think we have already covered incentives enough. I will bypass that.

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Public/private partnerships, they are not actually limited to private entities and public entities. We have public/private partnerships, maybe also extended to non-profits and other governmental entities. We might work with aid to maybe develop a saint John's site for joint park, school, library type of facilities, community facilities. Along waller creek, we're certainly working with conservancies and different groups, I'm trying for the redevelopment of those areas. Development agreements I've already touched on. But I think one thing that I wanted to point out as we talked about earlier, chuck showed the desired development zone. We actually incent certain types of development in our city by reducing fees in the desired development zone. So you actually are able to develop under less fees if you are developing in those parts of the city that are -- that are less environmentally sensitive and variances, we've talked about board of adjustment variances, I won't say S.O.S. Is a variance, special exception. But people can go before the board of adjustment, they can go before a planning commission or the zoning and platting commission and seek relief from certain standards. It's not uncommon that we will have more recently where someone may be actually have a project that's vested from our regulations and a portion of their property and the other portion is subject to all current code. So they might go seek a variance from our environmental board, getting a recommendation and going before planning commission or the zoning and platting commission as seeking relief because they want to average those development rights over both of those areas, so that might come up. Or they enter into a development agreement where someone might be coming in where we will agree not to annex a piece of property right away in exchange for certain development rights. I think that actually happened on an original

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apple site up on Parmer lane where they agreed this property would meet certain standards in exchange that we would annex over a certain period of time. Apple didn't end up going on that tract. I think there's a school there now. But those same standards were put in place so that that could take advantage. With that -- to questions -- >> Just a quick, we don't have to get into all of this now. On the last slide, the things that you were discussing. I would imagine that some of this could change with the land development code rewrite because one of the the tenets is reducing perhaps the need for variances things like that. >> Guernsey: That's right. Some of those costs, if there are -- there are provisions actually in the land development code right now where I as the director of my department can actually grant under certain circumstances waivers from certain processes. Many, many years ago, in the '80s, all of the site plans were appealable to commission and council and council experienced the joy of looking at many site plans. And at that time there was actually an assessment done of all of those plan that's came. I think council approved maybe overturned or upheld those appeals by less than a half percent. The code actually changed to be more administrative -- if you want more predictability, more incentive, frankly going away from board and commission variances, going to more certain review of what standards that everyone can agree on is probably a good way to go. It reduces the cost, it provides more certainty and provides board and commission and council mental relief. >> If I could follow up on

Greg's answers, with the watershed protection ordinance that was passed in 2013, one of the things that we looked at, like I said it was the first major rewrite in over 30 years. There have been a lot of changes over that time. My experience, because I deal with mostly environmental variances that go to boards and commission.

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My experience is that the number of variances has gone down pretty drastically. I think that we have increased the efficiency of our watershed regulations pretty significantly. And what the developers will tell you is -- many developers will tell you is I don't care what the rules are, just -- I just wants to know what -- I just want to know what they are. I want certainty and predictability. I think that we have done that with the watershed protection ordinance, there are some things that we are going to change because it was such a major rewrite, but we haven't achieved that, at least with that regulation. >> Mayor Adler: Any further questions? I want to thank our panel very much. Thank you for being with us today. And any other business? [Applause] Ms. Pope? >> Mr. Mayor, when the vote for the boards and commissions nominations and waivers number 2 came up, I was off the dais, I would like to reflect my vote being for. Thank you. >> Ms. Pool. >> Mayor Adler: Thank you -- >> Mayor. >> Mayor Adler: Sorry, yes? >> If there -- >> Mayor Adler: Any -- I don't remember who was here or not here, but does everybody sitting at the dais now wants to be shown as being in favor of the nominations that we approved? Okay. We'll recognize that every one of us and the vote that we took, there was a question earlier, the vote that we took on both the amendment and on councilmember Casar's resolution were all unanimous vote. Again, thanks for taking the lead on that Greg, good job. If nothing else, we will stand adjourned.