

City Council Special Called Meeting Transcript –12/17/2015

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[10:01:17 AM]

>> Houston: Councilmember Zimmerman? Would you like to tell us who that was in the wonderful singing that just occurred and the Christmas spirit?

>> Councilmember Houston, I just want to say my niece actually goes to Mcneil high school. They were wonderful. I'm sure some of them are friends. Thank you for being with us, and the choir director. They were amazing. And the bears chief of staff went to Mcneil so we have lots of Mcneil connections here.

[City council meeting will begin momentarily.]

[10:04:41 AM]

>> Thank you all for coming. Merry Christmas.

[10:08:25 AM]

>> Mayor Adler: We're ready. We're going to go ahead and get started. Peer going to begin with the invocation. Researched Michael Mumme, first united methodist church. Would everyone please rise.

>> Let us pray. Oh creator and source of life and love, we give you thanks this day for our city and for the people of Austin. We ask for your blessing upon all the people of Austin, upon the students at our colleges and universities, upon the children in our schools, upon those of many and diverse faiths and upon those who profess no faith, upon those native and upon those recently arrived, and especially those seeking refuge, upon the families and homes across our cities and upon those of our family whose home is our streets. Bless our elected leaders and our public servants. Help our community to support them with grace, knowing that in the face of opposition and obstacles, true leadership seeks good for all people. In the midst of life's uncertainty, give them wisdom to discern the best path. Help us austinites to be engaged in our common life and care for each other. Open our eyes, oh, god, to the needs of our community. In our hands may your compassion lift families out of poverty and house the homeless. May your knowledge raise well-educated children to maturity. In our hands, may your healing cure disease, feed us nutritiously, and care for the elderly.

[10:10:29 AM]

May your creation, the resources of this land and of our lives, be used ref rently and joy fully to provide jobs and care for our families. May your peace put an end to our violence and crime. May your justice seek to restore both the adduced and the victimized and may we all stand equal before the law. May your reconciliation mature us beyond hatred, racism, symbol reasonable and necessary, religious division and sexism. May your love heal our families and our community. Hold us accountable in our faith fullness to your call. Grow in our hearts a oneness of spirit new. Our humanity is bound up in each other's humanity. We can only be human together. Continue to create us and call us to live into our full humanity and to be drawn together in unity. In this meeting today, help us to be our better selves. Help us to make hard choices to the good of all. This, we ask in the certain hope of your abiding presence and unending love for all people. Amen.

>> Amen.

>> Mayor Adler: Thank you. Today is Thursday, December 17th, 2015, we are in the Austin city council chambers at 301 west 2nd street, Austin, Texas. Let's figure out the agenda. We have some changes and corrections. Item number 6, the word solicitation was misspelled and has been corrected. On items number 871 and 72 should be noted that on December 14th, these were recommended unanimously, recommended 10-0 by the electric utility commission, with one commissioner absent.

[10:12:38 AM]

Item number 30 on today's agenda has been withdrawn. Item number 58 has an additional sponsor listed, councilmember pool. 59, another sponsor listed, councilmember pool. Item number 74 was recommended by the housing communicated development committee to the full council on a 3-1 vote with councilmember Gallo voting no. Item number 87 has a correction. The properties locally known as 7513 cooper lane, the address has been corrected. Number 86, second reading was approved as noted but the vote was 7 to 4, not 9 to 3, 7-4 with councilmembers Garza, Renteria, troxclair, and Houston voting no. Items number 96 and 97, at their time certain, 4:00 P.M. When called. There will be a motion to postpone those items to January 28 of next year. So items 96 and 97 will be -- will be postponed.

>> Houston: May?

>> Mayor Adler: Yes.

>> Houston: Ora Houston down here. I have a question about item 30. I had pulled that it's been withdrawn. May I still ask my questions because it was pulled?

>> Mayor Adler: I'm sorry?

>> Houston: Item 30 I had pulled.

>> Mayor Adler: Yes.

>> Houston: It's been withdrawn. May I still ask the questions that I have?

>> Mayor Adler: Yes.

>> Houston: Okay. Thank you. Let's talk time certain other matters, while we just did that 96, 97 being at -- are going to be postponed.

[10:14:41 AM]

Other time certain items, there has been a request for item number 75, which is the tnc matter, to be set for time certain for when we come back from dinner break. That would be 7 o'clock. There was also the request that if somebody showed up and could only testify on that in the afternoon, that we would call them so that they had the opportunity to do that. And I'll still recognize someone to speak. I don't know if anyone is going to avail themselves of that or not. If anybody anticipates being -- doing that, if they could touch base with Ms. Kitchen so that she gets a heads-up on that matter. But other than that, that item will be called at 7 o'clock. There are three lobby matters that speakers have asked to be able to have time certain on, so I'm going to call 68, 69, and 70 at 1:30 when we come back from our lunch break. I think there were potentially other items to tell the public that we're going to postpone. The

park, parkland ordinance. Ms. Pool, what number was that? I see it now. I understand that the intention is probably to postpone that item. Is there anything else -- Ms. Kitchen?

>> Kitchen: We would like to suggest that item number 76, which is the quarter-cent one, be done sometime during the day, thinking that it's not going to be one -- I know that the council needs to talk about it a lot, but in terms of testimony and that kind of time, it's not going to take a lot of that.

[10:16:50 AM]

So my thought, depending if this is okay with the rest of the council and with you, of course, is that we do that either this morning or this afternoon, but we try to do it before dinner.

>> Mayor Adler: Okay. Let me check -- any speakers signed up for that?

>> Pool: Nothing I'm aware of. And, again, that would be limited testimony, regardless, but I think it might be better to get it done during the day.

>> Mayor Adler: Okay. We have some speakers that have -- we've been told are going to come. Let us check on that, come back to that issue. We'll make sure that is doable, and we're not, by doing that, precluding somebody who would not have anticipated we'd be taking that out of order.

>> Pool: Okay. Invited speakers? I wasn't aware of any.

>> Mayor Adler: I don't know the answer to that question.

>> Pool: Okay.

>> Mayor Adler: Right now we have just two people that are signed up to speak.

>> Pool: Okay.

>> Mayor Adler: So even if we limited that to four and four, I think there's still room.

>> Pool: Yeah. No, that's fine. I just was -- I was wondering if we -- if someone had asked for invited speakers, and if they did, I just wanted to know about it, that's all.

>> Mayor Adler: Okay. Let me try to get you the names.

>> Pool: Okay.

>> Mayor Adler: Someone just came up to me but I don't know the details.

>> Pool: That will be helpful to know, so thank you.

>> Mayor Adler: Absolutely. Okay. Yes, mayor pro tem.

>> Tovo: Mayor, I -- number 57 is on the consent agenda, and I posted a proposed amendment last evening and I've distributed here on the dais, so I would ask -- I guess I need to pull that from the consent agenda, but I'm hopeful that it could be relatively quick.

>> Mayor Adler: Okay. Upped -- you've handed that out. Do you want to read it and then see if by agreement we can just add it.

>> Tovo: Yeah. I'd be glad to. And I did have to make one correction so I'll just need to verify. I'm going to read it. There may be one difference.

[10:18:50 AM]

Yours may say planning and zoning and it should have said development services but I'll read it correctly and just know that everything else should be the same with the one you have before us. Be it further resolved that prior to presenting this, this would be an additional proposed whereas, that prior to presenting this ordinance to the city council for consideration, the city manager is directed to engage the expertise of staff from the watershed protection and development services departments to identify any strategies available to the maximum extent feasible, to meet current code for impervious cover and water quality. Just based on the questions and answers, that process that I initiated through our formal Q and a process, it sounded as if our watershed folks may not have sat down with the developers and really looked for whether there are ways to reduce the impervious cover, and I would ask that that careful analysis really take place in that ongoing assessment, for example, of their -- of their water quality issues happen before any ordinance is presented back to council. And I also wanted to just clarify that, like any other ordinance change, it should go through the environmental commission and the planning commission before coming back to council. I think the language of the resolution has it coming right back to council, but typically that would go through the

--through the environmental board and the planning commission. I would add one other piece of direction, that is that staff look for ways to -- I'm concerned that this could be used to apply to properties up and down the waterfront overlay and I would like to make really certain that that's a conversation as they -- as they look at the ordinance before it comes back to council. But the formal amendment would be the one that I just read.

>> Mayor Adler: Sorry. Is there any objection to that amendment being added to this matter? Mr. Renteria?

>> Renteria: Yes. Mayor, I don't have any problem, but I -- there's some people here from the [inaudible] That I would like to have them given the opportunity to talk in front of us before we make that decision.

[10:20:59 AM]

>> Mayor Adler: Okay. So let's hold -- we'll go ahead and pull this item number 57.

>> Tovo: Okay. Mayor, I would just say I know Mr. Saldana is here and I shared this with him yesterday. Certainly I don't want to speak for him but I see him giving me the okay sign that they're fine with it. But I certainly, of course, don't want to --

>> Renteria: If there's no one else --

>> Mayor Adler: Mr. Saldana, are you okay with that? Do you have objection to this?

>> I have no objection.

>> Mayor Adler: If there's no objection, then 57 will be changed to add the mayor pro tem's amendment, and as medinad, amended, it is on the consent agenda.

>> >> Tovo: Thank you, and thank you to the sponsor, councilmember Renteria, for accepting that. I appreciate it.

>> Renteria: Okay.

>> Mayor Adler: All right. So now let's look at the items that have been pulled. By the way, there is late backup on changes and correction. There is backup on 16, 26, 27, 28, 55, 74, 75, 77, 80, 85, 87, 94, 95, 96, 97, and 99. Let's now talk about the items that have been pulled on the consent agenda. My records or indications are that number 14 was pulled by Ms. Garza. That's the ems matter. Number 16 was pulled by Mr. Zimmerman. I think that's a pid financing matter. Items 17 and 18 pulled by Mr. Zimmerman to be taken up at the public hearing with 94 and 95. Are those related?

>> Yes.

>> Mayor Adler: Actually, are those -- yeah, those are related. So 17 and 18 will be pulled to be taken up with 94 and 95.

[10:23:02 AM]

I have number 24 being pulled by Mr. Zimmerman relating to attorneys' fees on the campaign matter.

>> Zimmerman: That's right. I just have a few questions on it. I'm not going to be voting on that, just some inquiry.

>> Mayor Adler: Okay. Item number 30 has been withdrawn and is not part of the consent calendar. Number 48 has been pulled by staff. And that's the creative consumer research matter. 53 has been pulled by Mr. Zimmerman. That's the movability Austin matter. Item number 54 is not being pulled, but I would just real quickly want to flag that item. It's the tceq matter, just because I think it's worthy of noting. This is -- there was a letter we received yesterday from representative workman urging passage of it. I want to just congratulate staff and compliment staff for the work that they did on this matter. This is an attempt to look at wastewater regional with cities like dripping springs or others that are trying to deal with growth, as well as to be great stewards of the environment. This was a regional effort initiated by the -- by the city of Austin, primarily with Chris Harrington and Mike Personette. It was probably two and a half, three months ago that there was a gathering of 60 regional leaders at a hotel out at bee caves road to initiate a project regional unlike anything that I'm aware of or have seen before. This is a resolution to have us proceeding to the tceq with a regional request for a rule change, an administrative rule change at the state level, and it is exactly what we would want regional work to do.

[10:25:11 AM]

Lots of stakeholders joined in on this, and just -- I know this is on consent and should be on consent, but just because it is so atypical and so important, I think it deserves just to be noted. But that item will stay on the consent. And then I have item number 57 being pulled. Are there any other items to pull by council? 48 being postponed till -- I have it pulled by staff, but being postponed. 48, rather than being pulled, staff is going to postpone that till -- that's creative consumer research. We're just going to postpone that to January 28, of next month.

>> Houston: Next year?

>> Mayor Adler: Yes. Next year. And also next month. Next month and next year. Ms. Tovo.

>> Tovo: Mayor, I believe you just listed 57 as pulled but --

>> Mayor Adler: Oh, we just did that.

>> Tovo: We recalled that amendment so that can be back on consent. I want to make a suggestion. I understand that there is -- our list has a revised draft ordinance listed for number 75 from the mobility committee, and I just want to flag that for some discussion among the transition committee. We've had it happen several times that there's been a recommendation from one of our council committees that has come forward to council and either individual members or perhaps a majority of those on the committee have made changes from the time of the committee meeting to the council, but those typically come forward either as amendments or they come forward as separate ifcs. I'll give you one example. At open space, we passed a recommendation related to the venue. When we decided -- I decided as a sponsor that we needed to make some changes to that committee recommendation, we didn't substitute that ordinance with a revised ordinance, we brought forward a separate ifc.

[10:27:19 AM]

It could have also -- that was a very substantial change in direction so we couldn't bring it forward as amendments. But I think we need to iron out our process because I do think if there's a substantial change that happened outside a committee meeting, or any changes, frankly, that happened to a committee recommendation outside a committee meeting, I'm very comfortable and I think it's great to post it as backup, but I think we need to explain -- we need to make it clear where those changes and amendments are coming from and we need to make sure our backup information is just very -- is very clear on that point.

>> Mayor Adler: That's good. I would also note that Numbers 26 and 27 and 28 have been pulled by Mr. Zimmerman. Those are presentation district creations. Anything else pulled by council? Ms. Houston, then Ms. Troxclair.

>> Houston: Two very quick ones -- well, three, 13, 20, and 21, both -- all three are very quick.

>> Mayor Adler: 13 -- I'm sorry, what was the next one?

>> Houston: 13, 20, and 21.

>> Mayor Adler: 20 and 21. Okay. Ms. Troxclair.

>> Troxclair: She read my mind because she got the one I was going to pull, but I do want to follow up on the late backup that mayor pro tem tovo mentioned. I don't see anything in front of me that is a new draft ordinance for item number 75. Is it posted online? Is there something that just came out this morning? Obviously this is a big issue, and I think not only do we need to be informed about it, but the public needs to be informed about it, too. So what is the late backup and where could I find it of?

>> Pool: It's posted. It's positively as late backup. It was posted yesterday.

>> Troxclair: Okay. When was it posted yesterday?

>> Pool: About 5:00.

>> Troxclair: Okay. Can you tell -- can you tell us what the changes are?

[10:29:21 AM]

>> Pool: Do you want to speak to that, Mr. Mayor?

>> Mayor Adler: Do we want to open that up or do we want to just note at this point --

>> Houston: It's not on consent, is it?

>> Mayor Adler: I tell you what, let's work our way through the consent agenda and by way of notice to the community, since that's such a big issue, I'll let you go ahead and just address that, but let's work our way first to the consent agenda.

>> Troxclair: I just want to -- it's posted on the city's website under the agenda? Where can I find it between now and 7 o'clock?

>> Pool: At the mayor's request, it was posted by 5 o'clock yesterday, and it's posted where everything else is, under the agenda item.

>> Mayor Adler: So if you go to the agenda, click on the item, it would be in the backup associated with that. Is that what you're saying, Ms. Kitchen?.

>> Tovo: Just one last thing, because it is based on changes that a couple things worked on together, yet it appears and was distributed by our agenda office as late backup and a revised ordinance, I just think it needs to be clarified in our backup that these are proposed amendments or, you know, unless the mobility committee, I guess, has signed off on them, but we don't typically have a committee present present a revised ordinance mean the committee and council meeting. We need to make sure the backup information is real sure about where the changes are coming from.

>> Mayor Adler: I think your procedural point is well taken and I would hope that would be included in what we're doing with transition as we move into next. I think that's a good point. But we're going to continue on with the agenda. Ms. Garza.

>> Garza: Item 14, I'm just asking for a postponement because of a request from the employee association, so I don't know if we want to agree or vote on the postponement and move forward or if we can take that up soon after we vote on the consent agenda.

>> Mayor Adler: Let's take it up soon after we pool so we can ask staff what the delay impact would be. Let's see if we have other things to pull. Is Mr. Peña here?

[10:31:24 AM]

>> Casar: Mr. Mayor, the board calling up speakers, I did want to suggest an amendment to item number 56, the have south by southwest item. And I think it can go on consent with the amendment.

>> Mayor Adler: Okay. What's the amendment?

>> Casar: The amendment is to strike section 8 which directs the city manager to develop an economic and development agreement and instead replace it with directing the city manager to attempt to negotiate agreements between the city of Austin and south by southwest and potentially other event organizers for upcoming spring festival seasons. Ever such agreements should help ensure a safe, clean, pedestrian area in festival season and outline the agreements of the parties potentially for multiple years. This has been vetted by law and the motion sheets were printed, and I wish I had them for you right now, but they're somewhere behind the dais.

>> Mayor Adler: What section this?

>> Casar: Section 8. So instead of negotiating an economic development agreement, rather negotiating an agreement that helps ensure safety, cleanliness and pedestrian friendly downtown, the reason being this afternoon times the way we understand economic development agreements and the way the community does is to attract economic activity that is not yet here, and this, I believe, is a different sort of activity where we are trying to coordinate and organize a complex event downtown and are sorting out which parties are responsible for safetiness, cleanliness, et cetera. South by southwest has indicated they're willing to pay for a significant portion of their usage. That needs to be hashed out between representatives of the city and those event organizers in the future to figure out whose role and responsibilities are to pay for what and to accommodate for what. So I see this as different than our traditional economic development agreements and have an amendment to reflect that.

[10:33:27 AM]

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Zimmerman: I appreciate the comments that but I think it's kind of substantial. I'd like to have it pulled instead of talk about an amendment. Could we just go ahead and pull it? Because it is an important agreement to discuss.

>> Mayor Adler: Okay. Let's go ahead and pull this item then. We're going to pull item 56. Okay. I'm going to see now if there are any items that have been pulled by speakers. Is Mr. Peña here?

>> Here.

>> Mayor Adler: Okay. Is Mr. Rhodes here? Mr. Rhodes here? Okay. Those items then are not pulled off the consent agenda. Mr. Peña will be allowed to speak on them, on the consent agenda. So -- and then the items that I have being pulled are items 13, 14, 16, 17, 18, 20 and 21, 24, 26, 27, 28. I have number 30 being withdrawn. I have 48 being postponed to January 28th of next month and next year, pulled number 53, number 54, and number 56.

>> Makers I think on 54, which was the tceq item, was that just for you to make a comment about it?

>> Mayor Adler: Yes. Thank you very much. That's not pulled. 54 is not pulled. Thank you. Those are all the items that I have being pulled. Now we're going to have debate from the public on the consent agenda.

>> Houston: Don't forget that number 30 has been withdrawn but I still pulled it for questions.

[10:35:31 AM]

>> Mayor Adler: Do you want to ask questions before we hear from the public? Do you want to hear from the public first? All right. Mr. Peña, do you want to come and speak on the consent agenda?

>> My apologies, Mr. Mayor. What are the send agenda items? I don't have my list with me.

>> Mayor Adler: That's okay. Item number 5.

>> Okay.

>> Mayor Adler: Item number 30 has been withdrawn.

>> Right.

>> Mayor Adler: 39. 5 and 39.

>> 105 and 39. Right?

>> Mayor Adler: Yes, sir.

>> Good morning, Mr. Mayor. Gus peña. On item number -- item number 5, the one thing that you know I'm co-founder of veterans for progress, around currently trying to house as many homeless veterans as we can before Christmas. Number 5 is having to do with the appraisal district and we request as expeditiously as possible to help out the people that were affected in the floods. I'll keep it at that. I know y'all are doing a good job and I'll keep it at that. You did say no number 4; right?

>> Mayor Adler: 5, 30, and 39.

>> Okay.

>> Mayor Adler: If you want to speak on number 4, you can speak on that, too.

>> Okay. Great. I will speak on item 39 and item 39 has to do with the film society, and I do know that their funding has been allocated to that. I just want to know what we get in return. And it doesn't have too much in the backup. The community has been questioning a lot of this type of expenditures, and I'm

all for that stuff, but not impacts -- if it impacts funding from actual individuals and taxpayers themselves. Briefly if anybody can explain it, I would greatly priority because we have perplexed about a lot of these items.

[10:37:33 AM]

You said item 40?

>> Mayor Adler: Item 40 is on the consent agenda. If you want to speak to it, you should speak to it.

>> At this time I'll leave it at that, Mr. Mayor. I know I'll have another -- the item 30 has been pulled, but anyway, I want to just say thank you very much for the time and thank you very much for putting up with my toughness, but in these trying times, we need housing, we need a lot of stuff and I'll speak to it on citizens communication but thank you very much for allowing me to speak.

>> Mayor Adler: Thank you, sir. Also speaking on the consent agenda, I asklar Buffington.

-- Sky lar Buffington. Is David king here? Mr. King?

>> Thank you, mayor, mayor pro tem, councilmembers. I'd just like to wish y'all happy holidays and thank you for all the hard work that you've done this first year. It's amazing what y'all have done, the depth and breadth of issues that you've -- that you've dug into and jumped into and worked so hard, and I want to thank you for your good work this year and wish you and your families very happy holidays. Thank you very much.

>> Mayor Adler: Thank you.

>> I want to speak on item 57 regarding the increase in impervious cover for the rbj building on the waterfront, and to help promote affordable housing. That's -- you know, I understand the need for affordable housing, but we only have one waterfront overlay. That's it. And it's been chipped away year after year after year, project after project after project. So it concerns me that if we do this, if we double the impervious cover, increasing it from 40 to 78%, that that will set a precedent that will be used and pointed to by other developers under the umbrella of affordable housing. And I just -- are we now going to start down the road of giving up on our environment and our waterfront for affordable housing?

[10:39:36 AM]

We can have both. I just want -- I'm glad that this amendment was made so that we can look at the whole picture. I believe there is a way that we can have affordable housing at this site and reserve the

waterfront overlay. And I hope that the stakeholder group will go through a good process to lead us to that result. It shouldn't be one at the expense of the other. And I hope that we don't start doing that and throwing back on these values that we've worked so hard in our community on. I believe we can have both affordable housing and a waterfront overlay that's open and preserved for today and for the future. Thank you very much.

>> Tovo: Yeah. Mr. King, thank you for your comments. I just want to be clear that what my amendment does is really get the developers in conversation with our city staff, not -- it will not initiate a stakeholder process. So I just want to be sure that the public understands that. But I appreciate your comments. I think you've made a good point. The waterfront overlay as I remember it does call out affordable housing as one reason why you might have a possible exception to some of the provisions in there, and I'll just say that, for me, one of the things -- you know, I want to see this project be successful. We really need affordable housing for seniors all over our city, and especially in our central area, and so I'm willing to consider an increase in impervious cover for senior housing. What's less clear to me is because there's other development going on, whether -- whether the variance is being driven by the market rate development or the senior housing, and so that's a consideration that I'll -- that I'll be thinking through before the amendment -- through the ordinance change comes back to council. But, really, I'm very hopeful that when we get that more in-depth conversation coming, and I know there's a great willingness on the part of those who are involved in that -- in that terrific project to really sit down and look at options with our staff.

[10:41:37 AM]

And so I appreciate their willingness to do that and for being here and in conversation on that.

>> Mayor Adler: Okay. Thank you. And Paul does doesn't need to speak now. Those are all the speakers I have on the consent agenda. Ms. Houston, did you have some questions you want to raise about number 30? See?

>> Houston: I was going to start on 13. I was going to start on 13. Go ahead. Yes, I have a couple of questions that I'd like staff to answer. First of all, I'd like to know why the -- why the number 30 was withdrawn.

>> Good morning, mayor and council. Betsy Spencer, director of neighborhood housing. The developer has indicated it is no longer needed. This particular resolution is no longer needed for the application.

>> Houston: Okay. So this is a legal question, perhaps, mayor, that we took a vote on November the 19th about this particular project. Does that make that vote null and void, or does that still show that we are in favor of this application?

>> If I may, they were independent and separate resolutions. This was a separate resolution from the one that you passed on November 19th.

>> Houston: So what's the difference, please?

>> This was a different resolution for a different part of the application process. This is a then application process to the state for 4% tax credits. They were two independent and separate resolutions of support. So the one that was passed on November 19th has nothing to do with this particular resolution. This was for a different requirement in the application process to the state that the developer no longer needs for their application.

>> Houston: So if -- because those are so close together, the next time we have something like this, if you could make sure that I understand, maybe the other people understood it, but when I read the backup, it didn't seem -- it seemed like it was the same piece of property, and so that was the confusion on my part.

[10:43:46 AM]

>> It is the same property, but it was to meet a different requirement, and they no longer need this resolution for their application. You are right though.

>> Houston: Okay.

>> It is the same project, but it was a different action.

>> Houston: Okay. Thank you.

>> Thank you.

>> Mayor Adler: All right. Is there any further discussion on consent? I would note for the record Mr. Zimmerman voting on the consent items is abstaining on item number 2, abstaining on 8, 9, 10, 11, and 12, as well as 15. He is against item 22, abstaining on 23, abstaining on 25, and against 29. Abstaining on 34, abstaining on Numbers 37 through 47, also abstaining on 49, 50, and 51; abstaining on 57, 58, 59, as well as item 61.

>> Zimmerman: That's correct, Mr. Mayor. Thank you.

>> Gallo: Mayor, can I just ask a clarification question? It looks like item 66 is related to 16 which has been pulled, but you didn't mention 66 in the list, and I just wanted to make sure that we didn't need to pull that also. So 66 is indicated in red on consent, but it is -- it is related to number 16, which has been pulled.

>> Mayor Adler: Okay. So 66 is to set a public hearing in January, and 16 is --

>> Gallo: The item to set the public hearing can go on the consent agenda.

>> Mayor Adler: That's setting it for public hearing.

[10:45:47 AM]

>> Gallo: Right. But it wasn't included in your list or I didn't hear it included in the --

>> Zimmerman: That's right. I was in favor of setting the public hearing but I just had some questions on --

>> Mayor Adler: The setting of the public hearing will remain on the consent agenda. The substance of the ordinance has been pulled. Anything else further on the consent? Is there a motion to approve the consent then agenda? Mr. Renteria moves. Mr. Zimmerman, are you seconding?

>> Zimmerman: Yes.

>> Mayor Adler: Okay. Those in favor of the consent agenda, please raise your hand. Those opposed?

>> Can I just say something real quick? I just want to be shown voting no on item number 29 and abstaining from items number 41, 11, 12, and 61.

>> Mayor Adler: Okay. So noted, with the notations from Mr. Zimmerman and Ms. Troxclair, those in favor of the consent agenda, please raise your hand. Those opposed? It's unanimous on the dais. Before we get into the pulled items, let's see if there are other agreed items that we could also handle on consent. Is there anything that you have, Jerry, that you think would fit that bill?

>> Jerry rusthoven with the planning and zoning department. I can offer -- let's see, I'll go through the joining agenda real quick. Item 80, which is the pilot knob, we are working on some last-minute corrections to the ordinance, so if it's okay with y'all, we will table that item briefly. I know the applicant has a previous commitment and would like to get out of here as soon as possible, but we are, as we speak, making some new copies of the ordinance, so that item we'll table.

>> Mayor Adler: If you bring that down, has an agreement been reached on that? Okay. You did a great job on that.

>> Item 81 is case c14-2015-0091, located 1900 Burton drive and 1901 M 19 mariposa drive.

[10:48:00 AM]

I can offer for consent on second and third reading. 82, c14-2015-0093, 1507 nueces street from go to dmuc, I'm going to offer that for second reading only, related item, case 83, c14-2015-0094 for the property located at 517 west 16th street, that is also request from go to dm zoning. I would like to add that the applicant and the neighborhood have agreed to additional prohibited uses. Their group residential, alternative financial services, bail bond services, outdoor entertainment, pawn shop services, service station, traditional housing, residential treatment, drive-throughs, liquor sales, consumer convenience, a cocktail lounge. In addition, there is a restricted covenant prepared that would restrict the hours of operation for two except hotel or motel to hours of 8:00 to 10:00. I'm offering both of these cases for consent on second reading only because the restricted covenant is still being prepared. Item 84 is says c14-2015-0181, for the property located at 6707 emerald forest drive. Staff is requesting a postponement of this item to your January 28th agenda. There's a restricted don't have any needs to be signed and the applicant is out of the country. When we bring it back, I anticipate that will be for consent as well. Item 85 is case c14-2015-0127, Lexington Parke II. That case, mayor, in addition to pilot knob, has some last-minute changes occurring, so I'd like to table that until later, probably this afternoon. We're waiting for the FedEx man to arrive with the signature. We've been told it will be here at 11:30. Case 86, c14-2014-093, for property located 1601 cedar bend drive, from rural residential to sf-4 zoning. I'd like to offer this third reading only with one correction to the ordinance, that item 3b in the ordinance which speaks to the restricted access will be removed from the ordinance and also that the Austin transportation department has agreed to meet with the adjoining neighborhood to discuss improvements, transportation improvements that need to be made on cedar bend drive, namely pedestrian and bicycle improvements.

[10:50:21 AM]

I spoke with or director, who will be doing those meetings very soon, and that they will occur prior to the approvals or the building, if you will, of the adjacent subdivision on this property.

>> Mayor Adler: Thank you. Ms. Pool, are you okay with that going on consent?

>> Pool: I absolutely am, and I wanted to thank our transportation staff in particular Gordon Derr and Andy linseisen. I see them out in the audience. For working with us on the case. Mr. Derr has offered pedestrian and bicycle safety improvements for the neighborhood with an elementary school and adjacent to walnut creek metropolitan park which is one of our most heavily used regional parks. As Mr. Rusthoven has said, Mr. Derr informed my staff he will meet with the neighborhood to discuss their concerns and work with them on improvements for safety of the residents, the park users and elementary school students. And I just want to one more time thank Austin transportation department and Mr. Derr in particular for working with us, the neighbors, and the developer on these safety issues and presenting a very valuable plan, and I'm happy to offer this on consent.

>> Mayor Adler: Ms. Garza, did you have a question about that?

>> Garza: I just want to be clear. So everyone hates this turn, but the crash gate is no longer going to be there? Is that what you're saying?

>> Yes.

>> Garza: Thank you.

>> Mayor Adler: Okay. So --

>> I'm sorry, if I may, I was just handed documents on items 82 and 83, so instead of offering those on consent for second reading only, now we can offer them for consent, second and third reading.

>> Mayor Adler: Okay. So my records reflect that what's being offered on consent is item number 81, on second and third, 82-83 on second and third, 84 being postponed to January 28.

>> And item 86 on third reading.

>> Mayor Adler: And 86 on third reading, that one with the changes that you made. Yes, Ms. Tovo?

>> Tovo: Mayor, I'd like to move approval of those consent items but I would also ask -- I'm very comfortable with 82 and 83 being heard for second and third reading but the applicant has worked -- is working on on on a restrictive covenant, and I believe the representative is prepared to speak on the record today.

[10:52:37 AM]

I would ask if it stays on consent, which I'm very comfortable with, we just afford her an opportunity to come up and tell us a little bit about that provision.

>> Mayor Adler: Okay. Is there a second to the motion to approve the consent? Ms. Pool seconds. Speaking on the consent agenda, is there someone to speak on that?

>> Mayor, mayor pro tem and councilmembers, nikelle Meade with Husch Blackwell. I think the agreement that mayor pro tem tovo is referring to is an agreement that we have with community wheelhouse to try to replace the existing house that we have on the site that, at redevelopment, will be taken out. So what we've agreed is that a minimum of 10% of any residential units we have on the site will be restricted for occupancy of folks who are at 80% or below mfi, and because there's some chance that we may not have ten or more units, we're also agreeing that a minimum -- we will have a minimum of two units on the site that are affordable. So, in other words, if we only have nine units in the future development, two of those nine will be affordable.

>> Mayor Adler: Ms. Tovo?

>> Tovo: Thank you very much for offering that information and for your client's willingness to make those --

>> Absolutely.

>> Tovo: -- Voluntary agreements. I just want to clarify the term of the affordability. Is it -- am I right in thinking it's 40 years?

>> It is. Correct. For a period of at least 40 years.

>> Tovo: And there are two tracts in question, and so it applies to both tracts.

>> It does, yes.

>> Tovo: And then your agreement, you have executed -- am I also correct in thinking you have already executed that covenant with community wheelhouse?

>> We have and we've actually already recorded that covenant. It was recorded at the Travis county clerk this morning.

>> Tovo: Well, again, my thanks to you and for the appropriate owner for your willingness to really think carefully about how we move forward in making sure that we've got housing in different parts of our community, especially as we rezone properties and acknowledge that there may be a loss of what is existing housing that is relatively more affordable than new construction.

[10:54:44 AM]

I wouldn't say affordable, necessarily, because it is downtown, but more affordable.

>> Thank you.

>> Mayor Adler: Thanks.

>> Mayor Adler: Anyone else to speak on the zoning consent items? It's been moved and seconded to approve the zoning consent. Those in favor, please raise your hand. Those opposed? Unanimous on the dais. We've taken care of those. Let us know, jerry, when items 80 and 85 are ready to be heard. Ms. Kitchen, are you okay with the quarter-cent being heard after dinner break?

>> Kitchen: I don't have an objection. I'd have to ask my fellow committee members because this is not something we talked about the other day, and so it is later in the day. I'd have to ask them what they think.

>> Mayor Adler: Austin interfaith has requested, they're going to be here to talk about tnccs, a speaker wanted to speak on that and they wanted to know if they could speak on this issue, and that's where that request came from.

>> Kitchen: So is the thinking to take that up first at 6:00? Is that the thinking?

>> Mayor Adler: I'd be fine with that. Okay. All right. So moving on, I think that takes us to consent items. What I want to hit real fast are the things that we think we can handle quickly, both on this -- things that have been pulled or things that have not been pulled. We have some Austin energy utility oversight matters that are 71, 72, and -- 71 and 72. Does anyone anticipate that's going to be -- take long? 71 and 72? What? Good to go. All right will someone move approval of items 71 and 72? Ms. Gallo so moves. Is there a second? Ms. Tovo seconds. Any discussion? Those in favor of 71 and 72, please raise your hand.

[10:56:46 AM]

Those opposed? Okay. It is 10-1, with Mr. Zimmerman abstaining.

>> Mayor?

>> Mayor Adler: Yes. Of of.

>> I want to be shown voting for 71 but abstaining from 72, please.

>> Mayor Adler: Okay. So noted, for 71, abstaining on 72, so the vote on 72 -- the first vote is 10-0-1. So 72 it is 9-0-2. Item number 73 is the matter relating to payday lenders, regulation credit access business. I don't think that's controversial. Is there a motion to approve item 73? Mr. Casar. Is there a second? Mr. Renteria. Any discussion? Those in favor of item 73, please raise your hand. Those opposed? Number 73 passes unanimously. Okay. Number 77 is the approval of the municipal court judges. Is there a motion to approve item number 77? En.

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Zimmerman: I'd like to separate the question here. I think we had originally one durable position, full-time, then we have three part-time, and so I'd like to divide this out. There's juvenile case judge that was discussed kind of later on, so I'd like to move that we divide the question, and I move passage of Mr. Thomas being appointed, turner Mcnellis and Yeager, and separate as a separate matter --

>> Mayor Adler: It's been voted to approve the first part of 77, with part 3 being taken out -- I'm sorry -- yes.

>> I think the ordinance actually has been changed, the backup that item 3 has -- I have it in front of my, that section 3 was removed, because the council is appointing the associate judges and substitute judges but not appointing anybody to a particular work assignment that is for subject statman, the residing judge to do.

[10:58:57 AM]

I think the new ordinance doesn't have that item 3 in it.

>> Mayor Adler: So we're only approving part 1 and part 3?

>> That's correct.

>> Mayor Adler: And part 3 is grown.

>> Pool: Mayor?

>> Mayor Adler: Yes. Ms. Pool.

>> Pool: I might be able to offer an amendment that says council at this time will approve George Thomas to the associate judge position, and then the three names for the substitute judge position and they are Patrick Mcnellis -- help me with this.

>> Mayor Adler: Brian turner and John Yeager.

>> Pool: Thank you. And there were questions about the assignment of the second associate judge, it's an important position. If it is indeed going to work with juveniles, and we would like to ask staff to reopen that position and take in applications, and then we can have a process specific to that second associate judge position. And maybe some of the other councilmembers on the committee could -- could speak to that.

>> Mayor Adler: Ms. Morgan?

>> My only concern is assignment of specific judge to do a specific workload is for presiding judge, judge statman, so you are just appointing the judges and then she assigns the work.

>> Mayor Adler: Okay. I think at this point what is before us is approving what is in essence parts 1 and

>> Mayor Adler: What is approving is -- it's consistent with what Mr. Zimmerman said as well as Ms. Poole said.

>> Zimmerman: I'm trying to reconcile what's in front of me. There is a part 3.

>> Mayor Adler: The motion is to approve number 77 but only parts 1, 2 and 4.

>> Zimmerman: Fair enough. That's acceptable.

>> Mayor Adler: And it's been moved by Mr. Zimmerman, seconded by Ms. Pool. Any discussion? Mr. Casar.

>> Casar: I felt very confident during the work of all the people recommended including Ms. Herrera, but I do hear my colleagues' concern that we were initially just searching for one judge position and that with the suggestion of the presiding judge to perhaps look into someone that she would assign work to to handle juvenile cases to.

[11:01:18 AM]

And while I feel Ms. Herrera would do excellent in that process and we encourage her and anybody else to apply for that process, I will defer to the will of that committee to set up that process and very potentially it could be Ms. Herrera, but I'm for opening that up but I felt confidence with the existing proposition but will support the motion.

>> Mayor Adler: Ms. Houston.

>> Houston: I was part of the public safety committee and I'm going to abstain on this vote because I think the whole process needed to be opened up again to ensure that people who did not apply the first time have an opportunity to apply this next time. And so rather than assuming that somebody will be that person, I would -- I will be abstaining on this one.

>> Mayor Adler: Okay. The motion has been made, parts 1, part 2 and part 2, it's been seconded. Further discussion? Those in favor please raise your hand. Those opposed? Ms. Houston is abstaining. Ms. Troxclair is abstaining. The vote on that is 9-0-2 and it passes. We're on roll here.

>> Gallo: We encouraged staff to move -- to repost and bring the list back to us so we can then fill a second associate judge position as soon as possible.

>> Mayor Adler: Item 78 is an eminent domain matter. Is there a motion to approve item 78?

[Inaudible]

>> Mayor Adler: I'm sorry. I don't. It's been moved to acquire the property identified in item number 78 for the public uses and purposes therein described. Do you want me to hold that off until I get the script or did I come pretty close?

>> [Inaudible]

[11:03:18 AM]

>> Mayor Adler: We're going to wait on number 78 to make sure I say the right things. We're not going to do that right now. Let's go back to anything pulled on consent. Has anyone pulled something that they they will be a quick matter? Number 14, Ms. Garza. Do you want to do number 14?

>> Garza: There was a request from the employee association to have this postponed and moved to the sub safety committee. Need to fully examine why and if we have any other options. I know we have a speaker. I don't know, Tony, do you want to speak on this?

>> Mayor Adler: Come on. Hey, Tony.

>> Thank you, councilmember Garza. Tony, president of the Travis county ems association. Just a background on this particular agenda item, you are being asked to eliminate medic 2 positions in communications and replace them with medic 1 positions. We don't disagree that there needs to be some adjustments to expeditiously tackle some of the issues related to vacancies. However, this is not -- this is a single solution that hasn't been thoroughly vetted yet. We had asked for a meeting before this would happen to become a council issue and identified a couple of different avenues that this could be taken on in the same manner. To suggest these things would be -- need to be urgent as of this meeting would be to negate the things we talked about on Tuesday with city legal. And the -- you know, we can ask for -- or I guess management can ask for reclassification. That's unheard of in "Other civil service function department that is growing.

[11:05:20 AM]

Usually issues like that are taken on from the root causes. Those are the very things I think we need to identify. If we are merely to ask for a reclassification by eliminating a position to take on a different position to take on this problem, I could well intern, suggest that we have a vacant assistant chief position which would create four medic 1 positions. The root problem we need more staffing to come. To arrive at that by taking away promotable positions is questionable and I think that we could, given enough time, vet this issue right here and allow council to weigh in. I think it would be more responsible to give us more time to work on it. I'm hopeful city management and ems management's will continue meeting with us and vet some of the alternatives we have inclusive of taking on not only the com is there deficiencies, deficiencies of rank of medic 2 brought on by the lack of ability to recruit and retain paramedics. If we were to look at that as global issue and take those two things together, reciprocity between the ranks of com and the field could be a solution that would be mutually beneficial and a good reason not to eliminate positions at this moment in the working ranks of medics 1 or medic 2. Thank you.

>> Mayor Adler: Thank you. Mr. Zimmerman, then Ms. Poole.

>> Zimmerman: I was going to mention this would fit on the January 25th public safety committee. We could hear that on the 25th.

>> Mayor Adler: Ms. Pool.

>> Pool: I'm on the public safety committee and I'm concerned about losing promotable positions and would like to have additional conversations and then have it heard in the public safety committee at the end of January.

>> Mayor Adler: Does staff want to speak to this? Is staff here?

[11:07:27 AM]

>> Good morning, I'm Theresa Gardner. The vacancies are at that medic 2 positions. All of our medic 1 positions are filled. We can't hire any new employees into those medic 1 positions without having them promoted to medic 2. We currently don't have anyone eligible to promote into medic 2 to build those so we're in the stop gap where we can't fill our entry level positions because of that promotion. Right now we're running at about 20% vacancy rate in communications. That's a significant load on both the staff that are working, taking calls, dispatching and the overtime that we're having to use to fill the vacant spots.

>> Mayor Adler: What is the hardship that would be involved with a month or two of delay?

>> I'm sorry?

>> Mayor Adler: What would be the hardship associated with a delay of two months?

>> The delay just -- we're going to have increased call volume over the next few months, we're going to have a delay in filling those positions and continue to accrue the overtime costs.

>> Mayor Adler: Okay. Is there further -- thank you. Is there further discussion on the dais? Yes, Mr. Casar.

>> Casar: Would there be a -- would you have issue with just a postponement even if it were not heard in committee? Would you be able to have the necessary meetings to sort out the broader -- the broader issue if it wasn't heard in committee but you were able to sort it out before the next council meeting?

>> I think we've agreed it's an urgent matter to look at and vet the issues, however it happens, if it's through delay or addressing on the public safety committee, we would be okay with either of those. I feel like the timing of this issue is important given that this is one of the few remaining city council meetings now and this issue should have been, you know, reached before -- well before now.

[11:09:32 AM]

I feel now that we've identified it and are focused on it in a public forum, there will be the willingness to collaborate and vet these issues so that hopefully we are coming together as both representatives of labor and our management to bring a solution and that may well be involved with the withdrawal of this request if given a little more time. In short, either avenue would be acceptable.

>> Casar: Mayor, my preference is going to be just to here at the next council meeting. It's up to the committee members right now under our ordinance to put anything they want on the agenda, but as we have a broader conversation about what committees are best for, I frankly want to have big policy items rather than some of these smaller rcss come before our committees, but I know that's a broader conversation and I don't want to make this one item -- to belabor this item to have that talk. So I'll support a short postponement but want the council to be able to take this up immediately whether it's heard in committee or not.

>> Mayor Adler: Ms. Pool.

>> Pool: I agree with that and I think the next opportunity is January 28, and the public safety committee, I would hope that a resolution could be reached before that Monday so that -- what was the date again on public safety?

>> Zimmerman: It's January 25th. We could have an agenda item ready for the 28th and hear it on the 25th in a hearing.

>> Pool: It would be good if conversations could happen between now and the 25th of January so what is brought to the public safety committee is a resolution of this so that we can then talk about that rather than trying to problem solve at the committee level.

>> Mayor Adler: Mr. Zimmerman, do you move to postpone this item?

>> Zimmerman: I was going to move we add it to the agenda for the public safety committee for January 25th. To refer it to committee.

>> Mayor Adler: I think instead -- would it be -- would it be okay to say that this is to be heard by the full council on January 28th

>> Yes.

>> Zimmerman: Well, I would think both.

[11:11:32 AM]

The expectation is we'll hear it on the 28th, but I would like council to refer it to public safety.

>> Mayor Adler: It's been moved to postpone this to the council meeting on January 28th. With urging of the public safety committee to put it on their agenda for the 25th. That's a motion to postpone has been seconded by Ms. Houston. Is there any discussion on this? Those in favor of the motion to postpone please raise your hand. Those opposed? That passes unanimously. What about item number 13? Ms. Houston, you thought that would be quick?

>> Houston: Yes. That's going to be quick. Republic park is cultural and very significant to our community. I was wanting to know what the community engagement was going to be with members of the community and will there be any renderings of the artwork prior to placement.

>> Megan wells, art in public places administrator. Your backup did include the proposal that was submitted by the artists that are being recommended for the commission. I will say that the proposal is simply just a proposal and they would work on finalizing that design if they were awarded the contract. The public engagement would be part of their design process. They realize that this is an important space for many different stakeholders. We had a very robust discussion with the advisers to served on the selection panel and they reinforced there would need to be input from the community. I don't know what that will be but it is part of the project.

>> Houston: Will this come back to council at any point before the artwork is placed in republic square? It's not intended to come back. This would be the contract to have them start work on the project.

>> Houston: And so how do we direct to ensure that there is really community engagement for this piece of artwork?

[11:13:37 AM]

>> Well, the project advisers as well as the city staff include that in their scope of work and we build that into the contract with them. That's the way we usually try to make that deliverable.

>> Houston: Okay. Thank you.

>> Mayor Adler: Thank you.

>> I move adoption.

>> Mayor Adler: Ms. Houston moves adoption, seconded by Ms. Pool. Further conversation? Mr. Zimmerman.

>> Zimmerman: I wasn't able to go to the art commission. It says the vote is 7-2 and unfortunately my appointment wasn't able to attend. What were the objections of the two people of the commission?

>> There was discussion relating to the recommendation that came forward regarding how the different finalists would meet the goals of the project and the interpretation was that one finalist may meet the goals differently than another. Your -- as I recall, there wasn't a specific objection by your commissioner.

>> Zimmerman: My commissioner was absent. My commissioner didn't make the meeting.

>> Oh, okay.

>> Zimmerman: That's why I'm asking. I haven't been informed on this. I'm looking at the notes here and one of the things, I talked with the city manager yesterday and we -- we're both kind of surprised if there is dissent on the commission, we think there should be a report added to the backup material to say why there was some dissension. All I see in the backup here, it just says commissioner willize none and flores against. Just that they are against.

>> I recall the discussion focusing on wanting to make sure that our process is inclusive of specific goals related to a site that may have -- may be serving diverse communities, and I think they were trying to impress the fact that some of our particular spaces have a history that we need to include more specifically in the goals of the artwork.

[11:15:39 AM]

It was a discussion, there wasn't a specific directive out of that, but we took that to heart from staff and we said we would look at that going forward.

>> Zimmerman: Okay. Thank you.

>> Mayor Adler: Thank you. Ms. Tovo.

>> Tovo: I really appreciate that. I had an opportunity to speak with my commissioner and I understand concerns arose during the process. This is a site, as you've indicated, historically and culturally important and the rfp didn't necessarily ask artists to respond to that component. I would ask the artists selected to really consider that as they develop their artwork, the role this site has played particularly within the hispanic community I think is very important and I hope that will be acknowledged in the art that results.

>> Mayor Adler: Okay. It's been moved and seconded this item number 13. Further conversation?

>> Zimmerman: I would like to be recognized for an amendment to strike the words and execution so that it would read authorize negotiation of a design and strike the words and execution.

>> Mayor Adler: It's been moved to strike the words and execution. Is there a second? Ms. Troxclair seconds. Any discussion? Mr. Zimmerman.

>> Zimmerman: Thank you, I would like to speak in favor of the motion to strike and execution. I think the purpose of having the commissions is to have a chance for an alternative viewpoint to be expressed and I think in this case when objections are brought up, I think we should not go ahead and approve the execution. We could move forward with the negotiation because the majority favored that, but because there was some dissension, I think we should be able to look at the agreement before we vote on it. It is over \$100,000. So that's why I urge that we strike and execution and let this come back to council.

>> Mayor Adler: Any further discussion? Ms. Tovo.

>> Tovo: Could you address whether the contract you use with artists is pretty standard from project to project?

>> It is. We use a template that we developed with the law department. Typically the information in that contract does not change depending on -- we would incorporate goals, but the deliverables and the milestones and the way that we monitor that contract is pretty standard from artwork to artwork so we can maintain consistency of the process.

[11:17:53 AM]

>> Tovo: Thank you. That was my general understanding of it. Given that I'm comfortable moving forward with negotiating and executing today.

>> Mayor Adler: Further discussion on the amendment? Those in favor of the amendment please raise your hand. Those opposed? It is 9-2 with troxclair and Zimmerman voting no. Any further discussion? Those in favor of item number 13 please raise your hand. Those opposed? 13 passes unanimously.

>> [Inaudible]

>> Mayor Adler: Sorry. It's 9-2 with Mr. Zimmerman and troxclair voting no. That handles number 13. Item number 78 is the eminent domain matter. I'm going to read the script. You can judge how close I came. With respect to item 78, nonconsent condemnation item, is there a motion to the effect the city council authorizes use of eminent domain -- described in the agenda for the current meeting for the public use described therein. Is there such a motion? Ms. Garza. Second? Mr. Renteria. Any discussion? Those in favor please raise your hand. Those opposed? 10-1 -- 10-0-1 with Mr. Zimmerman abstaining. Item number 78 passes. Other consent items that the puller thinks will be heard quickly? Any?

>> Houston: I think 20 may be a quick one.

>> Mayor Adler: All right. Let's try that one.

>> Houston: It talked about Spanish languages. I need to always talk to people about the increasing number of other demographics in our city and specially some folks in the Asian community.

[11:19:54 AM]

And I always would like for people who are -- who are helping to always remember that re need to include the language barriers of other cultural groups. In part of district 1 and I know in 7 and perhaps in 4 there are large demographics that need this kind of assistance, and if it's only directed to Spanish languages, they will be left out. And they are in some untenable situations in multi-family dwellings. So I would like to make sure that people include other languages other than just English and Spanish.

>> Mayor Adler: Okay. Staff take note of that. Thank you. Ms. Houston moves adoption of item number 20. Is there a second to that? Ms. Pool seconds that. Ms. Troxclair, did you want to address that?

>> Troxclair: Yes. I just had a couple of questions. This was the item I wanted to pull as well. So is there staff here? I just wanted to understand, so it looks like this is authorization for additional money that brings a contract up to \$1,750,000 for Texas Rio grande legal aid. Do -- why -- is this kind of service bid out? I mean I would think that there are a lot of organizations in Austin who help -- who help tenants. Are we giving grants in this amount to other organizations that provide similar services or are there other organizations in Austin that provide similar services that we're not giving grants to?

>> Stephanie hat on. N, deputy director health and human services department. The answer to your question is is that Texas Rio grande legal aid is the only nonprofit in Austin that provides legal services.

[11:22:02 AM]

And so therefore this is a -- the way this contract is set up, basically it's going to provide legal services as well as education and advocacy for the clients. And so it's -- it's pretty multifaceted. And it is the -- the first term is \$350,000, and then we put some renewal options so that's how you get to the 1.7 million.

>> Troxclair: Okay. I mean it just -- I heard you say this is the only organization that provides legal aid, but I do know there's other organizations in Austin that advocate for tenants' rights and help tenants either get out of bad situations or find a place that -- that best meets their needs. And so I -- this is such a big amount and I wonder if there's other organizations that would have been able to -- to address this issue in maybe a more positive way instead of maybe looking at legal lawsuits in order to -- to effect change. It's just a big amount and I'm worried that we're not addressing this from a -- from a broader scope, I guess.

>> So it's actually going to be two entities that are going to do this together. You may be thinking about Austin tenants council is probably who you might be thinking about the nonprofit. So these two nonprofits are going to pull together and the litigation will be the last step. There's going to be additional steps, for example writing letters for the tenants. You know, helping them to meet with the landlord to have those conversations. So those other -- those other things are going to happen initially. Litigation would be the last step. So they are going to be -- there's going to be education in order to prevent clients from moving into substandard housing situations and kind of teaching them about their rights as a tenant.

[11:24:12 AM]

And then you build up to litigation. So litigation is not going to be the only thing. The only services.

>> Troxclair: And do we give similar grants to landlords to help them understand their rights? And what they need to do to make sure they are providing accessible -- you know, housing that are meeting city standards?

>> That would be an Austin code question. In the health department where I am, these are social service contracts and they are typically with nonprofit organizations and/or other governmental entities.

>> Troxclair: Thanks.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I'd like to speak against the item here. I've got two objections. In the backup material it again cites the report from the U.T. Law school and I'm going to quote, the city faces great needs in identifying dangerous rental properties. It's been my observation from paying some attention to what code compliance is doing is we have a management problem. Code compliance is spending too much time on nondangerous potential code violations and what people see as a lot of nit-picking and curious interpretations of rules. So I think we have a management issue, number one, that's not addressed by this. And secondly, there's going to be an unintended consequence of a lot of low-income people being pushed out of the city as a result of this action. So when we put resources toward, you know, code and prosecuting people for items that are not necessarily dangerous, which is going to happen, we're going to end up shutting down a lot of our lower income housing and we're going to get more economic segregation. It's going to be an unintended consequence of this, in my opinion, so I'm going to be voting against it.

>> Okay. Thank you.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I want to address one of the points councilmember Zimmerman mentioned.

[11:26:15 AM]

You've raised a point that I just want to focus on for a minute. I think it's really critical that we have safe housing for people throughout our community and it's long been an interest of the city and frankly long been a personal interest of mine to see the city take more -- more -- to take stronger actions when we have landlords who are unable or unwilling to fix up their property so that they are providing a safe place for their residents. And so I -- we do have a council resolution and have asked staff to look at ways for those property owners who may be in a position where they are unable to, they may be willing to but be unable to upgrade their property so it is safe for tenants. We have a resolution asking our housing staff and other staff across the city to really look at ways that we might help those property owners through low-interest loans or other means so they can upgrade their property to provide a safe environment. But by no means do I want housing to be affordable in areas of our city because it's dangerous. I don't think that would be -- I'm sure that that's a sentiment shared by everyone here. On the dais. But I do think you raise a question about whether we could be having an unintentional consequence and I think that's worth looking at and how we might support those property owners who want to do the right thing but may not be in a financial position to do so.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I have a couple of questions, please, but a couple of comments. I do think it is important to provide tenants with access to free legal advice, but the concern that I had with how this was presented in our backup material is I think as we do this, we want to make sure that we run these programs and the companies and organizations and nonprofits that we contract with do it efficiently and are able to provide as much service as possible to as many people as possible.

[11:28:18 AM]

When I didn't see any metrics at all, is it my understanding we've been contracting with this group for ten years or so?

>> You are correct.

>> Gallo: So there wasn't any backup on metrics, how many people they have served for the amount of money we're sending to them to serve the population. Once again my priority is we use our money and people use our money to serve as many people as possible. When we got additional backup information, it looked like that during last year, that this nonprofit utilizes the city funds to serve 185 unduplicated clients with legal assistance through their efforts. So if that is the metrics for what this money is being

spent on, then that works out to be just under \$2,000 a client, which to me seems like a lot of money, but once again since we don't have the metrics, I don't think that we are able to really evaluate if that money could be spent a little better and more effectively to handle more clients than 185. \$350,000 seems like a lot of money to just help 185 clients. So could you address that? Maybe I'm interpreting that wrong --

>> To correct you, yes, ma'am, you are interpreting that incorrectly. What we provided for you was the performance from last fiscal year's contract. With this \$350,000, what we added in the backup was is that for education with them providing education services, they will anticipate to reach 6,000 people. So what we're talking about with education is that's going to be the outreach and the education to assist the -- the households with landlord mediation as well as the written letters, the arranging for the meetings with the landlords and the property owners, and then making adjustment for time lines.

[11:30:24 AM]

And then in addition to that, of that 6,000, up to 120 households could benefit from litigation. So we are looking at 6,000 people to be served with this \$350,000.

>> Gallo: And since it wasn't in the backup, what was the contract amount for last year?

>> Last year the contract was for \$171,000, and that particular contract was actually set up slightly different. Still doing the education as well as providing the legal assistance.

>> Gallo: Okay. So that would work out to be about \$1,000, a little under \$1,000 per person. So it doesn't sound like we are expanding the scope -- we are doubling the amount of money, but we are expanding the scope. Thank you for doing that.

>> Absolutely.

>> Gallo: But my uncomfortable -- I'm a little uncomfortable with this doing it this way with the automatic for 12-month renewal periods because I think we're expanding the money, but we're expanding the scope and I think it would be important for the council to be able to look at the metrics once this year is over. So I would -- I would like to look at an amendment which would remove the renewal options so that it would come back to the council prior to those being executed or at least put language in that says it would come back to the council before renewing the 12-month option so that the council actually can be presented with a report from your department that shows that this change in the scope has actually occurred before we continue to automatically renew -- renew the contracts. Would that be a problem for your department if we did that? If you were -- I mean I would assume before the end of the year that you would want to make sure that they are meeting the metrics and the goals and the scope that you are laying out this year before we renew.

[11:32:33 AM]

>> So typically prior to any renewal of all of our contracts, six months out, we start having conversations about the renewal. Quarterly agencies provide performance measures. Monthly there are desk audits that happen in our department with all of our contracts, whether it's looking at payment requests in the backup documentation as well as verifying the performance. So at the six-month point we have an idea if they are on track with their performance as well as all other contract deliverables. In addition to that, site visits and monitoring visits occur for all of the contractors. And so there's a very rigorous system in place to ensure that we are good stewards of the city of Austin's funds. So a renewal is not automatic. In the contract there is language that says contingent upon funding, and then there is also a renewal is optional. It's not required. So the city can send them a letter about 60 days out and say we are not going to renew your contract and state the reasons why.

>> Gallo: Okay, so that process you have done for the past ten years as we've -- we've continued to stay under contract.

>> Absolutely.

>> Gallo: I think in the light of the fact that we are doubling the contract and we -- you have increased the scope substantially, which I really do appreciate because I think that gives us the best value for the money that we're spending, we do need to work with as many tenants as possible, but I'm still a little uncomfortable with a potential renewal for this contract without coming back before the council for the council to have a chance to actually look at the information that sounds like it's already part of your system in place.

>> Yes.

>> Gallo: And we were talking about that a little bit.

[11:34:35 AM]

So if -- I'm trying to think the language that would be appropriate. I would like it to come back before council with a presentation from your department before the renewals are actually executed and that would be my amendment to this motion.

>> Shannon Jones, director of health and human services. Is that something particularly for this contract because these types of contracts, this type of information that Ms. Hayden referred to we do routinely.

So is this a request just for this or is this a request you would like for us to do for all of our contracts that we enter into?

>> Gallo: I didn't know, I wasn't inferring that at all. I'm saying we have doubled last year from last year's amount we have doubled the amount we're spending. I think all of our goals is to help as many tenants as possible and I just wanted to make sure since we had increased the contract substantially and it looks like it will roll out over a five-year period with the four-year extensions, I want to make sure this first year because this is the first year because of the change in scope and spending you come back and share with us they have fulfilled the goals you are asking for so we're comfortable with that contract being renewed.

>> We have no objection. I'm just thinking of the logistics of doing this not only for this but for others, the precedence we might be setting. Our subsequent years is that also a request as year 3, 4 and 5 also that we come back for that?

>> Gallo: Well, I would say definitely the first year of the renewal because I think as we said we're increasing the amount substantially. You also have increased the scope substantially. And I think if they look like they are on target for the first year and they've operated, then I think the council would have less concern renewing it each year, but I think this first year it would be appropriate to look at that. I'm not intend to go set a precedent. I just think when contracts -- the backup information was not very clear so we've had to continue to ask these questions.

[11:36:36 AM]

But I do think it is important when we talk about large contracts and the potential of this one is almost \$2 million over the period of time, that we want to make sure as a council that the money is being spent efficiently.

>> [Inaudible]

>> Mayor Adler: Then Mr. Mr. Zimmerman.

>> Pool: Thank you, mayor. Thank you for coming up and talking about these contracts. I would be happy to have a status report come from staff, but I would not be interested in delaying the execution of these contracts, particularly as it sounds like it opens the door to setting a precedent for us to examine minutely additional contracts. But I think staff is well advised to -- and always will and has in the past let us know when it seems that benchmarks are not being met because you do the monitoring over time and as the contracts roll out. That's an assumption I have, I haven't asked you, but do you have a process in place to track and monitor contracts whether they be sizable or small as they -- as they are implemented?

>> Yes, councilmember. Part of our expectation is to monitor, as Ms. Hayden had indicated, to report, to do desk audits, to be engaged with the activity. We have a whole unit within our department that does that on a routine basis. As we see things we need to address, we do those as we identify those. We'll be happy, obviously, to share that information with councilmembers. We can do it on a routine basis or as frequently as necessary. My only question the precedent of come being back each year asking for approval given the time but also the nature of all of the other contracts we have with many other social services. I was trying to get the sense of where we're going.

>> Pool: Right, and these are fairly complex services and we are taking valuable staff time away from the duties and operations that you have at your desk by having you come to council repeatedly to essentially give us status reports, I suppose on some kind of a written update would be sufficient.

[11:38:48 AM]

I did also -- so I thank you and I don't see a need to ask you to come back after the first year to make a report. I would be happy to support the execution and continuation of these contracts and the additional ones that you have already underway. I did want to check in with councilmember Casar, was some of this money relating to the contracts that we talked about during budget when we were setting up a contract with Texas rural legal aid in order to provide these very services for tenants?

>> Casar: I'm glad you brought up the point because I think we can get through some of this conversation by acknowledging that this is coming up in the budget. And so after the six-month point where we'll have lots of data on how this has gone, we will be beginning our budget process. So if anybody has any concerns and wants to reduce the amount of this contract for next year, increase it or defund it, that is something we do in the budget process and ask staff how things are going and if we are not -- metrics are not being hit or missed, I don't think we actually need staff to come back because we do the budget every year and we can choose to defund this program if it's not performing during the budget or increase it. So I think everybody here is going to already get what they want and that's why I think we can approve this and if there's concerns at the six-month mark, at the appropriate time we address that.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: I would like to start with a brief point of inquiry. In the backup material on the back page it says under performance, it says performance measures as well as contract exhibits will be negotiated. And so I would expect that language for something that's new because you are asking for authorize, negotiation and execution. It also sounds like it asks for extension. Are the performance measures negotiated, is that the extra work that councilmember Gallo was referring to or the extra scope?

[11:40:52 AM]

Is that what's going to be negotiated as far as the performance metrics?

>> So there are several things that we -- we need to do with the agency in order to finalize the contract. And this is a separate contract from the other contracts. So they will have two contracts with the city of Austin. And so during that time, we will firm up the actual performance, as well as we're scheduled to meet with code tomorrow because we need to ensure that that continued collaboration and there is a

[inaudible] In code so there's some logistical things we need to work out before the contract is effect.

>> Zimmerman: Okay. Thank you. Mr. Mayor, again, I want to emphasize again I think it's by definition impossible for us to know if this is a wise use of money because we don't yet know what the performance measurements are. So again I'm going to be voting against it. I would support councilmember Gallo and some amendments to try to, you know, nullify this situation, but seems like by definition we don't know what the performance measures are. We have no way to know if the money is going to be wisely used, but we're going to approve it anyway.

>> Mayor Adler: Ms. Houston.

>> Houston: First of all, mayor and council, I would like to apologize. I thought this was going to be a very short kind of discussion. And so with that being said, I'd like to call the question.

>> Mayor Adler: I'm sorry?

[Inaudible]

>> Mayor Adler: It's been moved and seconded. We're still in debate. There is no amendment on the floor at this point.

>> Houston: And I call the question.

>> Mayor Adler: There's been a motion to cut off debate.

>> Gallo: Can I ask one question because they've mentioned something that's that's confused me. We're looking at one contract but something said there's two contracts. So could you help explain that?

>> Mayor Adler: This is a point of information request as opposed to debate.

[11:42:56 AM]

The question is one contract or two contracts?

>> So they will have two contracts with the city of Austin. The other contract that they have was a part of the solicitation process. And so we have to do two separate contracts because that was a part of a solicitation that ended in December of 2014.

>> Gallo: And the total of both contracts is the 350?

>> The 350 plus the 170.

>> Mayor Adler: It's been moved to -- does that answer your question?

>> Gallo: No. 350 bus 170.

-- Plus 170. So we talked about ten years of history with this company. This is where it would be helpful to have good backup information. We've talked about the history with this company and we've been working, the city has been funding for ten years. And you talked about the amount from last year and we're looking at a contract here, but we also have another contract with the same company?

>> The one -- the 170 was a part of the solicitation, and it is a contract with Texas Rio grande legal aid and Austin tenants council is the sub. And so we have had a separate contract with Texas Rio grande legal aid for over ten years providing services for the city of Austin.

>> Gallo: So we're going to continue that contract and this is a new contract with a new dollar amount in addition to the existing contract.

>> Yes.

>> Gallo: I'm just trying to understand.

>> Mayor Adler: There's been a motion to cut off debate. Is there a second to the motion to cut off debate? Mayor pro tem seconds that motion. This is a motion that requires -- it's not debatable and it requires a two-thirds vote. So that would require eight people to cut off debate. Is that right? Eight people. Those in favor of cutting off debate please raise your hand. One, two, three, four, five, six, seven, eight, nine.

[11:45:00 AM]

Those opposed to cutting off debate? Gallo and Zimmerman. Debate is closed. The question has been called. Ms. Troxclair. Troxclair and Zimmerman. Sorry. We're now going to vote on approval. Those in favor of approving item 20 please raise your hand. Those opposed please raise your hand. Zimmerman voting no, frocks Claire voting no. Any abstentions? Gallo abstains. The vote was 8-2-1. That takes care of item number 20. I think at this point, Ms. Garza, we're ready to proceed with item number 80, which is which is pilot knob. What's been handed out is the revised number 80 in yellow. Also handed out is your amendments on a white piece of paper that's headed Garza number 80.

>> Mayor?

>> Mayor Adler: Yes.

>> If it's okay with councilmember Garza, I'll read these changes into the record. So item 80, again, case c814-2012-0152. We have some changes to the ordinance that was handed out to you earlier this morning. I would like to read those into the record. The first is the part 7, section C has been stricken from the ordinance. Secondly, part 8c1, I have a change to the last sentence of that paragraph. That sentence will now read these funds will be made available to the Austin housing finance corporation or other entity designated by city for the purposes of lots or units within the pilot knob pud at a sales price agreed on by parties ... Purchasing houses been the pilot knob fund and costs associated with administrating the affordable ownership program and other expenditures agreed upon by the city.

[11:47:20 AM]

Part 2 of -- I'm sorry, 2 -- part -- part 8c2 has been stricken in its entirety. And it's been replaced by the former part 8c3 which will now read all lots transferred by the landowner hfc to other entity or other entity designated subject to approval or other entity time sensitivity. The lots must go fully developed and integrated throughout the pilot knob pud. And finally, under, again, part 8c -- I'm sorry D, part 8d. It will now read the land homeowner is required to make a financial contribution to hfc or other entity designated by the city in an amount calculated 2% hard con construction costs, mud reimbursements up to \$6 million. These funds will be used to further the an affordability outcomes, the contributions shall be deposited into the fund to be established under c1. With that I can offer that case for third reading.

>> Mayor Adler: Is there a motion to approve this item on third reading? Ms. Garza moves. Mr. Renteria seconds. Any discussion on this item? Ms. Garza.

>> Garza: I just want to thank the developer and the mayor's office. I think we've done something really great here. We've basically created about 650 homes that will be permanently affordable and I think that that's huge. So thank you for your work on this. Thank you to the mayor's office, thank you to my staff, Katherine, who took endless meetings and John Michael in the mayor's office, I really appreciate all the collaboration to get permanent affordability in this project.

>> Mayor Adler: Just to touch base, I think you are selling it shorten with that that was pretty exemplary.

[11:49:21 AM]

It's close to 1,000 units of personal affordability if you include the rental units in that. This is something that came to us several months ago, you raised the question of what happens when the affordability comes up and it lasts one sale and then it can disappear. And the answer that was given was there's just no way around that. Folks had worked on that for a couple years trying to figure out what the path was, but at your insistence everybody sat down and said let's look at this again. The developer sat down in a very constructive way to join in that conversation to figure out a way and you were able to do it. The group was able to do it. Your staff, I've seen tons of them as I'm sure you've now seen tons of my staff. My staff kind of living in your office as well. But this is something that is very different and very new. It's also going to drive eventually transportation out to that area because of what you did with the capital metro location. That became one of the ways to make this work. It's a -- just a huge amount of affordable housing, but the tool that was used hopefully is something that we can employ and use in more places. Pretty extraordinary and thank you for your leadership on this matter. Ms. Gallo.

>> Gallo: So councilmember Garza thanked everyone that participated in this but she didn't thank herself and the mayor addressed this, but I want to say this was a hugely complicated, very consensus building process that you went through and I want to say thank you to you since you can't thank yourself.

>> Mayor Adler: It's been moved and seconded item number 80. Those in favor please raise your hand.

>> Zimmerman: Quick question.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Mr. Mayor, I have a really quick question on this. It sounds like there's agreement here and a lot of work was done so I can't vote against this, but I've got -- some concerns in here on economic segregation.

[11:51:27 AM]

I mean it really -- we've complained about how the city is becoming unaffordable and it seems like there's a feature in here that kind of institutionalizes, you know, economic segregation in the city, and that's this requirement for the -- the housing finance corporation here in Austin. They call it affordable, but I call it subsidized and unsustainable. In any event, I'm going to abstain from this out of an objection that one group of homeowners or home purchasers are being forced to subsidize another group. So there is some economic segregation built into the agreement so I'm going to abstain from the vote.

>> Mayor Adler: Okay. Further discussion? Those in favor of item 80 please raise your hand. Those opposed? The vote is 10-0-1 it's approved. Mr. Zimmerman abstaining. What about item 79?

>> If I may before we do that, now I believe we need to vote to annex pilot knob. A little out of order, I could offer it for consent approval item 67, which is an item to approve an ordinance to annex the pilot knob mud number 3, Collins track for limited purposes which is approximately 2.9 acres in eastern Travis county, approximately .8 of a mile east of intersection McKinney parks ... Contiguous to district 2. I can offer that for consent.

>> Tovo: I really wanted to ask a question should we do this on first and take the other vote?

>> No because the effective date isn't until January 1st so it's fine.

>> Mayor Adler: Ms. Garza moves passage of item 67. Mr. Renteria seconds. Further discussion?

>> Houston: I just have a question about the notification to the folks in the mud. Is there -- has there been any correspondence from those folks that are currently there or against annexation?

[11:53:31 AM]

>> This is actually just a tiny 2-acre piece.

>> Houston: Okay.

>> Mayor Adler: Okay. Any further discussion? Those in favor of the annexation please raise your hand. Those opposed? It is unanimous on the dais. In favor of annexation. That's item number 67 approved unanimously.

>> Mayor, I have two more I can offer for consent.

>> Mayor Adler: I want to note the developer of the property on pilot knob is here. Thank you very much for engaging in this exercise. You helped a lot. Thank you. And I just want to note there are some elements of this still to be figured out. There is the question of the -- you know, what -- at what value are the lots being acquired by the city, but those fall in later agreements, but my understanding is while that issue has not been decided yet, it's to be worked out. Is that correct? Mr. Suttle is that correct? Thank you very much. Acknowledged by both. Let's then go, Jerry, if we can get this before noon, you can knock out two of those.

>> Six minutes to spare. I can offer number 85. C14-2015-0127. This was approved first reading at your last meeting. Two changes. One to the restrictive covenant which is the -- they are both similar, changes to the legal description. In the restrictive covenant we would describe the property just as being all that property described on exhibit A attached here to, strike except and except the parcel on exhibit B and save and except the parcel described as exhibit C attached here to. And we take also out tract B, all that property described on exhibit B attached here to.

[11:55:34 AM]

Basically we are removing a portion of the property that is no longer part of the zoning case from the restrictive covenants so we would be removing exhibit B and just going with exhibit a to describe the property. Likewise on the ordinance, tract 1 would now be described as being all that property described on exhibit a attached save and except the 14.305-acre parcel on exhibit B and strike and save and except the 17.876-acre parcel described on exhibit C. We would take exhibit C out of the ordinance. The area being rezoned as shrunk and we need to reflect that in the restrictive covenant and electronics signatures awaiting so we can offer that for approval on second and third reading.

>> Mayor Adler: Item number 85. Is there a -- I'm sorry, is there a motion to approve 85? Ms. Pool. Ms. Tovo seconds. Discussion? Those in favor please raise your hand. Those opposed? It's unanimous on the dais. Do you have another one?

>> Yes, item 79.

>> Mayor Adler: It's unanimously approved on the dais.

>> Item 79, c7a-2015-8008, approve a -- for full purposes which is approximately 263 acres in northeastern Travis county north of Howard lane approximately 700 feet east of the intersection of Howard lane and cantarra drive and north and south of Howard lane, contiguous to district 1 to plow completion of the project defined as the -- city of Austin skies c8j-05-0236 which may utilize alternative fiscal provisions of the Travis county development regulations. The public hearings for this item were held and closed on October 1 and October 15 of this year.

[11:57:35 AM]

We can offer that for approval on second and third readings.

>> Houston: Mayor, move adoption.

>> Mayor Adler: Ms. Houston moves adoption of item 79. Is there a second in Ms. Pool seconds. Any discussion? Those in favor of approving item 79 please raise your hand. Those opposed? And the vote is 10-0 with Ms. Garza off the dais. Thank you very much.

>> Thank you, mayor.

>> Mayor, I just wanted to congratulate from rusthoven. I think all of your guesses bore out and I think it may have something to do with that really snazzy necklace you are wearing today.

[Laughter]

>> Thank you. I was hoping for consent.

>> Mayor Adler: Two things to note before we go to citizen communication at noon. The first is that while we had our work session on Tuesday, we failed to note that it was council member kitchen's birthday on Tuesday. So I think we should all --

[singing]

>> Mayor Adler: So happy birthday. And then I think it's also be good to acknowledge that last night's community leadership awards ceremony, our colleague councilmember Houston was honored with the Dr. James hill leadership award so congratulations.

[Applause]

>> Houston: Thank you.

>> Mayor Adler: That moves us into citizens communication so I will call up Michael Fossum. You have three minutes, Mr. Fossum.

[11:59:39 AM]

>> Bring the slides up, please. I have some slides. Good morning councilmembers. My name is Michael Fossum. Part of the justification for their management policies is the Texas wildlife service is not transparent. To essentially vilify phi tws. Statements to that effect were made by lundstep and others at the Travis county commissioners court meeting. Sara Hensley told me she has never approved traffic in parks. It is a defense of prosecution if a -- that park employee includes a contractor. Therefore tws is not violating. Chairman lundstat should have been informed of this that tws was acting as an agent on the city. Allowing access to public and private property include U.S. Supreme court case, federal law act of March 2, 1931, and appropriations act of 1988. And state law tca chapter 825. Permits were issued for every

[inaudible] Removed from parkland 2010-2014. There was a pard permit process in place before the 2014 council resolution. There have been no county removes since the 2014 resolution passed so no violation by tws is possible. Here's an example of a pard permit for trapping in circle C metro park. This is authorization signature section signed by director Hensley.

[12:01:41 PM]

So conclusion, tws has complied with city code. Pard has a process to issue permits to tws. Tws provided information when requested, they have no -- the lames by the aac and city officials are not true. Claims and recommendations made by these city officials, commissioners for the wildlife management plan and the contract should be taken with a large grain of salt. The last slide shows the number of coyotes killed annually are about the same for our current plan and the more human plan recommended by the aac. The aac claims that trapping is inhumane. These are coyote leg hold traps like the ones used by tws. The traps have rubber padded jaws. To show you how the trap works, I will put my hand in the trap just like a coyote would put his paw in the trap. This trap is humane. What is not humane is abandoning a sick full science based management policy to institute policy with no scientific basis that as a matter of public policy. Think about that, requires that a person be bitten by a dangerous predator that may have rabies before action is taken. Please vote no on the aac recommendations. Thank you.

[Buzzer sounding]

[Applause]

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I just wanted to say thank you for your work in providing this information to us. My chief of staff's cat was killed last weekend by a coyote on her property just oner to on side of a fence and the coyote is now stalking her property so she is scared for her personal safety and the safety of her other pets. So I had personal experience with this issue recently and I'm so sad that she doesn't get to have her cat years with her anymore.

[12:03:43 PM]

>> Mayor Adler: Okay. The next speaker that we have is Brenda Richter. Ms. Richter here?

>> I think she's running a little behind.

>> Mayor Adler: If she comes we'll call her. If she comes during this time. Donald Conklin. You have three minutes.

>> Yes, thank you. Mayor Adler and councilmembers, thank you once again. My name is done Conklin and I'm the vice president of north Austin mud number 1. I'm back once again to draw your attention to the ongoing and very costly fight against what has been consistently identified as illegal and inappropriate costs included in the water rates set by the city water utility. I remind you once again in 1989 the court ruled clearly outlining the requirement for a cost of rate study to be conducted as well as the type of costs that can be included and more importantly specifically addressing the type of costs that cannot be included in the establishment of water and wastewater rates. For the last 25 years the city has had the opportunity to police themselves in setting rates. And they have failed miserably. By

2013 the abuses had reached the point where we finally had no choice but to stand up for ourselves. This was not a fight we wanted but one we are committed to fight again. I want to point out that the city has now lost three separate rulings on this very important issue. First in 1989, then this past summer in a court case, and most recently in a P.U.C. Hearing on the matter. To date our muds in the city have each spent which excess of a million dollars on this dispute with no end in sight. Throughout the last two plus years the city water utility has had every opportunity to make their arguments for rate justification and they have lost every time.

[12:05:45 PM]

At every turn the city has changed their argument and tact to try to find another way to continue rye vaccinating the rules and laws established time and time again for fair water rates. The city legal team might tell you they have made settlement offers. But let me be clear, these offers were anything but sincere or genuine and amounted to nothing more than checking boxes prior to filing the next appeal. They have not been made in good faith. We continue to look for opportunities to work with the city in the spirit of cooperation and good faith, but that has not been the case on the part of the city water utility. The city legal team made a statement recently regarding the need for rate fairness for all residents. We could not agree more. This case is not just about wholesale customers of the city, it is about the fundamental fairness that should be used to set water rates for all city customers. I appeal to you once again to exercise your leadership and like myself stand by your commitment to voters to support more accountability and transparency within the city. Please take a hard look at the facts in this matter and consider making the decision to withdraw these costly and fruitless efforts to fight a battle the city utility has lost time and time again. It's time we all move on. Thank you.

>> Mayor Adler: Thank you.

[Applause] Alton Moore.

>> Hello, I'm Alton Moore from Hudson bend. About every ten years -- ten years or so our area considers incorporating. This time around we have silently fallen within Austin's E.T.J. And so while the situation can hardly be considered urgent with these time scales we are certainly under Austin's thumbs now. Of course our first preference is to be released by E.T.J. By you the city council so we can hold a vote on incorporation.

[12:07:50 PM]

Failing that that's the petition route, there's also legislation and we have been ramping up our efforts in that area. While we cannot single handily reverse 35 years of pro-city government annexation statutes overnight, we have a fair chance of getting something advantageous passed during the next legislative session. If the last session was any indication and we are working toward that end. We're certainly heartened by your recent old lampasas trail annexation vote and perhaps we can gain the same favor if we lay out facts and figures. We have already met with staff from all of your offices and are looking forward to meeting high pressure of you face to face. However, in the absence of that we will press our case here if need be three minutes at a time. I can hardly neglect to mention how professional the mayor's office has been with us. We can hardly count him as a supporter at this point, but perhaps he can be turned eventually. So the main considerations you will be faced with annexing Hudson bend or responding to an annexation request are contiguity, recurring costs of providing municipal services, cost of providing water services within two and a half years, and cost of providing wastewater services within four and a half years. You also take on the liability, legal or political, it really doesn't make any difference, for flood in the 100 year flood plain and we have determined Thal of such properties in Hudson bend is \$150 million at this time. It's hardly surprising that city staff are against releasing us from E.T.J. And they have quoted a time line of 30 to 40 years until Hudson bend is annexed by Austin. While even a cursory look at a map will show that cities limits already touch Hudson bend at the dam. A graphical time line of Austin's expanding city limits over the years belies this assertion. It's our hope council will be able to reign in staff's tendencies as we are pretty independent minded folks in Hudson bend.

[12:09:54 PM]

While no one person or department truly knows when Hudson bend might be annexed my question is do you actually stand by this 30 to 40 year figure promulgated so often by city staff. Thank you.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Before you go, Mr. Moore, this is adjacent to district 6 in northwest Austin and some people may not be very familiar, but Hudson bend is a very rocky area, right? And the infrastructure is very difficult because you have rock you have to dig through. And right now you have water control improvement district N. Number 17.

>> We do.

>> Zimmerman: Rig your water. You also have the pedernales electric co-op providing electricity.

>> Actually we have Austin.

>> Zimmerman: For all or part?

>> As far as I'm aware, but I cannot speak definitively on that.

>> Zimmerman: And the low water, the 100-year flood plain areas, that was a result of the base flood elevation, the bfe adjustments, right, where I guess it was a new model was done and they said that your flood level is now 8 feet higher than the spillway at the Mansfield dam?

>> That is correct, although we ran the figures 8 feet lower and they are still considerable.

>> Zimmerman: You did have some property in that 100-year flood plain.

>> Most of it and speaker number 9 will address this.

>> Zimmerman: Thank you. And what you are asking for, you would like the city to take you out of the E.T.J. Or to pass a resolution that says you are not going to be annexed or --

>> We would like to be taken out of E.T.J. Because what one future -- one city council does is not binding upon another and so if we are taken out of E.T.J. Then we could have a straight-up vote for incorporation.

>> Zimmerman: Thank you.

>> Thank you.

[12:11:54 PM]

>> Mayor Adler: Next speaker is pat valls-trelles. You have three minutes.

>> Thank you, mayor. My name is pat valls-trelles. I served on the Austin animal advisory commission for 15 years. And I continue to be involved in animal issues by continuing to attend commission meetings and speaking at times to some of you at -- on different other occasions. Last week Carol Abernathy spoke in opposition to the animal advisory commission recommendation on coyotes, and referenced a study that councilmember troxclair, you requested. David lundsted chair of the animal advisory commission has written to all of you and responded to that study by mentioning that it's not based on peer review, science, it's something that the animal advisory commission studied and has refuted and he has spoken to that in that letter. I urge you to read David lundsted's letter and to examine other studies that are more scientific. Dr. Craig Neeser is here, a member of the animal advisory commission, and I would like to turn over my time to him to speak to the safety issue, if that would be possible. Is that possible, mayor? To turn my time over to Craig Neeser? Q.not in citizens communication.

>> Okay. Then I will continue to speak based on information he has given me. He has time and time again spoken to the fact that coyotes have never been known to kill or hurt any human in Texas.

[12:13:56 PM]

There have been some bites reported in other states that were done because humans were doing foolish things like feeding coyotes and at some point they got bitten. If coyotes are following someone, it's because they have seen food. If the pet food is outside, the coyotes come habituated in that neighborhood. We can much better address that through education rather than through the leg hold traps. That is an effort we want to undertake with the help of the Austin animal center and Tawny Hammond. Councilmember Troxclair, I'm very sorry your chief of staff lost her pet to a coyote. I want to speak to the fact that a few weeks ago we were before the Travis county commissioners court and someone from the Austin animal center, an animal control officer, presented evidence of cats being caught in steel leg hold traps. Those were cats that were found and whose legs had to be amputated because they were found in these traps. We don't know how many cats are out there being caught in leg hold traps that we never find.

[Buzzer sounding] I would like to end with that and thank you very much.

>> Mayor Adler: Thank you. The next speaker is Erin Saffell or Saffell.

>> Hi. My name is Erin Saffell, I'm just a citizen, a concerned citizen with having to do with things I'm seeing specifically on Facebook pages. Why online social media pet trading reremobile homing sites are a public safety concern.

[12:15:58 PM]

These are two groups that are private.

>> Pool: We can't hear you.

>> Zimmerman: We can't hear you.

>> These are examples on Facebook that a lot of middle and high school kids are on and people of all ages for the central Texas area but it's supposed to be for continue. There is lack of accountability. You can't report on any of these people because it's a Facebook name. You don't have their phone number or address or anything. A lot of them are juveniles and you can, like, tell by looking at their pictures or it says what school they go to and, like, they don't make any private on their pages. We can't even really report anything and I've reported weapons and stuff on these sites. Inexperienced handlers getting dogs with behavioral and health issues could result in injury or death to human or other like animals. I've got a dog off one of these sites that had medical issues and it had cuts all over it and I had her spayed and she's is dog aggressive and if someone other than myself it could get out and kill another animal and it's getting trained so it's getting better, but a kid getting that off the site for 100

bucks wouldn't have done that. Stolen and lost pets are being sold by people want to go make money or they don't know where to take it. At Austin animal center there's a two-week wait if you want to sure surrender a pet so a lot of team just turn their pets lose. Unlicensed breeding for dog fighting, creating dog flipping. It's kids on these sites. Adults are having them do this probably. This was on the sale, trade your pit bull page.

[12:18:02 PM]

The two blurred out faces are kids. They look like they are 14 or 15. I don't really need to say anything about that. That is electronics being traded. He's like what can I get for that. It looks like a projector. On the left is a kid telling some of us, hey, I'm going to have the dog put to sleep if you don't come get it from me. Some little puppies and we didn't get them. This kid I blurred out his face, his picture is spongebob squarepants. He's asking for people to have their male dogs come and impregnate his female dogs and there's an adult in that picture. Those are random dogs.

[Buzzer sounding] If we know someone is monitoring we can help give them the information. Three of those are the same kid selling a dog, asking people to breed their dogs and trying to get rid of a dog on different sites. The same person.

>> Mayor Adler: Thank you.

>> Thank you.

[Applause]

>> Mayor Adler: The next speaker is Carlos Leon. Mr. Leon, have you three minutes.

>> Soy Carlos Leon in Austin, Texas, December 17, tween, to speak what's right. First and foremost span pan for letting me set the --

[speaking in Spanish] Letting me set the record straight. Document on screen. In his December 14, 2015 statesman article, Ralph herwitz claimed 20 children and six educators were killed three years ago at sandy hook elementary in Newtown, Connecticut. However, the FBI's 2012 crime report states zero murders there in 2012.

[12:20:05 PM]

Meaning sandy hook was a staged fraud. And Mr. Herwitz's liablist claim is false. Camera on me. This massive law propagated by the bide even-obama administration and Hillary Clinton is used by democrat

enemies of our constitution to wrongly attack our second amendment right to bear arms to defend ourselves against evil individuals, tyrannical government, and foreign attack on our soil. Yet these same domestic terrorists, they support planned parenthood, premeditated murdering of pre-infant life. That's insane. The article also claims mayor Adler said, quote, people on no fly lists and some people with mental illness should not be able to obtain guns, end quote. However, false entries and misdiagnoses are so common if not intentional that such unconstitutional restrictions are nonstarters. Plus, lawyer Adler should know that no fly lists violate our fifth amendment due process protection of our freedom of movement. Yet the biggest democrat con is Obama acting like a president so Biden can act as president legally. Per amendment 20, section 3, sentence 2, between the first or and semi colon, which Biden sneakily researched during the 2008vp debate when he guaranteed he would be in the room for every major decision the president would make.

[12:22:05 PM]

Impeach and imprison Biden, Obama and Hillary now for their crimes. Legally undo all they have illegally done before it's too late.

[Buzzer sounding] In Jesus' name I pray, amen, thank you lord, god bless Texas and our country.

>> Mayor Adler: Mr. Peña, you are the next speaker. You have three minutes.

[Inaudible].

>> Good afternoon, mayor, city councilmembers. My name is Gus peña, proud native east austinite, marine Corps veteran. Mr. Mayor, we have yet to hear from you to reach out to us. You promised to reach out to us veterans, but this handout that I'm passing out is from Kate Murphy of mental health policy fellow at the Texas public policy foundation. I did -- I shot an arrow to the particular one that you want to read. It says the federal government believes there are many more than 2,000 people homeless in Austin each year and puts the estimate closer to 7,000. I've been vindicated by my number of 5500 homeless people here in Austin. I work with them daily. I've known homelessness. I can tell you what's going down. But anyway, read it, please. And reach out like you promised. Merry Christmas, happy new year. Help the homeless. Single homeless women need housing. We need more multi-family occupancy apartments so we can house families. The city is too expensive. The city is giving away too much to developers. We need true affordable housing, transitional housing for the homeless. The gap widens between the haves and have nots, not good. Showing appreciation to veterans every day and also our precious senior citizens who pave the way and children who are our future.

[12:24:10 PM]

Mayor Adler, much more needs to happen to house our homeless veterans. Enough talk. I haven't finished yet. I want to thank Mr. Dick Rathgeb. He bought 7.5 acres from Travis county to build and augment children and women's housing. And, you know, that's going to put a big chunk of homeless women and children in this housing which we need to do. I have been in contact with secretary of veterans affairs McDonald personally and secretary of HUD Castro, I don't know when he is going to announce to be a VP candidate with Ms. Clinton but I told him we need to support our veterans and get more money on the voucher because not comparable with high rents in Austin and Travis county. Mayor, I have a big difference of opinion with Ann Howard and echo. I'm not defaming or saying anything that's not correct but be honest and truthful with us. I've been at this even more than even Mr. Renteria. I started this in 1960s before I was enlisted under the Marine Corps. How much more do I have to do? I'm in my 60s now. I've met many mayors, helped a lot of mayors get elected, city councilmembers, but let's be honest. You want to include us veterans, we'll hold you accountable each and every one of you. Councilmember Houston, I spoke to her on her campaign trail, I love her very much. I respect you very much also, but, you know, Christmas is a time for the birth of Lord Jesus Christ and we need your help.

[Buzzer sounding] Merry Christmas and let's get working on housing the homeless. Thank you.

[Applause]

>> Mayor Adler: Gary Paisley.

>> I have some handouts and a presentation.

[12:26:13 PM]

My name is -- my name is Gary Pace Paisley. For the past ten years I've been a dual citizen of Dallas and Austin working for a petroleum engineering firm. Recently I had an Australian client, we were working on a client in India, he suggested we meet in Austin. From the Congress Avenue bridge he made a grand sweep of his arm and said this is a world class city. And I agreed with him. It is a beautiful place and one of the reasons it is a beautiful place is because of the dedication, preservation and vision of people like you 25 and 50 years ago. I'm trying to figure out how can we help Hudson bend over the next 25, 30, 50 years. Part of that is to do due diligence over the effort of incorporation or not and one of the questions that came about is will we truly be annexed in 30 to 40 years. We will talk briefly about the Austin comprehensive plan, the annexation history, projections to 2039, what's making Hudson bend grow and what's going to make it not glow.

-- Glow. Excuse me. Technically illiterate. You can see we've got some maps of what Austin has annexed between 2000 and 2014. On the right slide I've got the area Austin encompassed in 2010, from your plan

to 2039 and we see Hudson bend is part of the growth. Your plan identifies Hudson bend as not a priority location for growth, as a matter of fact it's a world watershed. It does have environmentally sensitive areas. Some parts particularly where I live are quite beautiful.

[12:28:15 PM]

The plan said the susceptibility to change analysis we're not going to see any change out to the west and southwest, however, when I look at district school student enrollment, lake Travis area, which includes Hudson bend, has the highest growth of any area. Contrasting to Austin ISD which has lost students over the same period of time. Txdot is putting together a feasibility for our main highway in and out of there. As we've talked about briefly, the 2003 revision of the FEMA 100-year flood plain puts my house clearly in flood waters where the red star is along with more than 300 others. We can either replace septic systems one at a time for a cost of \$50 million or we could build a sewage treatment plant for 100 million. As you can see, our motocross track is on high ground. We do have areas to put it. I'm a little concerned about the growth concept map --

[buzzer sounding] Sorry.

>> Mayor Adler: The next speaker is Paul Robbins.

>> And I get the last word. Think of it. This is the last citizen communication of the year. I'm sorry --

>> Mayor Adler: There's with going to be one person right after you.

>> All right. I'm formally asking you to place two items on the January or February Austin energy oversight committee for thorough discussion and possible action.

[12:30:16 PM]

And first I'm asking for 15 minutes to lay out my suggestions regarding repair of the customer assistance program. This council took up the item in may, but the program is still awarding money to people who do not need it, and need your specific action. I do have a reputation for delivering information concisely. I have sent a suggested ordinance to you as a starting point, so I'd like you to place this on the January or February agenda. I would also like you to take up the issue of a public election on the proposed natural gas plant, as specified by the city charter. The recently released navigant report was expected to be an independent review of the proposal. Now that the report has recommended the building of a gas plant, the entrenched opposition is claiming bias on a study is that the entrenched opposition originally demanded. This is obviously a polarizing issue. The best thing the council can do is to ask the voters to

decide this, to decide on their own economic and environmental future. My suggestion would be to hold an election in sync with national and city council elections next November. I think -- so again, I'm asking you to put this on the oversight committee's agenda for discussion in January or February. And I'm going to stop there. Thank you for your attention.

[12:32:22 PM]

>> I've got a quick question. Thank you and merry Christmas, by the way.

>> To all of you.

>> Zimmerman: Sorry you weren't the last one but do you have any objection to that coming up in, say, like a may referendum?

>> I was thinking of it in terms of saving money for an election, consolidating all of them into one, but, no, I don't have an objection to having it in may, particularly.

>> Zimmerman: If you had -- based on your decades of experience, if you had to pick a number for, say, you know, an expenditure amount -- because I think the renewable contracts should also face voter scrutiny, you know. If we do a billion-dollar contract, it should face voter scrutiny.

>> Well, we're talking hypothetical here because such contracts, as well as fuel contracts for gas or coal, are not in the city charter. But in principle, I do agree with you. I mean, it seems fair that if you're going to vote for, you know, a billion-dollar gas plant, you should vote for a billion-dollar coal plant.

>> Zimmerman: Or a billion-dollar biomass plant in east Texas. Okay.

>> Yes.

>> Thanks.

>> Mayor Adler: Brenda Richter is the next and last speaker.

>> Sorry.

>> Mayor Adler: You have three minutes.

>> Thank you, mayor, for letting me go still. And good afternoon, mayor and council, and thank you for your time here today. From one elected official to another, we need your leadership and guidance here to end a two-year-long process. We're here again today because we don't have -- because we don't want to continue to fight an issue that the highest body in the state of Texas has decided, but we will. I'd like to reread to you a quote from the awu's request for a PUC read hearing that we had this morning and that is still being decided today.

I quote: Austin rate payers need a government agency, an investigative body, or a court which will insist on water and sewer rate fairness for all Austin customers.

[12:34:34 PM]

Austin needs rates set through a fair process which allows Austin to recover all its direct, intersects and regulatory cost of providing services to the petitioners, end quote. Exactly. We urge for your leadership to prioritize a reasonable compromise and not continue a challenge, a very reasonable ruling, to challenge a very reasonable ruling. For us, we want to be fiscally responsible to our residents, but more so, we will stand up against the practice of balancing the city of Austin's budget through utility general fund transfers at the expense of our out of city residents. We believe as a new city council, with new leadership, you, too, will be interested in stopping past practices that are bad for city residents, as well as customers of the awu. The PUC is ruling today on the rehearing and the next step is stated already by your legal staff, if we cannot come to an agreement, is district court. If we cannot come to an agreement, the next step, where we will inevitably begin another protracted argument. We spent two-plus years on an issue that has been made clear from the administrative law judges and the public utility commission. We just want to pay water rates that are reflected -- reflective of the state law mandating they be based on cost of service. City utility staff has stated that they will have to perform a cost of service study for not only us, but potentially all wholesale customers. How can they be making decisions without knowing this information already? The city made a meaningless settlement offer, changing nothing to reflect the PUC's ruling, and then rejected our counteroffer as of last Friday. Your staff has dug in for a losing fight. This ruling has changed the entire landscape for the Austin water utility and the residents of the city of Austin. We will not compromise and contradict the administrative law judge's ruling, nor the public utility commission.

[12:36:39 PM]

Before I go, I want to make clear that by way of challenging the highest recognized body of utility recognition in the state of Texas, the PUC, you will engage the attorney general's office --

[buzzer sounding]

-- And no longer are just continuing to dispute water rates with municipal utility districts. I'm almost done. If we are truly what assistance utility director said, that the utility as a whole is 500 million in revenue, so a three million unbudgeted expense is very small, what's the point? Clearly, this is a bigger issue than repayment with an entire change in utility management strategy. We look forward to your guidance with your staff.

>> Mayor Adler: Thank you very much.

>> And thank you guys again for letting me go. I appreciate it, and merry Christmas to all of you.

>> Mayor Adler: Merry Christmas.

>> Tovo: Mayor?

>> Mayor Adler: Yes. Ms. Troxclair.

>> Troxclair: I just have a question. It's probably more for our legal staff. Have we talked about this recently in executive session or are we printing stuff with this, in executive session? Seems like there have been some developments.

>> Mayor Adler: We have talked about it before, if you want to bring that back, we could, if you want to talk about that.

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yes.

>> Mayor Adler: On the same subject, I'd like to express my intent that the city council vote on the next step on the legal action regarding this PUC complaint. I want to state that publicly. It's my intention for this council to decide we should not allow the Austin legal staff to make decisions for us on whether to go forward with this without a deliberation.

>> Mayor Adler: Thank you. Mayor pro tem?

>> Tovo: Mayor, I have a comment on another issue.

>> Mayor Adler: Okay. I think that would be in order.

>> Tovo: Thank you. Mayor, we had an addendum item to set a public hearing for January 28th for the short-term rentals, and it does look like we have one speaker, but in any case, we didn't consider on the consent agenda, and I would just like to suggest if that speaker is still here, we might just take that matter up.

[12:38:40 PM]

It's item 100.

>> Mayor Adler: Is a speaker here to speak on item number 100? Okay. I thought we would pick up, actually consider, item number 100 when we were considering str --

>> Tovo: That's fine.

>> Mayor Adler: So it'll be in context of what the speaker is --

>> Tovo: I'm happy to do that. Thanks.

>> Mayor Adler: Ms. Pool?

>> Pool: Mayor, I'd like to invite our animal director services to come up and respond to statements that were made earlier about coyotes and our relationship -- contractual relationship with Travis county, generally. I think there was some information offered that may be incorrect.

>> Thank you very much. Chief animal services officer. Good afternoon. Happy holidays. Merry Christmas. Thank you. I'll be really brief. Couple of just facts for us to consider, and the first thing I wanted to say is, the woman that spoke about the social media and the pet trading and trafficking and the weapons, that's something that we were made aware of at the commission meeting this week and we'll be talking to Austin police department's cruelty unit and detectives to see what we can do, so we've been looking into that regarding the coyote piece, one of the things I wanted -- or the issue, we have to remember our animal services appointees of council members, they do a fantastic job as volunteers in the community of researching issues. The timing on the uh-huh issue situation is unfortunate because very publicly, we had to discuss it in a -- in the commissioners court because they were 60 days behind in getting something approved with Texas wildlife services, and so there were some questions and information-sharing where, normally, this would be worked through staff in collaboration with the county, would come through commission or come through the health and human services committee, through council. So things -- some things are out of order, and it's --

>> Zimmerman: I'm sorry, Mr. Mayor? May I raise a point of privilege? Out of order, I think this might be out of order.

[12:40:43 PM]

Seems like we've gone into a discussion of animal policy, and it was not posted. We simply had somebody with public comments on that.

>> Mayor Adler: Wait, wait --

>> Zimmerman: I mean is it out of order to be hearing from staff oh an item --

>> Mayor Adler: Certainly, your point is well taken, there's not an opportunity for us to discuss the matter, but I heard this question to be a quick answer for clarification, as would happen -- it's not the time to get into it, but a quick response to the issues that were raised, I think is okay.

>> Thank you. The other point I want to ring up, regarding the law piece, I defer to our legal department here, our law department in the city. It was brought to my attention that our coyote policy and some of the practices with Texas wildlife services, we don't have a contract with them, the county does, so our participation in that was a concern for some residents, some citizens, and commission members, because we have two laws on the books about discharging firearms in the city of Austin and traps. So that's something the law department is looking at. That's beyond my purview. And then the chair, Mr. Lundstat, asked the county to consider sharing the cost in sharing with the city of Austin in creating a management -- a wildlife management specialist. I'm very sorry to hear councilmember troxclair, about the cat. It really made me very sad, knowing my profession and what I'm in, and the fact of the matter is, these traps, for an urban environment, we are catching domestic pets. It's happening frequently. The Texas wildlife services has told us that it's happening frequently, and the cat -- the traps are not monitored. So that's something we need to be looking at, at the laws, what's appropriate for a growing urban environment, these traps are being set on private property, citizens are resetting them in some cases on their own. It's a matter of time. I worry about children's safety, as well as our domestic pets. So the goal is, there's other options out there and we want to work with our county partners on this.

>> Mayor Adler: Thank you very much.

>> Thank you.

>> Mayor Adler: It is now 12:42. We have -- legal says none of those executive items to cover, so without objection, we'll recess until, say, 1:30.

[12:42:57 PM]

Does that sound good? Recess until 1:30, and at 1:30, we'll begin with the lobby issues as we set those for time certain. Okay? We're going to recess now and come back at 1:30. Thank you.

[1:56:29 PM]

>> Mayor Adler: All right. Are we about ready to pick this back up? I think we said the first thing we would do when we came back was to handle the lobby issues, lobby issues were items 68, 69, and 70. 68 is the duties of the ethics advisory review commission and the auditor. Does anyone want to move adoption of item 67? Ms. Pool moves adoption item number 67.

>> 68.

>> Mayor Adler: 68, rather. Is there a second to this item 68? Ms. Garza seconds that. Is there any discussion on item number 68? Okay. Those in favor of item number 68, please raise your hand. Those opposed? 68 passes unanimously. That gets us to item number 69. Does anyone move passage of item 69? Puce pool. Is there a second? Mr. Casar. Any discussion on item 69? Ms. Pool.

>> Pool: I just want to thank the people. I think some of them are in the audience who worked really hard, including the ethics review commission, our stakeholders who are engineers and belong to engineer associations, landscape architects and architects for their input and assistance in this matter, and the league of women voters as well, and Fred Lewis and Jack Gallahahn. We have a resolution supported by lobby reform proponents.

[1:58:34 PM]

The industry association previously had concerns about the provision, so I really appreciate all their concerted efforts to bring this resolution over the finish line.

>> Mayor Adler: Okay. Councilmember Pool, I want to really thank you on behalf of the council for your leadership on this issue. This was a tough issue, an emotional, political, a political issue, and you were able, I think, to kind of thread the needle on this with something that would have broad community support. We have two people that are signed up for this. I need to know if they want to talk. Mr. King? Mr. King is fine, but he gives us a thumbs up. Mr. Sampley? Are you here? Do you want to speak? Thank you for your efforts associated with this interest. I know you were an instrumental part of this. Any further discussion? Yes, Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I think everyone would

>> Zimmerman: I think everyone would agree the idea of disclosure is good and we're probably all in support of that. I expressed some reservations to this. My major concern I'm still under the believe based on the year in office that the city staff wields a tremendous power through its administrative process and through its decision-making authority. And the one way in my thinking that this completely misses the mark is that the majority of power on these discretionary items of interpreting code and what have you rest with city staff. They are the major decision-makers more than the lobbyist influence, more than city council is the power of the staff so I'm not going to be able to support anything that doesn't bring very, very powerful staff members into this lobbying ordinance. There has to be some way to get accountability on these very, very powerful staff members who are not elect and don't serve terms. That's my concern on the item and for that reason I'm going to be abstaining from the vote.

[2:00:36 PM]

>> Mayor Adler: Further discussion? Those in favor of item number 69 please raise your hand. Those opposed? 10-0-1, Mr. Zimmerman abstaining. Number 69 passes. Item number 70, the dark money issue. Councilmember Garza moves passage, Mr. Casar seconds that. Is there any discussion? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. Once again, I think the intention of this is quite good because disclosure is generally a good thing. I'm concerned as to whether this can be done without transgressing freedom of speech laws. I'm just very concerned about it. I agree with the intent, but I don't see how it can practically be accomplished without violating free speech rules. So I'm going to have to vote against this.

>> Mayor Adler: Any further discussion on number 70? Ms. Troxclair.

>> Troxclair: I just wanted to say I voted for this in committee because it sounds like a great idea. You think dark money, that's a scary term. You know, we should do something about that. And we only had people who showed up and spoke in favor of it. Not a robust discussion, but a few people who came and spoke in support of it. But I went back and did my own research and talked to some constitutional attorneys because I had the same concerns that don Zimmerman just raised about freedom of speech and I researched kind of the history of our country and the long history that -- that anonymous speech has in our country. And, you know, so I -- to me this -- this sets a very scary precedent and that is, you know, making -- preventing someone from donating to a cause that they care about for fear of retribution or fear of being unpopular.

[2:02:53 PM]

And when you look at the times when free speech was most important, it was when people had differing opinions from the majority view. The federalist papers were published anonymously. The civil rights movement, a lot of the people involved in the civil rights movement went through great lengths to protect the identity of their supporters. And I just worry that passing this leads us down a very dangerous road. And so I'm not going to be able to support it today.

>> Mayor Adler: Okay. Any further discussion on this item? I'm going to be voting in favor of this item. I think it is another item on this agenda today that is of far-reaching significance and of unique and really moving forward this city and we just have too many on this agenda to give any one of these the due time that they should have for the work that's being done. Further debate? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. One more quick note. I was in federal court for a couple of days on the issue of Austin city finance and I want to encourage the city staff to take a look at the transcript of the testimony from those two days. It's very interesting and touches on some of these issues. One of

the experts testifying for the city it turns out was paid by a dark money nonprofit corporation with nondisclosed donors. And that dark nonprofit was contributing to a project transparency. I just found the bitter irony in the fact that we had a nonprofit corporation with nondisclosed donors paying a lawyer to battle for transparency.

[2:04:58 PM]

So there's an iron knee in that. There's a lot to come on this.

>> Mayor Adler: With no further debate, those in favor of 70 please raise your hand. Those opposed? The vote is 8-2, Zimmerman and troxclair voting no. With Ms. Kitchen off the dais. That's --

>> Zimmerman: Mr. Mayor, 9-2, because there's -- if we do the math right on that?

>> Mayor Adler: Ms. Kitchen is off the dais, so 8-2-1. Did you want to vote -- I didn't see if you raised your hand on the dark money bill, number 70. Did you vote with the other eight in favor of that?

>> Yes, I did.

>> Mayor Adler: That vote was actually as you pointed out, Mr. Zimmerman, 9-2. Let's continue on then with other things on the agenda. Anybody have anything that they -- let's get them this turn. Number 16. Mr. Zimmerman, you said this was going to be fairly quick.

>> Zimmerman: Let me turn to the place.

>> Tovo: While councilmember Zimmerman is pulling his information, can I ask a quick question? We just received a new version of the tnc. I know it's marked relative to the version distributed at 5:00. I wanted to ask before my staff goes through and compares to the version in the backup, if there is marked version available that would compare the version we just got that was in our backup for this week.

>> Not that I have.

>> Tovo: All right, thanks. We'll do that then. Thank you.

>> Mayor Adler:

[2:06:58 PM]

Ms. Troxclair crocs crocs if your staff is already working on that can you please give me a copy, understanding the changes.

>> Tovo: If we can do it -- if it ends up in a format we can post on the message board, then we will do that.

>> Mayor Adler: Yes, Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I do have a quick question for staff if I could. It may be for city management as well, just about the -- our policy going forward, if we have one, about pids versus the utilization of a municipal utility district, say a mud. And the reason I'm bringing this up, I'm going to be voting in favor of this agreement because it's got a long history behind it, a lot of work and money has been put into this and I'm going to go ahead and vote in favor of this, but I want to ask, is it still the policy of the city to prefer a public improvement district over a municipal utility district? Do we have a policy idea on that of where the city is?

>> Elaine hart. I don't -- the financial services department does not believe that we have that policy. We do have a policy for utilized pids and we do also do muds from time to time, but that was much more the practice years ago. I don't think we do as many in today.

>> Zimmerman: Do you recall the last time we did a municipal utility district instead of doing a pid? We've got several complex pids, right? A lot of controversy about, you know, some of the pid financing and the timing and the -- some disagreements between, you know, developers and city staff. And the reason I'm bringing this up is because when you have a municipal utility district, you have a local elected board for your mud, right? And those local elected officials, they decide all these complex questions and disputes and it doesn't have to come to the city.

[2:08:59 PM]

It can be a more local decision. And I see that as a much, much better model than these complicated pids that have come before council. So I guess is your position you don't have any objection, the city has no objections? Mr. Ariano.

>> I'm not aware of any specific policy. What I was going to suggest we would go back and research should a policy had been established or what practice had been established in the past before we respond to that kind of question.

>> Zimmerman: With that, I don't have any more questions other than to ask my colleagues if they would consider preferring the local municipal utility district over these -- over these pids.

>> Mayor, we have done some limited presentation at audit and finance committee of the comparison of muds and pids. The pid policy in place was adopted by the council in 2008 and certainly I think it

would behoove us to work with the planning department to reexpect the pid policy as well as the mud policy and come back with a recommendation on which is preferable given certain development circumstances. They are both tools that cities can use and they do have different guidelines. The pids have a governing board which is the council, and the special assessment is a fixed rate over the life of the pid. With muds, they are a separate governing body. They issue their separate tax rate that the city has no say over, and the tax rate as well as the assessed valuation can vary from year to year so the tax bill to the citizen who lives in the mud can see different tax bill every year. In a pid you would see a fixed payment. Each year. So there are advantages and disadvantages to both.

[2:11:00 PM]

>> Mayor Adler: I understand what Mr. Zimmerman is asking for is a look at this. If you were to look at the departments and if there was something appropriate to submit to council offices in write. I think there's a preference to try to do that rather than set a briefing. If you just give us something in writing and if someone wants a briefing they can request it. The issue before us is item number 16. Further discussion of number 16? Those in favor?

>> Zimmerman: I would like to move passage.

>> Mayor Adler: Mr. Zimmerman moves passage of number 17. Is there a second to passage of number 16? Mr. Casar. Those in favor please raise your hand. Those opposed? I think it's all in favor -- all in favor of number 16. It's unanimous. That gets us to 17 and 18. Mr. Zimmerman, you pulled those. Ms. Houston.

>> They need to be taken up after the public hearing, 94 and 95.

>> Mayor Adler: Yes.

>> Houston: I need to ask a question about the temperature in this room. This morning I was freezing and now I'm about to burn up. I don't know what happened but somebody turned on the heat. Oh, you're oh, -- oh, it's the holiday heat.

>> We were hoping that might speed you up. Building services is working on it. So I've contacted them. Hopefully a change soon.

>> Mayor Adler: Okay. Thank you. That gets us then to item number 21. Ms. Houston, you pulled that.

>> Houston: I had that answered.

>> Mayor Adler: Mr. Casar. Ms. Houston. Further discussion? Those in favor of 21 please raise your hand.

[2:13:02 PM]

Those opposed?

>> Zimmerman: Abstention.

>> Mayor Adler: Mr. Zimmerman abstains. Ms. Troxclair is off the dais. Otherwise the remaining nine votes were in favor. And 21 passes. That let's us to number 24. Mr. Zimmerman, I think you pulled that.

>> Zimmerman: Yes, I did. I have a couple of questions. I'm going to recuse myself from the vote. I have a couple quick questions starting with legal staff. Could we know how much -- how much money was budgeted for the expert witnesses in the trial?

>> I don't know about the expert witness off the top of my head. It's in the budget and the expert witness is paid for from this outside counsel fee.

>> Zimmerman: Okay, so -- my backup material has absolutely nothing. It only says, you know, that it's a lawsuit defense trial and says unanticipated expenses. I was trying to see if the council could know what the breakdown was on the -- was there money paid for expert witnesses or -- that seems like that's important to the decision, I would think.

>> Mayor?

>> Mayor Adler: Yes, Ms. Tovo.

>> Tovo: With all due respect to my colleague, it's my understanding if you intend to recuse yourself that you are not to participate in the discussion and I would assume that questions fall into that and since this concerns a legal matter, it's --

>> Zimmerman: I'd like an opinion. Ask and not ask questions if I'm not entitled to ask questions about the breakdown of suggestions let me know that.

>> I would suggest since you are going to recuse yourself you might not want to ask the questions.

>> Zimmerman: That wasn't my question though. Am I entitled to ask informational questions?

>> You know, questions are always a matter of personal responsibility. I can point you to the code. I would suggest if you are going to recuse yourself it would be better not to ask the questions.

[2:15:06 PM]

>> Zimmerman: Okay. So then -- well, I do have one question here. The background information provides just to point out, it provides no information for why the expenses are requested and where they are going.

>> Mayor Adler: Okay. All right. That gets us then to a vote. Further discussion on number 24? Yes.

>> Okay, so -- okay, so we've spent -- we originally authorized 65,000.

>> The contract currently is for \$55,000. We have spent just shy of \$55,000 and the increase is to pay for the litigation and we asked outside counsel to also include appellate costs because it seems this is a case that might have an appeal.

>> Troxclair: So if we -- it doesn't seem like we've gotten that far into legal proceedings, so I would have thought that -- the original estimate, if we anticipated that there was going to be a much higher price tag now at \$180,000, and sounds like possibly significantly more than that, why did we not have a conversation at the beginning about what the total cost that we were expecting this trial to be?

>> So when the case first came in, I hired the outside counsel and it was within the manager's administrative limit to try and resolve this case. And, of course, as cases go on and legal strategies is involved and the client decisions involved with those, this became a little more complicated. And so it's continued and the outside counsel has expended funds and will expend some more.

>> Troxclair: So do -- and even after this -- do you anticipate this being our last allocation?

>> I would certainly hope so and I actually added plenty of money for the appeal.

>> Troxclair: So you think this includes any appeal as well?

>> I hope so, yes, I do.

>> Mayor Adler: Okay. Further discussion on item number 24?

[2:17:08 PM]

Those in favor of number 24 please raise your hand. Back up. Is there a motion to approve number 24? Ms. Houston. Seconded by Ms. Pool. Any further discussion? Those in favor of 24 please raise your hand. Those opposed? Ms. Troxclair voted no. Mr. Zimmerman recusing himself. And the others voting aye. That gets us then to number 26, 27 and 28. Mr. Zimmerman, you pulled these.

>> Zimmerman: Yes, Mr. Mayor.

>> Mayor Adler: Do you need them to be considered separately?

>> Zimmerman: I believe I can consider them together for purposes of my inquiry. I've made mention already about my concern about policies that institutionalize economic segregation. I know these are called homestead preservation districts, but I think there is an issue of ward politics involved. Take a look at the maps, which I guess we don't have on the overhead, but the map makes it pretty clear we're talking about a relatively small area of the city to the east and southeast. And the problem I've got is my understanding of this is I'm going to have to go explain to my district 6 constituents that the council thinks that other parts of the city are able to bear a higher tax burden for the benefit of one particular geographic area, and that's not going to go over well. We need more affordability in the entire city and I think the way to combat economic segregation is to not do things like the homestead preservation district. And I do have one question for staff about what happens in an economic downturn. When we have the next economic downturn and the sales tax revenue falls off and we have unemployment rise and all the bad things that happen in an economic downturn, was there a provision of this homestead preservation district that said that other areas of the city would have to divert more revenue to this homestead preservation district?

[2:19:33 PM]

Could somebody from staff answer that?

>> Mayor Adler: Would you repeat the question. I'm not sure I understand.

>> Zimmerman: The question is when we have an economic downturn in the city, is there a provision in the homestead preservation district language that says that other areas of the city are going to have to pay even more to make up for the lost revenue in the homestead district?

>> Greg Canally, financial services. Councilmember, the items in front of you, 26, 27, 28, are the creation of three additional homestead preservation districts. The creation of the districts themselves do not enact any of the tools allowed under chapter 373, whether that would be a land trust or a tax increment reinvestment zone. This is just creating the district itself and I housing can talk a little about what that is.

>> Zimmerman: What I understand, just connect the dots. So if this is approved, there will be other financial instruments like a tax -- TIRZ, tax increment reinvestment zone. Are those the places where this concern I have comes into play?

>> Yes. So by creating these districts, you will then be able to utilize the tools allowed under the homestead preservation act, chapter 373 of the local government code. There are several in there, one of which is the creation of a tax increment reinvestment zone. And in fact, item 99 on your agenda today is to create such a zone for homestead preservation district a. If a district is set up and from a policy perspective if the city council chooses to use unwith of these tools and they choose to use a tax increment reinvestment tool per the legislation, funds generated would stay within that geographic area. Tax increment financing in terms of where the tax rate is calculated, those funds are kind of

accounted for in the tax rate calculation in terms of the city is somewhat held harmless from a tax rate perspective.

[2:21:40 PM]

>> But the action before you today does not activate the tif. It just creates the district.

>> Mayor Adler: We have a motion to approve items 26, 27 and 28. Mr. Renteria so moved. Seconded by Mr. Casar. Any further discussion?

>> Casar: Mr. Mayor, I would like to point out in upcoming housing committee meetings, we are going to consider more homestead preservation districts that stretch farther into southeast Austin and north central Austin. I think that this is a tool for promoting economic integration by strategically investing affordable housing money in areas that could gentrify soon and have some level of displacement and some areas that already have folks. I want to use this tool specifically for economic integration and hope we'll continue supporting them in the upcoming items.

>> Mayor Adler: Further discussion? Mayor pro tem. Then Mr. Renteria.

>> Tovo: And I would just say I really applaud that and hope to be able to attend some of the housing committee meetings to be part of that discussion. The initial resolution that came forward from council did not recommend moving forward with a homestead district in the university area and I believe we should revisit that. It is one of the few tools we have available to us in the city and I think we should at least have a conversation about that. In addition to the other areas that might be eligible.

>> Mayor Adler: Mr. Renteria.

>> Renteria: Thank you, mayor. What I really want to remind my colleagues, this tool came about because of gentrification. It's a displacement of our lower income people and neighborhoods that are -- their value, their property value is increasing. And there was -- we looked at the renters were the ones that -- and because they are over half the people in Austin rent, the renters were the ones getting affected by this gentrification that was going on in these districts.

[2:23:43 PM]

And this is a tool to help these people stay here in the innercity and don't have to move out, out of town. And, you know, these are low-income people that need -- need this kind of help. And by creating more affordable housing in our area, we are able to create an area where it is mixed income, where people of all economic levels are able to live and exist in this area. This was a low-income neighborhood.

You know, rents were really reasonable. And because of the Austin growth we're facing this onslaught of people that are coming from other states who love downtown that have -- and we're encouraging high density, but it's also increasing the home value. The land value and the home value. And people are being displaced. This has nothing to do with, you know, income disparity or whatever my colleague Don Zimmerman wants to call it. This is preserving neighborhoods and that's why we have worked so hard over the years to create these districts so the minorities are not being displaced out of their neighborhoods.

>> Mayor Adler: Ms. Houston.

>> Houston: Thank you, mayor. And I just have one question about the community engagement in these districts. How much was it and do people participate and did they have any questions about how this would affect them?

>> Good afternoon, Jesse Cock with neighborhood housing. For the establishment of the districts themselves we created a few educational tools, provided those tools on our website. We did reach out to some neighborhood associations, let them know that -- I'm sorry, we reached out to the community registry neighborhood associations to let them know that those tools were available online.

[2:25:55 PM]

And it gives just a basic overview of what the homestead preservation districts are, where the legislation came from and the highlights that the establishing the districts them will have no immediate impact on residents. It is our first effort to be able to have a line of communication with residents in those areas that we would hope to continue if the districts are established.

>> Houston: And so based upon what you just said, there were no face to face meetings, no town hall meetings, no neighborhood meetings where you all went out and actually talked to people about what these districts would mean?

>> No.

>> Houston: So -- thank you. Thank you. One of my concerns is that we're talking about people that may not, in fact, go to the website. And find out what's going on. And if that's the only way that we're communicating with low-income, sometimes language challenged people, then we've not done a good job with our community engagement. So we're about to vote on the preservation districts, and I understand councilmember Renteria's concerns, but I'm also very concerned that all of a sudden people will be in a preservation district and they will have no clue what it means to them at all because we did not do the kind of community engagement we've been talking about. That's a concern of mine.

>> Mayor Adler: Okay. And then I -- this is a recurrent question that is correct the task force on citizens engagement, councilmember pool I hope addresses this aspect of community involvement and I think there's a report coming out next month and I hope that it's in there. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. One more final point on this. I believe it's agenda item number 99 in the backup material on page 11 is the provision I was referring to earlier, but I guess we will get to that when we get to item 99.

[2:27:59 PM]

Is that fair enough?

>> Mayor Adler: Yes.

>> Zimmerman: I'll just end my comments with my vote against this has to do with I cannot go to my district 6 constituents and say your taxes are going to be going up in order to subsidize a preservation district in another part of the city because that's going to look to them like ward politics so I'm going to have to vote against this.

>> Mayor Adler: I understand. We have three speakers signed up on 26, 27, 28. I want to give them a chance to talk. The first speaker would be Eric Goff.

>> Good afternoon, mayor, council, mayor pro tem. Ora's warden doored these items as a tool to create affordable housing. The mechanism that can fund this will be incremental development that is happening already, and this is something that is a chance for you to have a budgetary way to make sure that some of that goes to create and preserve affordable housing in the neighborhoods that are near that development. In particular, the imagine Austin plan calls for putting a lot of housing on the corridors and putting the housing there when paired with this policy can be a real chance to fund these funds that you will do later today. So we're excited about a chance to have a budgetary way for new development to pay to preserve existing housing stock and make sure that the new development is even more so a great way to make our city move forward and have more affordable housing. Thanks.

>> Mayor Adler: Thank you. Mr. King. And then Francis Ferguson.

[2:30:04 PM]

>> Thank you mayor, mayor pro tem, councilmembers. I'm speaking in favor of these items. I think this is important that we help the neighborhoods that have been devastated by gentrification. Escalating housing and rental prices and unaffordable property taxes. We have to take some measures here and I

think this is a good first step. I do agree with councilmember Houston that we need to make sure that the citizens in these areas are well informed about this -- this district and how it could affect them. I think that should be a priority. You know, I also want to make sure that these districts, that the residents who live in these districts have oversight and control over the decisions regarding how the tax revenues are invested in their respective districts. And I hope that the council will monitor these districts to ensure they are effectively serving the purposes for which they were created. You know, going forward this issue of -- that councilmember Renteria has pointed out, that the growth that we've had and the folks coming in have helped contribute to these escalating prices and affordability issues, and, you know, I'm not against growth at all, but we need to learn something from this process so that as we continue to grow, we can do take measures now that can help avoid some of these problems. I don't have the magic wand or the crystal ball to figure out what those solutions are, but I think we need to spend time saying we're going to continue to grow. And we're dealing with effects that right now are coming in after the impact has occurred and trying to mitigate that damage, that impact, but we need to look for ways to avoid these -- these things that are detrimental to our city in the first place. So I hope that council will try to bring some expertise into play here and looking at how we can grow, but try to avoid some of these down sides of growth in the first place. And maybe part of that is more neighborhood planning, more neighborhood involvement in these changes that are affecting our city.

[2:32:04 PM]

But we need the city council to enable that by providing resources for a neighborhood planning department. So we can look at these issues and learn from these issues and make adjustments going forward that hopefully can avoid some of these problems that we're having. But these are good items and I hope that you will pass them. Thank you very much.

>> Mayor Adler: Thank you. Yes.

>> Pool: Thanks, mayor. I just want to know that I support the establishment of the expansion of these homestead preservation districts. I think it's an important thing we're doing and a message we're send to go the community is if you live here now, we want to make sure you can continue to live here years into the future. I would point out that the areas of town most affected by our astronomical and explosive growth are not sole east of I-35. They are, frankly, throughout the city. District 7, for example, has areas that are at 25% poverty rate. We have a lot of renters throughout the city. So the whole idea of being able to own a home is becoming further and further out reach of people who are in the working class, with something that my generation looked forward to as we entered our careers. My trajectory was to be a homeowner and I worked really hard to be able to do that in my career and my savings and the choices that I made on how I spent my money. And I would really hope that the tools that we create here on council with this council will support the ability of people who are finding their wages are being eroded by the quickly escalating cost of living in Austin and the stagnation of wages. So I'm a very strong

supporter for our attainability. I think councilmember Houston was looking for a better word than affordability when talking about -- and ensuring people who live here now can continue to live here.

[2:34:11 PM]

We're a city that's welcoming hundreds of people every day, which raise large concerns for me on this council to ensure that the people who are already here are able to stay here as well and have a good quality of life. So I applaud this effort by councilmember Renteria, the housing and neighborhoods committee and I look forward to working further with him and his staff and our staff to expand this tool throughout the city. And I think as we move into some of the other items ahead of us with the tif and the tirz, I did notice that those moneys may be available more broadly throughout the city and for example would help districts that are west of I-35 as well as east. So I think that's a really good signal to our community. Thanks.

>> Mayor Adler: Thank you. Ms. Ferguson, Frances Ferguson. Do you want to speak? Okay. Thank you. Signed up in favor. Any further discussion on this item? Ms. Houston.

>> Houston: Well, and I'm going to support the -- the item, but again, we're doing the same thing that past councils have done by making decisions about people's lives and not including them in the conversation. And that bothers me. And there are things about homestead preservation districts that people are confused about. Are taxes frozen, will property taxes be frozen. Will people have the right to a valid petition. There are a lot of things people are talking about when we talk about homestead preservation districts that's it's confusing to all but a few and we've not included the people who live in those districts in that conversation. So I'm not sure how we say to staff that when we're talking about people's lives, we've got to go to them and talk with them and not just assume that they are going to go on a website and get the information that's -- that they will say this is a good thing and I want this to happen in my neighborhood.

[2:36:28 PM]

And so although I'm going to vote for it, I have some really bad feelings about how we do things to the people who live in our community.

>> Mayor Adler: Any further discussion? Those in favor of 26, 27 and 28 please raise your hand. Those opposed? Zimmerman, troxclair voting no, the others voting aye. Those three pass 9-2.

>> Casar: Since we're on this track, might I friendly suggest that we take up 74 and 99, which are the financing and funding mechanisms for the homestead preservation districts. The folks in 2 audience interested in testifying are here and since beer talking about it we could knock it out.

>> Mayor Adler: I'm fine with doing that.

>> Houston: There were people prepared to come after dinner tonight because they couldn't get off from work to talk about 99.

>> Mayor Adler: Okay.

>> Casar: And 99 is listed for after 4:00 P.M.

>> Mayor Adler: Yes.

>> Casar: Might we take up 74 and move on to 99 after 4:00?

>> Mayor Adler: I'm fine with that. There are people here for that. Do you want to make a motion on 74.

>> Casar: I would make a motion on 74.

>> Mayor Adler: Is there a second in Mr. Renteria seconds that. Ms. Gallo.

>> Gallo: I would just like to request that the possibility of the three different be it resolves be separated for this discussion.

[2:38:29 PM]

>> Mayor Adler: You want for us to vote on these separately; is that correct?

>> Gallo: Yes.

>> Mayor Adler: All right. Can we discuss them collectively, vote on them separately? All right, then that's what we'll do. We have some people who are here to speak on this item, number 74. Stuart Hirsch. Is Mr. Hirsch here? David king and then Frances Ferguson. Q.mayor and members of council, like most in Austin I rent. And to paraphrase William Shakespeare from jewel use Cesar, mark Anthony's speech, I come here today to praise Casar and Renteria, thought to bury them. In 2008 the city staff recommended eliminating the housing trust fundment and some of us were around for that fight. And the housing trust fund exists today because we were successful in defeating the staff recommendation. A decade ago state representative Eddie Rodriguez offered legislation that passed the house and senate and signed by the governor and successive governors and successive houses and senates to create a funding mechanism for homestead preservation districts. And I don't think we have a dime yet. So I am very proud to stand in praise of the work that I saw the other day at the housing committee and the

work that has been going on from the two council lead offices on this and to say thank you, and for those of us who are part of the 55% who generally don't show up in this council chambers because we're renters and we don't participate very well in the political process, I'm here to say thank you for the renters even though this is a housing trust fund, it was originally conceived for a million dollars with \$750,000 going to renters at 50% median family income or below.

[2:40:35 PM]

It hasn't gone that way in a long, long time, but I'm hoping this step and what you did previously and what you will do later in the day on 99 will help us move to deal with what I call the remain and return crisis. All of us are here or who want to be here and had to leave will have a chance to go back. We talked about that yesterday relative to our brothers and sisters in onion creek and it's an issue for them just like it's an issue in these districts. So I'm hoping these are first steps to moving us in a much more aggressive way so that it's not just mayor DeBlasio and the city of work trying to be Progressive, it's Austin, Texas, the place I've lived for more than 40 years doing the same thing. Thank you very much.

>> Thank you, mayor, mayor pro tem, councilmembers. I'm speaking in support of this item. I think this is good. I come up here and I speak about how we give tax incentives and try -- this is my perspective here, the trickle-down theory and it doesn't really work. Nothing really gets down all the way to the folks that need it and I don't think that's a good model, but this is not a trickle down. This is let's take the initiative. This is city property. We -- we've made an investment in this city property. It's going to pay us back and we're going to take that money and we're going to direct it to the folks that need it. That's the way to do this. I really respect this strategy and I hope we'll continue to do this and more of this and I think it would be good that we look at both renters and homeowners. And as we're looking at this using this tool, that -- that we use to it really make sure that the affordable housing is geographically dispersed in areas of high opportunity. We need to solve this problem, and that's what this is about. It's solving the problem and hopefully avoiding a repeat of this problem down the road through these strategies right now.

[2:42:39 PM]

So I think this is a wise way and a wise strategy and I really appreciate your action on this. I hope that we can put some -- some guidelines in there to make sure the low-income families, those that are 30, 40, 50% mfi can really benefit from this and that we target this in different areas of the city so we have more opportunities for those families. Thank you very much.

>> Mayor Adler: Thank you. Ms. Ferguson. No need to testify. Indicating in favor. Any discussion on the dais on this matter? Ms. Casar.

>> Casar: I really appreciate the work the housing committee has done. For many months now it feels like it's been the primary project driven at the committee with the leadership of councilmember Renteria. I think that what we have before us is a really big step forward on funding affordable housing across the city. You'll see that I just passed out a graph that lays out what the resolution would do. We would maintain our 40% allocation to the housing trust fund for affordable housing development where we can find the most high impact opportunities to provide affordable housing, 40% would go to a new allocation and new funding stream to fund homestead preservation districts and strategically combat displacements and create the opportunity for return in areas that have already gentrified. Then a 20% new funding stream for high opportunity areas to integrate our city, and I truly appreciate the work that got done at the very last meeting to bring that suggestion forward because I think that that shows our commitment in all 10 districts to promote affordable housing. But where this conversation started was what big steps we could take to deal with displacement, past gentrification and future gentrification. I'm glad this resolution addresses that boldly, but then also does think about the fact there are lots of parts of town that doesn't have enough affordable units.

[2:44:50 PM]

I was very happy to hear from my colleagues who represent districts that have a desire to have them. Going up to 100% and breaking them down this way is bold and a great action for us to take before the close of the new year.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: I just want to concur. I think that the housing committee did great work and I think this is really, as councilmember Casar said, a great step forward for our community and the funding mechanism is really smart. Former councilmember Morrison reminded me the original resolution that created this mechanism for funding the housing trust fund has the following language, that 40% of all incremental tax revenues derived from developments built on property located in the desired development zone and were not on the Travis central appraisal property rolls at of June 1, 1997. So initially it was not envisioned as just city-owned land, it was any land that was not currently on the tax rolls that was -- that was being developed, as it was developed and coming on the tax rolls. So I would suggest and, again, in the new year I hope there might be less overlap of committees and I might be able to attend the housing committee because I would like -- I would like us to consider whether we should amend the ordinance to consider other public lands that are not currently on the tax rolls, county and state land because some of those may be coming and begin to be developed and should also be contributing to the affordable trust -- the affordable housing trust fund as was currently envisioned by the originating resolution. But great thanks to you all for the leadership on this issue.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I have a question of staff on some of the financial item. Item 74, the pages are not numbered, but this is the last page in your backup material. It says fiscal note, financial services department.

[2:46:52 PM]

And it shows -- so we got another piece of -- we've got another handout that showed the split of the money. So according to this, that 100% is about \$1 million in fiscal year 2017 -- or that's the 40% piece. So in other words, the total amount in 2017 that we're talking about is 2.5 million. Am I reading that correctly?

>> That's correct. Councilmember, Greg Canally. On the properties that were formerly city-owned properties that we applied to -- the taxes being collected, in this current tax year that would be applied to next year's fiscal year in terms of the transfer, it's about \$2.5 million generated in property tax revenue.

>> Zimmerman: Talking about 2.5 million. And it shows on this schedule that it increases to 2 million, 3 million, 3.8, 4.3 and so on as the years go by. When you get out to ten years the total about 68.2 million.

>> The annual tax would be about \$10 million. Cumulative it's about 68.

>> Zimmerman: So the increases that you are showing here, are those coming from the prediction of district properties coming on or are they kind of the tax creep increases that we just expect as part of the cost of living? What causes those increases?

>> These are estimates. I would say --

>> Zimmerman: Estimates based on?

>> Based on value increases. Again, this is a -- this is a resolution that dates back to 2000. And as we -- as the development occurs on former city properties, I think the most clear example is on the green water treatment plant site, certainly that site is now under construction and as different blocks get built, we have made estimations about the value that would be put on the tax rolls. So they are kind of infer and inform these kind of estimates.

[2:48:55 PM]

>> Zimmerman: Were you predicting putting more city property on the tax rolls?

>> We had not assumed any additional. It's the ones that are kind of either already built or already stabilized or ones that are in progress that we already have transactions in place for.

>> Zimmerman: Terrific. That makes sense. The next question here, so the \$1.5 million, if we voted this down, that 1.5 million that's -- that you are proposing to move over to these new districts, that would go into the general fund or where is that going now?

>> Into the general fund.

>> Zimmerman: So what's going to happen if we vote for this, when we have our next budget discussion in several months, we're going to be short -- put that in quotation marks, we're going to be short \$1.5 million in the general fund, aren't we? Because we reallocated the money.

>> If this resolution passed, I think as you see the forecast this year, when ed and his staff bring forward the forecast, you would -- in the revenue projections, this would be accounted for in the revenue projections for the general fund.

>> Zimmerman: And that would happen with tax increases. What happens when we get this budget forecast, it's always higher. I'm just concerned we're not getting the whole picture here. We're getting a rosy thing about how we're going to have this one area that supposedly is more affordable but it comes at the cost of taking money out of the general fund and mysteriously when we get the next projection we're going to have a shortfall that will be made up with suggestions for raising property taxes. On the people who aren't subsidized. This is the point I'm making. This money that's being transferred is going to have to be paid by other people. 1.5 million next year, 2 million, 3 million. So that is a schedule of tax increases, isn't it, for the future budgets?

>> Again, I think that council will have policy choices to make like they are doing today in terms of looking at this resolution and as you look forward on your -- on both the forecast and ultimately approving the budget, you will have -- as you went through last year, you have a lot of things to balance.

[2:51:05 PM]

>> Zimmerman: So Mr. Mayor, this is kind of my point is just to say that it sounds good, right, to have some more affordable areas in the city, but I argue that's institutionalized economic segregation and we're going to be forced to make this money up, you know, in the general fund coming up here in a few months and we're going to be back at the taxpayers for more property tax increases to make up for this diversion of money. I have to vote against this.

>> Mayor Adler: Ms. Pool.

>> Pool: Thanks, mayor. I have a question for Mr. Canally. Thanks for being here and answering questions. I wanted to drill down just a little bit further and get a little additional information on the tools that we'll be able to -- that we have available to us for things like affordable housing, workforce programs like skill point and so forth. So as we look forward some point in the future will we have flexibility to support those programs with any of these funds?

>> Councilmember, yes. These are general fund dollars and when you look at the allocation, if it's in public use, it would be allowable. Right now you fund capital idea and skill point alliance with tax dollars. So this would be no different. It's the same color of money in terms of where the funding is coming from.

>> Pool: Great. Thank you.

>> Mayor Adler: Further discussion? Ms. Gallo.

>> Gallo: Thank you for being here to answer questions. You know, I absolutely support affordable housing, particularly the workforce and senior housing that we have in our community. But -- but I really support affordable workforce and senior housing that is spread citywide. And we've talked about in previous conversations the food deserts that we have in this -- deserts that we have in this community and trying to address those concerns, but I think we need to talk about affordable deserts in this community. I've got something I think the clerk -- somebody is going to put on the overhead.

[2:53:10 PM]

And I see Mandy out in the audience. Housing works just does incredible jobs of helping us with information about affordability in housing in this community and I really appreciate this. What this does, it's kind of a summary of their district by district analysis that they've supplied to all the different council offices. And it lists the district. It lists the number of subsidized housing developments in each district, the number of of the subsidized units. And then the percent of the total subsidized housing in each district. And so when we talk about affordable housing deserts, I think this makes it very, very clear. If you look at district 6, it's only 1% of the affordable housing units in the city. If you look at district 8, it's 1%. If you look at district 10, it's 1%. So basically the entire area in Austin community that is west of mopac is at a total of 3% of the total subsidized housing units in this city. And that to me says we really must address the desert of affordable housing options for our communities, for our population in those areas. And why is that important? Why is it important to have a higher percentage of affordable workforce and senior housing west of mopac? Because we certainly have workers in that part of our community that are minimum wage workers. In housing works information for district, they also stated that district 10 shows that 40% of the renters currently living in district 10 are cost burdened. Those are the ones that are already living in district 10. We haven't even addressed the workers that work in district 10 that can't even afford to live in district 10 and as a result spend a great majority of their time

and also their pocketbook commuting back and forth to work. So Mr. King I think said earlier that we need to direct money to the need, and my issue with how this is being staged is we are not equitably designating money from these funds to go to the areas that are so far below in the percentage of housing units.

[2:55:27 PM]

And as a result I just can't support that. I can't support a specific plan that doesn't address more specifically being able to increase the affordable housing units in the area of Austin that right now only has 3% of the total affordable housing units in Austin. You know, all the homestead preservation districts, and I really applaud the members of this council that have promoted those and have taken those to completion because I think they very important, but all of the districts we're talking about are east of I-35. My issue with this is I think that we need to take money, it needs to be more flexible and it needs to go where we have the areas of need. I think this information that shows the percent of subsidized units throughout the city shows there is very much a housing affordability desert west of mopac. I do -- and I ask this to be split because the -- the component of the resolution that talks about dollars being spent in homestead preservation districts should be strategically targeted to combat gentrification, I agree with that completely. But the other two pieces, one is I don't think it's a fair distribution of the money and second, as councilmember Zimmerman pointed out, we are talking about taking a substantial portion of money that would go into our general fund over the next ten years and really targeting it to a use that would not be that flexible if we find that we need the money in future years for parks or for public safety or for human services. And I've made a commitment to the taxpayers in this community that I feel like we really need to get a handle on our tax bills and I think we need the flexibility to do that with the money in our general fund.

>> Renteria: Mayor?

>> Mayor Adler: Yes, Mr. Renteria.

>> Renteria: Thank you, mayor. You know, as we look at these little 1% districts that -- it wasn't by mistake.

[2:57:31 PM]

This was -- it was designed -- I lived in Austin. I grew up in a segregated city. And there was a time when you weren't even allowed to cross congress avenue to the west. You were prohibited if you were a minority. You could only be there if you were working, you know, 8:00 to 5:00 and they better not catch

you there at night because they will take you in. Those are the kind of situations that I grew up in. You know, when we're talking about the 1%, there's a reason why they are 1%. It was because they didn't want the minorities there. They didn't want poor people over there. That's what we're trying to correct this problem. You know, and let me tell you, if people here in district 6 really want low-income housing, I'm going to try my best to get as many low-income housing in that district as I can. You know, that's going to be one of my goals when -- next year on my housing committee because they are now telling me they are living in a housing -- low-income housing desert and we're going to try to fix that problem.

>> Casar: Mr. Mayor.

>> Mayor Adler: Mr. Zimmerman, then Mr. Casar.

>> Zimmerman: I appreciate that and it just seems to me like back in the '20s and '30s Austin engaged in racial and ethnic segregation and here we are in 2015 and we're promoting economic saying -- segregation. They are both bad ideas.

>> Mayor Adler: Mr. Casar.

>> Casar: I think that because of the market naturally -- naturally or just whatever it is pushing folks out of these parts of town, we do need to dedicate funds and that's exactly what we are doing, intentionally dedicating funds for future years to combat that. So I think that this project does some of that work. In response to councilmember Gallo's comments, while I'm disappointed that you won't vote for all of it, I'm frankly really joyful about what you've said and I'll commit to you right now as we work in the housing committee this next year, I'm exited to working with you to find more funding streams.

[2:59:42 PM]

While this is one, even more funding streams to build affordable housing particularly in high opportunity areas given at times 4% tax credits aren't enough to get affordable housing units on the west side of mopac. The 20% can help with that but I'm dedicated to do even more and perhaps it's what the mayor pro tem brought up, looking at -- off the tax rolls properties, exploring those over the next year and finding the funding. Especially in district 6, 8 and 10. Even though you are not voting with the whole resolution today, I'm happy as a clown about what you said and I think we can work on it.

>> Mayor Adler: Ms. Pool.

>> Pool: And I would also add to that that if indeed the high opportunity areas are areas where we really do need to look for workforce priced housing for folks, I would be very interested in possibly tweaking the percentages of -- I think right now it's 20%, we go to high opportunity, maybe we can look at increasing that maybe to another number, maybe 40%. That would help ensure that the housing that

we're talking about is directed around the city because we know that people of lesser means have every reason in the world to want to live on the west side of town.

>> Mayor Adler: Ms. Houston. You haven't had a chance to speak yet.

>> Houston: Thank you. Thank you, mayor. And this is a hard one for me because, as you all can see by the chart, district 1 and district 3, of course, have the most number of subsidized housing development in the -- and the most number of subsidized unit. So what part of me sees this as heaping coals on fire and we're not making a structural change to say to our housing department what we want to do is shift from doing what we've always done to asking for people who are willing to provide these kinds of units and developments in other parts of the city.

[3:01:58 PM]

And as long as we continue to -- to support developments in what we've called eastern crescent, and we all know what that is, we'll continue to get them and there won't be really any reason to look at other districts because we're going to always accept them because they are easier to place in the eastern crescent. So I'll probably be abstaining on this one.

>> Mayor Adler: So I guess the way that we would consider this when we were voting, the 40% that's already there is already existing. So there are really two proposals. One is to increase it from 40 to 80 so as to have the money to be spent in that homestead preservation district for combating gentrification, and the other is go from 40 to 60, in other words, one is 40%, this 20%, to combat for new allocation for high opportunity areas. I guess -- the two different elements. Are you comfortable, Mr. Renteria, with the split where the additional money, two-thirds of it is going to the homestead preservation districts, would you want to consider the split or are you comfortable with the way it is?

>> Renteria: I'm comfortable with the split. As we all know in the future we can always tweak --

>> Mayor Adler: These Numbers can be changed.

>> Renteria: Yes.

>> Mayor Adler: Mr. Casar.

>> Casar: Mr. Mayor, the 40% that is flexible, I'm happy to continue conversations in the housing committee with the housing department about how that money traditionally is spent and figuring out ways we can get more into high opportunity areas. I wouldn't think of it necessarily as 40 and 20 because they have that flex.

[3:04:03 PM]

And the primary work being done was for the homestead preservation districts which is that ability to remain in return. Taking on the issues of how to get more affordable housing in high opportunity areas is one I'm very passionate about and very excited to work on and I'm glad we took on some with this 20%, but I do think the funding stream for the homestead preservation districts is important and that 40% we are getting a dollar that's significant enough that it will put units on the ground and it allows us to keep the tirz which we will vote on in item 99 at a bit of a lower number which I think helps make our staff more comfortable, makes the council feel more comfortable in our ability to tif later and councilmember member Gallo feel comfortable and I think this 20/40 split is good because it doesn't mean we're stuck.

>> Mayor Adler: I'm going to call these up separately. If we increase the dedication by an additional 20% to go to affordable housing in high opportunity areas, that would be the first vote. The second vote would be to go an additional 40% for affordable housing, homestead preservation districts. Does that accurately split them? Let's call up first then the additional 20%, which would provide for additional funding for affordable housing development in high opportunity areas. Someone make that motion. Mr. Casar -- Mr. Renteria makes that motion, Mr. Casar seconds that motion. Any discussion on this? Ms. Pool.

>> Pool: I just wanted to reiterate for the record that the flexibility of the percentage here that we are -- we're setting it for 20 for high opportunity areas, but it can indeed be a higher number depending on how council may choose to allocate the moneys in the future.

[3:06:04 PM]

That would support the idea of ensuring affordable housing units are in fact distributed throughout the city, which I think is the goal that we are looking for.

>> Mayor Adler: Any further discussion on this? Go ahead.

>> Garza: I'm confused -- so the 20% is flex?

>> Mayor Adler: Mr. Casar.

>> Casar: There is a 40% in this, the first 40% that's existing that is not determined by geographic area so we can discuss in which areas the housing department is prioritizing that work. We have a housing plan that's been presented to the committee that has goals for each -- how much affordable housing we want in each zip code. So I think having that flexibility exist in that 40%. And also this gets budgeted every year. Every year in the budget we have the ability to make modifications, but what is important

this is a plan. We are setting aside the general plan, at least 40% to HPDs, 40% being flexible is our plan and our policy moving forward. Subject to adjustment.

>> Mayor Adler: Ms. Gallo.

>> Gallo: So I have a question. How is that flexible if we have changed the policy to be specific here? I mean we talk about flexible, but we're talking about a revenue stream that comes from the tax bills of that particular group of properties. And so they are taken away from our general fund and they are specifically placed in departments to be spent in this way. So I wasn't under the understanding it was capable of being flexible any more than -- it can be flexible how it's spent within that category, and I don't see -- maybe there is a legal question.

>> Mayor Adler: A majority of people can redirect those funds at any time. There are some funding schemes we would enter into that once we enter into we can't change the allocations.

[3:08:09 PM]

This is not one of those. So the majority of the council at any point in time in the future could redirect those funds coming in differently.

>> Gallo: Or if we left them in the general fund we would have the flexibility.

>> Mayor Adler: In the general fund it would be. But your question was could council redirect it and this is a tool that allows or redirects.

>> Gallo: And once again, my concern is that we talk about economic segregation in this community and we talk about it over and over again. And until we start spending more money in the areas of town that are so underspent with subsidized units, we don't give a segment of our population, and I appreciate the comments pia made, we don't give the same opportunities to live and work in the same area. We've got to address that. That's my frustration with this, we need affordable housing everywhere. If we keep talking about how to deal with economic segregation, it means we've got to provide housing that is affordable for our workers that work in different parts of the this community.

>> Mayor Adler: No further debate, we'll take a vote. The first vote is on the additional 20%. It's been moved and seconded the 20%. Component of this, additional 20% to be spent for delegated at this point for affordable housing development in high opportunity areas, moved and seconded. Those in favor please raise your hand. Those opposed? It's 9-2. Troxclair and Zimmerman voting no. Second motion is the additional 40%. Which is -- would be applied to affordable housing and homestead preservation districts. Mr. Renteria, seconded by Mr. Casar. Further discussion?

>> Houston: Yes.

>> Mayor Adler: Ms. Houston.

>> Houston: I was not part of the council committee.

[3:10:11 PM]

Could someone explain to me very briefly how this is going to combat gentrification?

>> Mayor Adler: I think it would provide additional opportunities for lower cost housing in areas where that lower cost housing would not otherwise exist.

>> Houston: And we know this how?

>> Mayor Adler: What do you mean?

>> Houston: How do we know that that will happen?

>> Mayor Adler: Because the money that's spent by housing creates inventory that is controlled as to what it costs to live there.

>> Zimmerman: Mr. Mayor? Can I offer my understanding?

>> Mayor Adler: Hang on. It creates an inventory of housing that otherwise wouldn't exist and the inventory that exists is housing that -- where the prices are controlled, they are limited.

>> Houston: Controlled. All right. I just want people. Because again, this is one of those things that nobody in the community has had an opportunity to hear and so we need to discuss everything so people who are watching or listening know what it is we're doing.

>> Mayor Adler: It's good you asked the questions. Mr. Zimmerman.

>> Zimmerman: Yes, Mr. Mayor, and you can correct me if I am wrong, my understanding this additional money can be used by our housing department to loan to developers who can get tax credits, IRS tax credits from the Texas department of housing and community affairs and those subjects are off the property tax rolls which allow those companies to offer units for less money because they don't have to pay property taxes, plus they are subsidized by other taxpayers.

>> Mayor Adler: I think you are right, there are many vehicles the organization can use to help drive the -- housing that's affordable that wouldn't otherwise exist. Further discussion? It's been moved and seconded.

[3:12:12 PM]

Those in favor? Those opposed? Ms. Houston abstains and Ms. Troxclair votes no. Gallo votes no. It passes on a vote of 7-3-1.

>> Casar: Mr. Mayor, I wanted to clarify the last be it resolved the dollars should be strategically targeted to come back as included in the against I have --

>> Mayor Adler: That's my understanding. It was resolution broken down. The language would appear in both. Okay? We've taken care of those items. What about item number 56? Do you want to make the motion for item 56 incorporating your amendment?

>> Casar: Yes, sir. And I believe the city clerk had the yellow copies. They should have been passed out.

>> Mayor Adler: They are coming out now, I think.

>> Casar: And the intent, again to reiterate without going over everything I said in work session, of the amendment is I don't believe the way we've done fee waivers on sxsw in the past accurately communicates to the public and council what it is we're doing.

[3:14:14 PM]

It looks kind of like the fee waiver we would do for a parade downtown. This is very different from that. I don't think an economic development agreement or 380-style deal makes much sense because this is a home-grown operation that we aren't trying to attract from out of state. Instead I would really like for council and staff and event organizers to think about this as something different. How do we take on our role and responsibility as the local government that's got to keep the area safe and clean and pedestrian friendly, but what responsibilities fall upon those who are, you know, generating a bunch of good things, but also generating a lot of the attention to the area that brings lots of folks and puts some burden on -- on our ability to fund the level of safety and cleanliness that we need. So I think -- I think the sponsors and the event organizers at sxsw for stepping up this year and sharing the burden a little more, but I would like for us to think about this sort of in a different way in future years and that's the intent of this amendment.

>> Mayor Adler: It's been -- item number 56 has been moved by Mr. Casar. 56 is what appears in the backup with the changed part 8 as reflected on the yellow sheet that's been passed out. Is there a second to that? Ms. Pool seconds that. Is there any further discussion on this item? Ms. Gallo.

>> Gallo: I'm going to support the amendment, but also with the caveat that I feel it's really important that next year we work towards an equitable solution for the event sponsors, the vendors, the free sites, and on and on and on, so that those organizations are paying for the cost of both public safety, which is

close to a million dollars, and fee waivers. You know, I don't think it's fair to continue to look at taxpayers to fund that.

[3:16:18 PM]

So I look forward to -- and we've talked about it already -- working towards that. There are a lot of non-profits, the boy scouts come to mind, who actually sold badges to be able to raise the money to pay for their fee waivers. And so I think if non-profits can work really hard to try to pay their fee waivers, then we need to ask the for-profit businesses to be able to do that also. So thank you for the amendment and the compromise on this, but I do look forward next year to working to figure out a good solution to this.

>> Mayor Adler: Okay. It's been moved and seconded. Any further discussion? Those in favor of item number 56, please raise your hand. Those opposed? Oh, I'm sorry. There are speakers on this? I apologize. Mr. King, do you need to speak on this? Come on. Take your time. Of I didn't mean to forget you there. I apologize.

>> No worries. Thank you, mayor, mayor pro tem, councilmembers. I think this is a step in the right direction but I do share the Skinner of councilmember Gallo about for-profit events, getting fee waivers, and taxpayers picking up the tab. I just don't think we should be doing that anymore. I am concerned, too, a couple more components of this resolution, one that waives the right of affected parties to object to road closures, and then the waiving the right -- the notification about road closures associated with the event. I just think that's the wrong thing. Here we are again, looking at waiving these notices and these rights of affected parties to object. And that takes leverage away from these parties to work with these event producers to mitigate these downsides to these events, not just stop them, but to mitigate some of the negative impacts on them. So I hope that if you will -- you're going to pass this, that you look and remove those two components from the resolution.

[3:18:24 PM]

Why? Why are they being removed? What's -- I think we need that information. Otherwise, why do we have these laws on the books if we're going to waive them? So I'm not sure that that's important to some of you on the dais. I hope that it is important to you. And then the other concern that I have is, are we going to be pulling police resources from the neighborhoods to serve the south by southwest? That's been a concern in the past, and we have issues in neighborhoods. We don't have enough police patrols, police support in our neighborhoods. So I hope that that question gets asked, too, to see what is the impact going to be in police patrols in the neighborhoods and the property crimes that the police

officers are dealing with during the events. So thank you for listening to my comments, and continuing to ask for for-profit events to pay their way. Thank you. Of.

>> Zimmerman: Mr. Mayor, I think I have an answer. I'm going to have to take off my Texas A&M hat. What happens when we have a UT football game and we fill up memorial stadium with a hundred thousand people, we end up with a huge surge of people coming into the city. They'll go down to 6th street after the game, and we have such a huge crush of people, we'll end up closing, say, 6th street, right, for safety purposes. And when 6th street is closed for this huge mob of people, we don't send the street closure bill to the university of Texas, do we? I don't think we do. And so part of the issue here with south by southwest is when they hold these -- their festivals and we get other events, right, that latch onto that, that are not the responsibility of south by southwest, it's just a big phenomenon of huge crowds coming, so we have thought about this extensively, and the only thing I can think of to make this fair is to figure out how to use the hotel occupancy tax to take care of this huge, you know, crowd of people that comes, crowd control issues, public safety issues, street closures.

[3:20:37 PM]

But I think what we may have to do, and we're going to ask the legislature to change the hotel occupancy tax law so that we can have the authority to use that huge surge of hotel taxes to pay for the crowd control and the street closures and what have you. So I'm going to be abstaining from this issue because, you know, having some payment for these fees is better than nothing, but I think this is the wrong way to do it, for the reasons I just mentioned, so we're going to try to figure out how to use hotel taxes to pay for the fees, street closures, and extra security. So I'm going to be abstaining.

>> Mayor Adler: Discussion? Ms. Tovo?

>> Tovo: Just on that last point, I just wanted to call your attention to the memo that we received this morning from ray bray, and it is in response to that very specific issue. There was a council resolution that I sponsored a couple years ago asking the staff to look at other opportunities for generating revenue to pay for event costs when we are in a position to want to sponsor them, whether the mlk parade or south by, if we want to participate in producing those events, how can we figure out, within our city budget, a reliable, sustainable method of funding. The memo we received today basically communicates that the staff have done a considerable amount of work but aren't quite -- are going to take some more time and think about it more broadly and look at some other cities and look at some best practices and have a little bit more community engagement, but are very committed to bringing something -- some ideas and alternatives forward to us in the next few months. So I just want to make sure everybody is aware that that work is ongoing, and I believe has -- has really a lot of potential. And so hopefully we can have an interesting conversation about that here after a couple months when some of that work has been done.

>> Zimmerman: If I could, and consistent with those remarks, the football crowd brings in extra hotel taxes; it fills up rooms as well. So does F 1 and other big events. They fill up hotel rooms.

[3:22:38 PM]

>> Mayor Adler: Thank you. Ms. Pool?

>> Pool: I just wanted to thank staff and the mayor's office and my staff and councilmember Casar's office and other offices that worked, and Mr. Ramiro, I see him with Austin police association, and Ms. Ariana for working on trying to achieve, and folks with south by southwest back there, for bringing this all together, this years, in a new way. And with some different approaches for good resolution that has helped everyone, including folks who may be dislocated by all the crowds who come to the city, which I think is really important. South by southwest brings a tremendous economic benefit to this city. And when the mayor and I were at the climate conference a couple weeks ago, we mentioned -- when people asked us where we were from, and we said we were from Austin, Texas, to a person their faces brightened, they leaned in, and they said south by southwest, Austin, Texas, that's where the music is; that's where we want to come. And the word is -- has gone -- transformed all the way around the globe about the work that we do here, and I just -- I'm really happy with how this has all come together because it's a tremendous shift from how it's been handled in the past, and I just wanted to thank everybody for all of the efforts they've put together for this -- this good outcome.

>> Mayor Adler: Okay. Thank you. Ms. Troxclair.

>> Troxclair: Councilmember Casar, would it be amenable to you in your amendment to request that the plan come back for review to the economic opportunity committee? I think this is something that we would enjoy talking about, if we're talking about a longer term to plan to the future, I think it would be a great thing for our committee to discuss, once something is -- once there's a plan.

[3:24:42 PM]

>> Casar: I'm happy for it to be here. At the same time, since you're chair of the committee and can put anything you want on your committee, your desire to have it there seems to me to be enough. But if we want to write in to the ordinance, I have no objection.

>> Troxclair: I guess I'll just second councilmember Zimmerman's comment about hotel occupancy taxes. This is the exact kind that hotel occupancy taxes should go to support. I mean, it is one of the biggest events in the world and brings thousands upon thousands of visitors to Austin every year, and

we need to look at how we're using our taxes and find a way to incorporate this event as a sustainable use.

>> Mayor Adler: Even without putting anything in here, I think the question of how we do that globally is part of the process that's something that would be good for your committee to take a look at. I could refer that issue to you as well, to take a look at. Further conversation or discussion on this? Is there -- it's been -- I don't know if we have a motion. We did. The motion was, what was in backup as changed with the yellow sheet that was handed out, has been moved and seconded. All in favor, please raise your hand. Those opposed? Any abstaining? Mr. Zimmerman abstains. The vote is 10-0-1. Item 56 is approved. My notes reflect that that's all the consent items except for the two that are being held for the item that is being brought up after 4 o'clock by set. The next item that I have us that we can bring up would be -- we already handled 74, I think. 75 is the tnc item that's coming up at 7 o'clock. The quarter-cent is coming up at 7 o'clock. We've handled those items.

[3:26:44 PM]

>> Quarter cent was 6 o'clock.

>> Mayor Adler: I'm sorry?

>> I think the quarter-cent was 6th.

>> Mayor Adler: We have music then and proclamation then so my guess is -- it's going to be right after the dinner break. Executive session items, we didn't have executive session. I think that takes us into 4 o'clock. I'm looking at this and I'm not sure there's anything for us to be able to pick up at this point.

>> Mayor, we could do item 87.

>> Mayor Adler: 53? Yes, jerry.

>> We could do item 87, which is a 10 o'clock zoning item.

>> Mayor Adler: I'm sorry?

>> We could do item 87. It was a 10 o'clock zoning item.

>> Mayor Adler: Okay. Let's do that.

>> Item 87 is case c14-2015-0 on 61, known as the townbridge homes rezoning. This is for property located at 7513 cooper lane. Requested zoning is from Dr development reserve and single-family to district zoning to sf-6 or condominium residential district, st 6 Co, combined district zoning. Conditional overlay would limit the property to 30 units, establish the building may contain more than one unit, requires buffer line, south property line with placement high lines. Public capacity easement provided

for bike access, northwest and south property lines, access to the property. This case was approved by the city council on a vote 1-0 November 15th on first reading. The public hearing was left open. I believe we have just a single speaker who signed up neutral, and I believe councilmember Garza had a quick question to the transportation staff.

>> Garza: Not -- well, it's a question. This development is going on a street that is a rural street. There are no sidewalks, and this came to our attention, obviously, beyond the agenda, but neighbors reached out and said this is the second similar development that will be going on this street.

[3:28:46 PM]

And they don't have -- the way this is situated, they don't have an option for an additional exit. They can only come in and out one way, and it feeds out onto a rural street in my district. And so because it generates less than 2000 trips, there's no requirement for -- anyone correct me if I'm saying this wrong - - there's no requirement for the developer to contribute anything because it creates such a small amount of trips. But I know we're moving towards the rough appropriationality thing, which will not require that threshold of a number of trips, it will just be whatever the impact of the development proportionally to the impact, they will have to provide some kind of funding to improve the road and transportation. So my question for transportation is, where are we on the rough proportionality? And my hope would be that we get that done as quickly as possible because more of these developments are going to be coming online, and you know because of contract zoning, we can't ask the developer to contribute financially as a condition of zoning, so can you just talk to me about the rough proportionality timeline that's coming back to us?

>> Yes, ma'am, happy to. Good afternoon, mayor, council, Andy lundstat, I'm not Austin transportation, but we have been engaged with the effort collaboratively with Austin transportation and the law department to begin preparation of an ordinance to bring to you to allow us to ask for fiscal when we're not that 2000 trip limit. The law department is working on a during a of the that we anticipate in the first part of the year to begin our interdepartmental discussions and get that back to code and ordinances P.C. And back to you to consider. It's underway. It was initiated by the planning commission late this fall. It will get to you as soon as we can in the next year.

[3:30:49 PM]

>> Garza: Okay. Do you have any -- like February or --

>> So, if I might, Gordon Derr, Austin transportation department. So there will be two different discussions moving forward. One is rough proportionality, which in theory sets a cap. So once we know the type of development, we can calculate and say this is the maximum amount the city can ask from a developer. We will be moving forward with the impact fee study to develop the mechanism where we can then get up to that cap in terms of reasonable requests for improvements to the surrounding area. So rough proportionality, that is a tool we have available right now; we just need to build the system where we can make allocations to that, and that study will be moving forward in the beginning of the fiscal -- the calendar year.

>> Garza: Okay. Thank you. And then I just -- the neighbors around this area were very -- and I appreciate, they were very reasonable and, you know, they voiced their concerns about the additional traffic that will occur on this street. It is a cut-through street, but they will also -- they didn't -- they weren't trying to stop the project. They were reasonable. They were accepting. So I want to thank them for -- for -- you know, we're all having to deal with growth in this city, and it's always -- I always appreciate when we don't -- when these situations don't turn into the neighborhood against the developer, so that's all.

>> Mayor Adler: We have one citizen. One signed-up speaker to speak on this item number 87, Michael Perez. Do you want to speak? Thank you. Is there a motion to approve item 87? Ms. Garza so moves. Seconded by Mr. Zimmerman. Those in favor of item 87, please raise your hand.

[3:32:51 PM]

Those opposed? It's unanimous on the dais. Ms. Gallo off. That gets us then -- we have left, we can do item 53, as well as the housing issues. Let's do 53, and then we'll do the housing hearing. Item number 53 is contract with mobility. No one has signed up. Mr. Zimmerman, you pulled this. Do you want to --

>> Zimmerman: Yes. Mr. Mayor, let me look at my notes here.

>> Mayor Adler: Yes, Ms. Gallo.

>> Gallo: I would have voted in favor.

>> Mayor Adler: I think I overlooked Ms. Gallo's vote on the last thing. Ms. Gallo voted aye with the group.

>> Zimmerman: Mr. Mayor, we pulled this over a question of the effectiveness of how the money is being spent. And I want to draw your attention to a small table that we received, I believe in response to some Q and a. It would probably be the second page of your backup. And it looks something like this. It's got a -- it's a table with some yellow colored spots on it. And the basic concern is, it looks like we spent

\$100,000 and got almost nothing for it. So could I maybe ask staff if they think that we got \$100,000 worth of data for -- for what we spent.

>> Mayor and council, Robert spillar, director of transportation. This particular grant or the -- rather this request for this contract is to follow on a first phase that has already been paid for. That first phase was designed to identify companies that would be interested. And, in fact, working through movability, we actually did touch something like almost 40,000 employees in the downtown area, 36,000 and something employees in the downtown area.

[3:34:59 PM]

And we touched a number of companies. One of the things we found is that businesses in the downtown area want to participate. What they don't have the tools or the capacity to do is now, now that we know who's interested, how do we start to get them to reduce trips. This process was what led to our ability to join the mayor's challenge, which is second fox's call to mayors around the country to challenge businesses to reduce trips by 20%. The city as an employer actually joined that effort and exceeded the 20% within the first three or four months of our activity. So, councilmember, this -- the early grant -- these are the early expenditure on this project -- I keep calling it a grant. Unfortunately, it's actually the first part of the contract; first phase, was to actually make those contacts, and as I said, we've worked with a number of companies, 13 total employers, and we've ended up with that touching about 36,000 employees. And so I have good faith that this will actually, going forward, result in productive feedback for the city.

>> Zimmerman: , So Mr. Mayor, I guess it's a judgment call as to, you know, what we're -- if we're getting our money's worth. That may not have agreement to the dais here, but I think this falls under -- somewhere between irresponsible and very irresponsible spending. So I'm just going to vote against this because I think it's a terrible waste of money.

>> Mayor Adler: As I go around and we talk in different parts of the city about the mobility crisis that we have, which everybody speaks to, the recognition that the cheapest, least expensive option available to us is to do those things that will take people out of road during peak hours' time, and when I would talk to people around the city, all parts of this city, and talk about the need for us to advocate and push and make it as easy as possible telecommuting, businesses letting employees work at home, or adjusting drive times, so that people stagger the work hours, so that people are driving before the rush or after the rush, it meets with universal, I think, approval and desire for us to handle as much as we can that way because it's the least expensive way for us to do it.

[3:37:54 PM]

In order for us to do that, it requires different things than hiring trucks to go lay asphalt, it means hiring people to talk to other people, and the times that, Mr. Spillar, I've been invited to go speak to that group or speak to employers and follow on and help support the efforts, I think have been real profitable time spent. I know it's softer. I know it doesn't look like a piece of concrete being laid down or a road being built, but in a lot of respects, it's the best thing we can do at the cheapest price we can be doing stuff. And everyone, I think, recognizes there's a huge difference in traffic congestion on days when we have holidays and people aren't driving. And we have the capacity and potential to be able to achieve that daily as we get more and more people to work. The city is committed. Great job with the city, the work that was done with the employees going out. Travis county is doing the same thing. Txdot agreed to do the same thing. We're trying to get the state departments to do that as well. Major employers, and I think this is a wonderful thing we're moving on.

>> And Mr. Mayor, if I could, just to make sure I didn't mislead anyone, the city's initial investment has only been \$25,000. I was corrected by the executive director. And the follow-on, though, is where we actually start working with individual companies to help them do their preliminary surveys so that we can then know what the difference we make and be able to provide some real metrics back to the community.

>> Mayor Adler: Okay. Very cost-effective work. Any further discussion on this? Ms. Who have.

Houston. >> Houston: Thank you, mayor. Transportation is a problem. Congestion is a problem. But yet again, I'm going to sound like a broken record this afternoon. This is yet another example of a specific interest group getting money from the city on good faith or soft kind of performance measures, and it's a fairly exclusive group that's not very inclusive of the wider community.

[3:40:08 PM]

And so, yet again, we're funding something that the wider breadth of the community, people from all across the city and various parts of the district, people who look different than the usually group of suspects, they're not included in this decision, and yet we're going to fund them to the tune of \$100,000 for sure three years. I can't get money for things like formally incarcerated people, but we can do this on good faith. I'm having a hard time today, and this is maybe my bad day because now it's freezing in here.

[Laughter] That's what I say, I learned we stop the heat, now the air conditioning is on. But it's not making sense to me logically why we can sometimes -- sometimes we can do these soft kinds of things, because it's a good thing to do, yet when we have hard data about incarcerated people and their need to be -- get employment and get housing, we seem to need metrics and performance data. And so I'm going to have to vote against this. I'm sure the people are well-intentioned. I know some of them, and

I'm sure they're good, but it's a lack of inclusiveness, and it's always an inclusive -- exclusive group of people who are making these requests that get the funding.

>> Mayor Adler: Thank you for the discussion. Those in favor of item number 50 -- no -- this was number --

>> 53.

>> Mayor Adler: 53? Please raise your hand. Those opposed? Gallo voting no, Houston voting no, as I remember --

>> Gallo: Abstain.

>> Mayor Adler: Gallo abstaining, Houston and Zimmerman voting no. The others voting aye. Mr. Casar off the dais. That makes the vote 7-3-1. It passes. Thank you. Let's do the housing agenda. Yes.

[3:42:08 PM]

>> Tovo: Mayor, I think the vote couldn't have been 7-3-1. I'm not sure what it was, but I'm going to calculate it here in a minute.

>> Mayor Adler: It was 7-3 with one off the dais.

>> Mayor Adler: 6-2-1, with one off the dais. Will someone move the option of item number 53? Ms. Pool moves. Is there a second for that? Second. Mr. Renteria. Now we'll take the vote. Those in favor of 53, please raise your hand. Those opposed? I have two opposed, Zimmerman and Houston. Gallo abstains. Casar is off the dais.

>> Abstention.

>> Mayor Adler: And Ms. Troxclair abstains. So that gives me one person off the dais, it gives me an abstention -- no, it gives me two abstentions, two people voting against, that means six people voting for. The vote is 6-2-2, with one off the dais. Okay.

>> Very good.

>> Mayor Adler: Thank you. All right. If this was midnight, I wouldn't have had a prayer. All right. We are going to recess the city council meeting so as to convene the Austin housing finance corporation meeting, and now I convene the Austin housing and finance corporation meeting.

[3:46:20 PM]

We are now back out in the city council meeting. My notes reflect that we get a short break because there's nothing we can consider before 4 o'clock.

>> Houston: Mayor, may I ask a question?

>> Mayor Adler: Yes.

>> Houston: How do you propose to get this whole Austin symphony in the chambers?

>> Mayor Adler: I don't know, but as mayor, I just get to watch it happen.

[Laughter]

>> Houston: Oh. Okay.

>> Mr. Mayor?

>> Mayor Adler: Yes.

>> Before we break, could you just -- could you tell us what's left, just so that we all know that we're on the same page?

>> Mayor Adler: Okay. So when we come back --

>> What we have coming up?

>> Mayor Adler: That's fine. Coming back, what is still to be brought up are items 17 and 18, which are associated with items number 94 and 95. Also still to come up are items 92, which will be postponed, I think, that's parkland, number 93, 93, which is encroachment, 94 and 95, Indian hills and whisper valley.

[3:48:24 PM]

96 and 97 will be postponed. Number 98, strs linked to 98, and number 9 is the homestead preservation district item.

>> And I think you meant to say 75 and 76 also. Right?

>> Mayor Adler: 75 and 76, the tnc and the quarter-cent will be coming up. So when we come back at 4 o'clock, 75 and 76 are going to come back after our dinner break. Okay? So when we come back, we will pick up the items to be postponed first, the parkland dedication item and the 96 and 97. We'll see if we can deal with 98 and 100, since that's basically being put off until the 28th, except for the testing water provision. And then we'll -- we'll get into 93 and 94, 95, 99, and then probably break at that point for dinner, come back after dinner and hit the tnc and the quarter-cent. Okay? Everybody gets a ten-minute break. We'll come back here at 4 o'clock. Say 4:05, break 15 minutes. Let's see if we can do that.

[Council in recess.]

[4:17:30 PM]

>> Mayor Adler: So what do you think, are there some things we can get done here even when we don't have a full dais? We have -- let's call up item number 92, which is the parkland. Can we do that? Why don't you call up the parkland deal. Item number 92. You want to make a motion to postpone 92?

>> Sure. Mayor. Thanks for item 92, parkland dedication fees, I'd like the opportunity to review the substantive amendments that were offered that I think your office and my office for sure weren't able to review, and so probably other offices as well, so ideally, it'll be able to be heard in open space committee, then we can bring it to council shortly after that. I am chagrined, frankly, to have to make the delay because I was fully prepared to recommend approving on second and third reading the changes to the fees that were in the original ordinance that was passed on first reading, but with the substantive changes that were added, I really think the community needs time, as do our offices to review it. So I realize this will delay the collection of the fees, but unless we can separate that out from the amendments, I will be -- I'll make a motion for postponement.

>> Mayor Adler: Okay. In the pool moves to postpone it. Are you of postponing to time certain or subject to call?

>> Pool: Subject to call.

>> Zimmerman: And I will second that.

>> Mayor Adler: It's been moved and seconded to postpone this, subject to being listed on the agenda again. Ms. Tovo?

>> Tovo: Councilmember pool, I wonder if you would consider amending your motion to have it come back on the 28th. I do think there's a real benefit in having -- in having this move forward, and I'm persuaded that some more -- a close look at the amendments make sense, but I do agree that we need to get this in place. We've already lost the opportunity to get -- to get those fees done --

[4:19:32 PM]

>> Pool: Significant --

>> Tovo: Significant, and I don't want to lose any more time on that.

>> Pool: Right. I anticipate it will come to the January 28th agenda. If it can't, if the agenda for January 28th is so loaded up, is that going to be a problem? Mayor?

>> Mayor Adler: It's --

>> Pool: That's the only -- that's my only concern.

>> Tovo: I'd be glad to make that as an amendment.

>> Gallo: And I'll second that amendment from a mayor pro tem tovo.

>> Mayor Adler: I think setting is the 28th, if we need to move this or something else back a week, we can always do that, but I'm fine with doing that at this point.

>> Pool: That's fine. I will change my base motion to have it come back on the 28th.

>> Mayor Adler: We move to postpone item number 92 to January 28th, seconded by Mr. Zimmerman. Is there any discussion on the motion to postpone? In the Gallo.

>> Gallo: I have some comments to make, but I think we have two speakers signed up also.

>> Mayor Adler: We do have two speakers signed up. In fact, we have three speakers signed up. Let's call the speakers. David king, you want to speak to this?

>> Thank you, mayor. Mayor pro tem, councilmembers. I'm just here to speak to ask that you not delay this any further. It's been delayed so many times. And we're way behind the curve on our parkland dedication fees and the amount of parkland that's generated from development in our city. And as we speak, more projects are getting to the parkland that won't -- I'll use the word benefit, from these proposed changes. So I hope that we don't -- that we don't postpone this any longer, that we pass it today, and if there's some tweaks that need to be made, it can be done later on, but I think this is the time to move forward with this.

[4:21:35 PM]

As y'all know, we've heard this enough, the last time these fees have been adjusted is 2007. That's pay too long. You know we're deficient. Y'all know this, better than probably anyone else in this city, how deficient we are with parkland around with amenities of existing parks, and how important that is to our city and to the liveability of our neighborhoods. So I hope we won't delay this anymore and that we will go ahead and approve this today, and so we can get some more parkland and we can get amenities in our park, and particularly in the downtown area and the areas of the city where we're densifying, and it's very difficult to get more parkland. It's expensive. So as we have this decreased density and growth in central Austin, we really need the funding from these proposed changes as quickly as possible so we

can invest in parkland, in this part of the city, but also in other areas of the city that lack parkland and amenities in their parks. Thank you very much.

>> Mayor Adler: Thank you. Eric Goff?

>> Good afternoon, mayor, council, Eric Goff. I spoke last time, I think it was 2:20 in the morning, asking for a short delay so we could work with park staff, and I'm happy to report we've done so. I understand you've got very late backup and want to review it, and that's understandable, but we hope that you don't delay any further because now we think the substantial issues have been resolved. There were multiple meetings with park staff, ora, the parks community, park advocates, there are real estate developers and others that sat, I think through at least three meetings, hashed out what I think is a good compromise, and so I look forward to y'all supporting that next year, as early as possible.

[4:23:36 PM]

Thank you so much.

>> Mayor Adler: Okay. Ms. Houston?

>> Houston: Yeah. That's no question. I just want to clarify that aura is a-u-r-a, not o-r-a.

>> That's right. As far as I'm concerned, your councilmember Houston.

>> Houston: No, on the teleprompter, it said o-r-a.

>> A-u-r-a.

>> Houston: So I just want to make sure when he speaks, he's speaking for his organization, a-u-r-a, and not for o-r-a.

>> Mayor Adler: Got it. Thank you. Thank you. Ted siff.

>> Thank you, mayor and council. I'm here representing myself as well as being president of the shoal creek conservancy. I certainly the council's prerogative to delay today, but I do want to reiterate the other two speakers' concerns about a delay. When this was passed on first reading last month, all the stakeholders were encouraged to get back together and work out their differences. Actually, as has been recounted by the other speakers, that's happened. I would estimate, given the number of people involved in the various meetings, literally hundreds of hours of free time have been donated by all the stakeholders who participated, and we've achieved a consensus that's represented by the amendment that's before you today. If you increase -- continue the process -- and as I say, I respect council's prerogative to do that -- but that consensus is put at risk, too, and what might come back to you in January might be an amendment that doesn't have consensus. So there's not only fees lost in this

potential delay, but the consensus that you encourage stakeholders to achieve may also be lost if you delay.

[4:25:46 PM]

Thank you for your consideration. I'm happy to answer any questions.

>> Pool: Mayor in.

>> Mayor Adler: Yes, Ms. Pool.

>> Pool: Mr. Siff, thank you for being here today. I just was curious, if you were working on a project and late amendments were made to it and you did not have the opportunity either to participate in those conversations or even have time to review them, wouldn't you be in a place where you might say, can we just let me have some time to review this before I have to vote on something?

>> Of course.

>> Pool: Okay.

>> And I said,

>> Twice that I respect council's prerogative to review. And apparently, at least some councilmembers need to. You are, at most, faced with the challenge that any citizen is faced with every time any agenda item comes to council. That is, what you're considering today was posted last Friday. And this is Thursday. And so, I would have hoped you would have had time to review it.

>> Pool: Unfortunately, the backup was late backup. I have not had sufficient time with the red line to review it, which is not, obviously, a concern for you. That's an issue for me and my staff. But I am not willing -- I am reluctant to vote quickly on an item with this much change without having an opportunity to review it. And I think that that sentiment is likely shared. And I will one more time say that I supported the ordinance changes on first reading. It was during that interim between November -- before Thanksgiving and now -- that significant changes have been made. So we're looking for a little bit of time to review that. I appreciate your input and hope to talk with you more, and other parks advocates as well. And the other business entities that were involved during January.

[4:27:47 PM]

Thank you.

>> Mayor Adler: For what it's worth --

>> I missed the question, but, thank you, too. I appreciate --

>> Mayor Adler: I would hope that the folks that reach the consensus -- I recognize, it was a consent agenda. Consensus. I would hope, and have the expectation that people would not re-trade or fall off that commitment pending the review. I just say that to the world.

>> Thanks.

>> Thank you.

>> Mayor, I actually have a question.

>> Mayor Adler: Ms. Gallo.

>> Gallo: Ted, thank you so much for your work on this. It was wonderful to be a participant in a collaborative effort where no one got exactly what they were looking for, but everyone agreed to make it work. And I was just curious if you could recall a time where members of both the parks community and the development community have come together beginning at such a difference and coming to a consensus that it looks like everyone's agreeing to.

>> Well, thanks for asking that. I don't remember a time where as many voices coming from -- really, a quite a range of interests ultimately sat down and worked to a consensus. The one example that comes immediately to mind is rough 15 or so years ago, the hill country conservancy was founded through a three-party agreement between the chamber, rica, and sos. And there was reference to -- in these various meetings -- the development community's representatives and the park advocate's representatives said, this is a new level of cooperation, collaboration, and frankly, communication with regard to parkland, as opposed to open space, between these -- by some people's view, disparate interests.

[4:30:02 PM]

So, simple answer, yes. It's a big deal.

>> Gallo: It is a big deal. And thank you for being part of the process of bringing back that collaborative effort after over a decade. So, thank you.

>> Mayor Adler: Thank you.

>> I have a question.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I have a question for our parks director, just to make sure and to kind of get a sense of -- or kind of a description of the process that is taking part at this point. And that if her concerns with the delay, and if you could just express that.

>> Sara Hensley, director of parks and recreation. Well, obviously I'm disappointed. But, again, as I said in the work session, I understand the need for council to have their time to review. And I think you've heard from some of the other folks. Our intent was to listen very carefully when you told us at the last council meeting that you needed more time, and we needed to maybe go back and look at opportunities for working better together. And that's all that really needed to be said. We took the time to work with our park stakeholders to share with them first what our issues were, and sort of where we were. They then took it upon themselves, and -- their leadership to visit with the development community. And there was a lot of those individuals. And then, I met again with the parks and recreation folks to talk about where we were. And we had already scheduled a meeting with ward Gisele and others to come to a better understanding, first and foremost, of what they were trying to do. And if nothing else, what we've done is been able to have a better understanding of both of our needs. So, without anything else happening, we have uncovered an opportunity to work more collaboratively with other things that may come up besides the parkland dedication.

[4:32:08 PM]

But, what we did do was work through this and come to hopefully, what we believe to be is a good resolution. And so, while we are disappointed, my hope is that this -- sails over the goal line in January, and we can move forward in a positive manner and really create something special.

>> Gallo: Okay. And just one other question. So, if we had heard this today instead of considering the postponement, would the revised ordinance that has been posted as backup now be the recommendation you would've brought forward to us?

>> The one that we worked on this last -- yes, would've been our recommendation from staff, yes. That's correct.

>> Gallo: Okay. Thank you for making that clear.

>> Mayor Adler: Thank you. Mr. Zimmerman.

>> Hold on, please.

>> Zimmerman: Thank you, Mr. Mayor. A quick question. There is a 150-acre park. We've been doing some investigation on this. I'm going to maybe call the "The lost park." It's between the south of district 6 and the north of district 10, right around the area of where I had proposed this fire break parkway to go between the open space there.

>> Mmhmm.

>> Zimmerman: For a property like that -- it's never been developed in 30 years. Is that parkland being credited towards this new allocation that you've been talking about?

>> I'm going to have to look at ricardo, but I'm not quite familiar with this space. But any parcel that we receive, whether through a developer's dedication -- there's one way. One is to acquire it through parks dollars, which we'll use some of the money that we get -- fees in lieu of to buy that property. So I'm not sure exactly.

>> Zimmerman: I believe the money from this one came from a bond issue in the 1980s, but we're investigating that, as well.

>> We have several parks that have been here for over 30 years. Some up to 50 years that we have not been able to develop. That is a fact. But --

>> Zimmerman: It's interesting to me, we haven't developed our existing parkland, and yet, we're asking developers to donate more parkland, when we haven't developed what we already have.

[4:34:18 PM]

>> That's bcp land.

>> Zimmerman: No, no, no. It's not bcp land. It's in the deed records as dedicated public parkland, not bcp land.

>> Mayor Adler: It would be helpful to check on that outside of this.

>> Zimmerman: We can talk about it later. It sounds like it's probably not parkland. There's confusion. This answer would be no.

>> Mayor, I have one additional question. Just a point of information, can someone point us to the ordinance in the backup? We are not able to find it.

>> It's not there.

>> Pool: I just wanted to reiterate, again. The ordinance is not prepared, and it hasn't been distributed, and we haven't read it. And there really isn't any way, even if we wanted to, that we could vote on this today.

>> Right.

>> Pool: This goes one more time to the fact that this has been pushed very quickly, and it really deserves a little bit of reading space. So I thank everybody for all their efforts. I am not taking away

anything from your efforts, but I do want a followup process here. And it would be great to see the ordinance.

>> Mayor Adler: Okay. Item number 2 has been postponed to January 28th. Ms. Gallo?

>> Gallo: I have some thank yous I want to express. You know, we were able to participate in the different collaborative meetings, and really look forward to supporting pard's recommendation on the revised ordinance on January 28th. But I want to thank -- there was a huge community that was involved in this, first with the park staff. We had Sara, randy, marty, ricardo, I know legal started working on the language, until there was discussion about postponement. But, in the development community, we had the Austin apartment association -- these are representatives from all these different groups.

[4:36:20 PM]

Downtown Austin alliance, homebuilders, real estate council of Austin, we had aura work on this, Austin parks foundation, hill country and shoal creek conservancy, waller creek conservancy, the vice chair of the parks and recreation board was participating. So, as you can see, it was really a massive effort by the whole community to move forward on this. So, I just want to thank you again. I'm really excited about this collaborative effort where everyone gets something and we increase the parkland in this community. So I just want to say thank you again, and I look forward to being able to vote on this at the end of January.

>> Mayor Adler: There's a movement to postpone. No discussion. Please raise your hand if you're in favor. Those opposed?

>> Tovo: I was voting in favor, but I want to clarify whether the public hearing is going to remain open. We heard some speakers, but I think it would be appropriate to leave the public hearing open.

>> Mayor Adler: There's no motion to close. The matter has been postponed until January 28th. It was unanimous on the dais with the vote. So this matter is postponed until January 28th. What about items number 96 and 97?

>> Mayor, chuck, officer. There's been a request for postponement on both of these items by bill bunch with the sos alliance to allow them to have time to work with the applicant and discuss the matter some more. And there's been a request to postpone to -- by them to January 28th. And the applicant is amenable to that request.

>> Mayor Adler: Is there a motion to postpone items 96 and 97 to January 28th? Those in favor of postponing, please raise your hand.

[4:38:21 PM]

Those opposed? Unanimous. This item -- there's two items, 96 and 97 are both postponed. Mr. Guernsey, do you want to take us through item number 93?

>> Thank you, Greg Guernsey, planning and zoning. Item number 93 is to conduct a public hearing, consider an ordinance amending city code title 25 regarding regulations of encroachments in street side yards. This would simply allow a porch for homes that are on the corner lot. Currently, you can have a porch encroach five feet. This would just allow you to have the porch encroach on the side yard. I don't believe there are any speakers. If you have any questions, I'll answer them at this time.

>> Mayor Adler: Is there a motion to approve item number 93? Mr. Casar moves. Is there a second? Is there a second? Ms. Pool. Any discussion? Those in favor of 93, please raise your hand.

>> That was also to close the public hearing.

>> Mayor Adler: To close the public hearing and to approve it. Those opposed? It's unanimous. This item is approved. 93 is approved. I might point out to people, if anybody here is waiting to speak to tncs or to be present for tncs or the quarter-cent item, items number 75 and 76, those are both going to be heard after music and proclamations, and dinner. So 7:00 would be a safe time for people to be here. It's not going to be called before that.

>> Mr. Mayor.

>> Mayor Adler: Yes.

>> Casar: On the last vote, I want to clarify F. If we need to include that we're approving on three readings.

>> Mayor Adler: I think that the motion is listed, it was to approve on all three.

>> Casar: Great. I just wanted to double check.

>> Mayor Adler: The record should reflect that.

[4:40:22 PM]

Items number 76. On item number 75, there's going to be four people speaking for and four people speaking against, since we've already had multiple public hearings on this item. Certainly everyone is welcome to be here, and to witness it. But it's going to be just those invited speakers. Consider items 94

and 95, Indian hills and whisper valley. Is staff here on those? Is there a motion to approve items number 94 and 95? Ms. Pool moves that. Is there a second to approve items number 94 and 95?

>> You have to conduct a public hearing.

>> Mayor Adler: Hmm? 94 and 95, seconded by Ms. Garza. I see no speakers listed on 94 and 95. Oh, 17 and 18. I'm sorry. There are speakers. I apologize. Let's call the public hearing first. I have Doug Gillelan. Is Steve Metcalf here? Is Tom Johnson here? Is Michelle Lynch here? Okay. Mr. Gillelan, you then have 12 minutes.

>> Thank you, mayor, members of the council. My name is Douglas Gilleland, I'm here to speak on behalf of Indian hills and whisper valley.

[4:42:23 PM]

I'm here to discuss the annual service and assessment plan update. The issue at hand is the date in which the 2016 bond payment will be paid to bond holders. We appeared before you on December 17th to talk about the 2015 payment. And so I'm here today to bring you up to date as well as to ask your support with regard to the payment suggestions that we have to make on the payment for 2016. In the September '17 council meeting, a decision was made by council to allow for the amendment of our water cost reimbursement agreement. And in amending that, we allow for reimbursement to take place on conditional acceptance of waterline one, waterline two, and also, we had a reimbursement for a wastewater interceptor line. We asked for the conditional acceptance so that we would have time to complete the construction. And we said to you at that time that our obligation was to make a bond payment to the trustee on November 1st, whether the reimbursements had taken place or not. Ours indicated that the reimbursements had not taken place, that we would make the shortfall payment. So, I'm pleased to tell you that since that council meeting, that there was a conditional acceptance for waterline two. And the city did reimburse the partnership \$4.1 million. There was already \$1.7 million in the trustee account for the completion of the interceptor line. However, the conditional acceptance has still not taken place for waterline one. If you look at the screen, you'll see the waterlines in question, waterline one and waterline two.

[4:44:30 PM]

So, when the payment was necessary to be made for the shortfall, it was \$1.3 million. And that payment was made. As we indicate that had we would do. So now we're moving forward, and today's discussion is about how do we make the payment for the remaining portion of the bonds in 2016. Currently, under

the service and assessment plan, that date for the obligated payment is November 1. And the source of those -- the total amount of that payment is \$16.2 million. To ensure that that payment is made, the source of payment will come from two different sources. One is our wastewater treatment plant, our cost reimbursement there. Currently, we have \$6.6 million sitting in an account that was intended to build the wastewater treatment plant. We have worked with staff, and we have agreed to take those funds and to apply it towards -- directly towards that payment in 2016, on November 1. In doing so, we've agreed to go ahead and build the wastewater treatment plant out of our own pocket -- out of our own funds, and then to wait for the reimbursement process when the sewer treatment plant is done. With regards to the payment, it is our intent to pay the remaining roughly \$10 million with the completion, conditional acceptance of waterline one. Right now, the status of waterline one is that it is basically a hundred percent complete. We are trying to go through the final steps of conditional acceptance with staff right now. The complicating factor to complete waterline one is that as we mentioned in our meeting, September 17th, there is a contractor litigation. There's a lawsuit that we're working through right now. So in working with staff, we have attempted to do what was proposed in the September 17 meeting, which is to bond around that lawsuit so that we can complete conditional acceptance.

[4:46:44 PM]

And that \$10 million would come to the reimbursement agreement. At this point, we've not been able to come to an agreement with staff with regard to a bond that would make sense from the staff's perspective. So now it becomes very important to get the construction completed so we can get reimbursed on the funds. Staff is proposing that the payment for -- the bond payment for 2016 be moved again from November 1 to July 1. If we are not able to bond around the lawsuit, then we're dependent upon conditional acceptance of the water line. At this point in the litigation process, we won't even be in court until June of next year. So it's pretty certain that the legal process will not be completed in time to get the reimbursement, which means if we set up the date of July 1, we've almost certainly created another crisis with regard to that payment. Again I want to say to the councilmembers, as I said to you 1, the partnership will make that payment. We've tried to work with staff to find a compromise to, perhaps, agree on September 1 to allow the litigation process to go through its course. And if in the litigation process we lose, we'll certainly pay whatever's required by that finding. But if we are not allowed to go through the litigation process, then we almost certainly will be faced with the reality of making a payment out of our pocket on July 1. And if the council chooses to do that, then we will follow council's direction on this. But we're here to ask you today to work with us either to help us to find a mechanism for bonding around the lawsuit, or to leave the date out far enough that we can complete the litigation process.

[4:48:49 PM]

Originally that date, is in our service and assessment plan is November 1. It's been proposed to move to July 1. We would be willing to compromise and move the date to September 1. Staff is still trying to work through their confidence level. We certainly want to try to work with staff. And I want to strongly say this to you. It's not our intent to come before you and disagree with staff. It's always our intent to work with them. We've been working with staff since 2006 on this project. We've been working with members of city councils for that length of time. So we really want you to understand that we're here in a cooperative spirit. This project is a very important project to Austin. We want to complete the development of phase one, which we're prepared to do now, to provide east Austin affordable housing. This will be some of the most affordable housing in Austin, and there's a desperate need. Those families that live in east Austin, their number one concern, as councilwoman Houston will testify, is affordable housing. This project does that in a special way in a planned community environment with unique features. We're not able to start construction because of these issues, so we're just simply asking council to work with us, and to have staff work with us together so that we can complete this infrastructure project, get the bond payments made, and then simply move forward with a very special project. So I would ask you today to consider a compromise to the request by staff to move the payment date for the service and assessment plan in 2016 for the bonds to September 1st, 2016. Thank you.

>> Mayor Adler: Thank you. Mr. Zimmerman.

>> Zimmerman: Thank you. So, I've been looking through my backup information while you've been talking about this.

[4:50:50 PM]

And this is not the first time this has happened. The date has been changed in the past, that kind of created a crisis. I was looking through my backup documentation. Nowhere can I find a December 1st date. So, again, when was that December 1st date originally created? Because it just disappeared from my documentation, as if that date never existed. So help me understand that December 1st date.

>> Absolutely. I'd be happy to. When the bond were issued, there December 1 of 2016. It was a requirement of the bond sale that we make, as the partnership, a payment to the bond trustee on November 1st so that everything that was completed under construction by November 1 would be reimbursed in time to make the December 1 payment. Since the beginning of the service plan, an attachment to the documents, the December 1 date was agreed to. This was agreed to back in 2010, I believe.

>> Zimmerman: Okay. It dates all the way back to 2010.

>> Yes, sir.

>> Zimmerman: So I would expect -- I can ask for a legal opinion here on whether it's legal for the city staff to simply move that date up, you know, five or six months. They're probably going to tell me it's legal, but I think it's a despicable practice. I'm very upset. It's the same situation from a year ago. This is why I don't support trying to do the pids in the future. This should be a M.U.D. Issue, decided by the local taxpayers and board of directors. I've been a M.U.D. President before. I've been involved in these. It's much better to handle these on a local level and not have these complicated agreements that drag us into this. And there's a lot of confusion and misunderstanding. So I'm going to support you on this. I'm going to make a motion to move this back to the December 1st date.

[4:52:55 PM]

I don't know if it'll go anywhere here, but I apologize for the way you've been treated.

>> Thank you.

>> Mayor Adler: If there's conditional acceptance of the line, before it's completed, does the city not get -- does it put at risk any of the warranties the city might otherwise get?

>> Mayor, it's my understand that if we receive conditional acceptance, that you will receive warranties. The question is influenced by the nature of the bond. If the litigation is there -- and we have our council here today who's handling our litigation. I'm not a lawyer, he can answer those better than I can. You could go into a conditional acceptance mode, if the work that has been done that is defined as part of the conditional acceptance. If the litigation is still there and it's bonded around, then it's our belief that we can protect the city from any liability that would come from a lawsuit by a contractor, and that we can provide a warranty for the city in terms of maintenance for that improvement.

>> Mayor Adler: Is that the same warranty that the city would get if you completed the line and turned it over?

>> If you don't mind, I would like to ask our legal counsel to answer that question. Would that be all right? I want to make sure I don't give you a layman's answer to a legal question.

>> Mayor Adler: Okay, okay.

>> Mr. Carson Fisk, I think, is here.

>> Mayor Adler, council. I guess from my perspective -- I guess to answer your question directly, what taurus has proposed is providing a warranty bond in place to satisfy any warranty obligations, were there to be a warranty issue.

[4:55:00 PM]

>> Mayor Adler: Is it a different warranty than the city would get if it waited and -- if completion happened before the city --

>> We haven't gotten to it. It doesn't have to be. It could be the same. We haven't been able to propose an actually warranty bond document. We've been talking in more conceptual frameworks with city staff to see if we can get to a point where we can have that discussion. But we haven't gotten there yet.

>> Mayor Adler: If the city accepts the deal, does the line -- conditionally, does it get the line but not receive the final drawings necessary to operate and maintain it?

>> I don't think that that -- I mean, to me, maclaine has a contractual obligation to the entity to provide as-build record drawings at the completion of the project. And that whole discussion of what -- we're prepared to work with staff and prepared to get the drawings that are needed to close out that aspect of the project. From my understanding of the ordinance that you guys passed back in September, there's four components. You have the record drawings, you have basically a layer of protection for -- I think the director of Aw has to feel competent that the city is protected from liens and incum and encumbrances. Those are the three main items. We have been negotiating to see if we can get somewhere on that. In my view, the hangup has been whether the city's protected against liens and encumbrances. We set forth a proposal for an agreement to see if that would allow us to work around that issue. We met today. I think we had some useful discussions. But I think we have an issue in, kind of, getting past that point. There's not a risk that I'm aware of that the city really faces that staff seems concerned about. And I don't know how we bridge that gap.

[4:57:03 PM]

>> Mayor Adler: Okay, thank you.

>> But --

>> Mayor Adler: Any further questions? Ms. Tovo.

>> Tovo: I have some for our staff at the appropriate point, but I think before we have Mr. Gilleland get too far from the podium, I just want to clarify one point that you've raised, please. I know that we've been focusing on the financing of it, but several times -- at least once today and in our previous -- if your previous testimony, you've talked about your -- that this will be affordable housing. And I can't recall now whether you've made some specific commitment to affordable housing, and whether you're working in partnership with any of our community organizations to ensure a particular -- any kind of particular income limitations with term limits, or any of the other things we're accustomed to hearing about with regard to affordable housing developments.

>> Sure. We have a planned unit development designation in our zoning. And part of that designation requires at least 10% of the housing is offered at 80% of the median income for the area that we're in. So, by definition of affordable housing, placed on that criteria, we will have affordable housing. But, then beyond that, it's our goal to reach first time, second-time homebuyers. And we certainly understand that there's a need for affordable housing, probably at a lower price point than what we're providing. And that can be achieved with the 10% that we're talking about. We have 7500 houses that we're building out there. So there will be a significant amount of that. But beyond the criteria set out in the P.U.D., it's our goal to offer housing to first and second-time homebuyers. We'll begin in the 100s and go to the upper 200s. In terms of what's happening in Austin today, that's one of the lowest price points, while at the same time, offering 700 acres of open space, and zero energy -- fixed energy prices for our customers.

[4:59:12 PM]

>> Tovo: Okay.

>> There's a lot of benefits they're getting as well as affordability.

>> Tovo: The specific commitment in the documents is 10% at 80% mfi for what term?

>> Throughout the life of the project.

>> Tovo: And that is 80% median family income in the Austin area, or is the ordinance actually crafted so it's the median family income of that -- of the surrounding neighborhoods?

>> Our understanding of that is of the surrounding area. The general income on the east side market that we're serving is a little bit lower than the income on a metropolitan basis, so our objective is to be able to serve the residents of east Austin.

>> Tovo: Thank you. Mayor, I have some questions for staff, but we probably have other speakers, and it looks like councilmember Garza has a question.

>> Garza: Is the 10% on initial sale, and if not, what mechanism are you using to keep that 10% permanently affordable?

>> The P.U.D. Doesn't have a specific schedule. It's our commitment to do that on a phase by phase basis. So we will have affordable housing out there. The idea is to have it in every phase.

>> Garza: But in the first phase --

>> Yes.

>> Garza: Let's say there's ten homes. Is -- if those -- are those homes being sold just at that initial sale, and then once that family sells it, it would be sold on the market?

>> The requirement under the P.U.D. Is at the initial sale. I'm familiar with what you're describing, and there's not language past the first sale in the P.U.D.

>> Garza: Okay.

>> Houston: Mayor.

>> Mayor Adler: Yes.

>> Houston: Thank you for being here.

[5:01:12 PM]

One of the issues for -- I think all of us on this council -- is that we've seen development come in and have an initial sale, and then the owner flips those. And then all of a sudden it's no longer affordable. So, I see somebody touching you. You might want to talk to him before I finish.

>> No, I want to hear your -- I'm listening completely to you.

>> Houston: The issue is, how do we keep those homes available, because those are the concerns about the gentrification that we talked about east Austin, is that we have them at an affordable house price even at 80%, and then that person flips it, it becomes market rate, and it's no longer affordable. What kinds of things -- I know this is off the subject, but this is part of it as well. What kinds of assurances can you put into the development that says those houses will remain affordable?

>> Okay. We'll both answer that question. It's a very good question.

>> So, I don't have the P.U.D. Sitting in front of me, but the language in the P.U.D. Doesn't necessarily address the going forward affordability. But it doesn't preclude it, either. So it's a discussion I've been having with the affordable housing folks for a long time about how you create that continued affordability through a restrictive covenant, or whatever mechanism. And so we haven't settled on the mechanism yet, but that is something we've been working on for a while.

>> Mayor Adler: Identify yourself for the record, please.

>> Steve Metcalf, on behalf of the developer.

>> Also to follow up on your question, one of the mechanisms that we can use is through the deed restrictions themselves. And in the deed restrictions, creating certain minimum square footage in the home, and certain configurations of the home. So, we're keenly focused on this so that as the market

evolves, we want to continually create deed restrictions which allow us to address that segment of the market. That's a fundamental part of our goal and mission out there.

[5:03:14 PM]

So, it's something that we're very open about, we're very flexible. We're happy to engage in discussion with different members of the community.

>> Mayor Adler: Thank you. Those are all the public speakers that we have. If we could have staff come to the microphone, that would be great. Ms. Tovo, did you say you had some questions?

>> Tovo: I do, thanks. Ms. Hart, I wonder if you could address what is on our agenda, and how it's different from what Mr. Gillelaned is proposed. Is sound like their request is that we bond around the lawsuit, and I wonder if you could address that point, and also the question of -- I guess I'd just like to understand what the staff's recommendation is and why.

>> Elaine hart, chief financial officer. I have staff from the law department and Austin water here. Because it is a public hearing, the developer is allowed to talk about things that are not posted for council action today, that being the water cost reimbursement agreement, and the issue with the contractor dispute that he's got. And so, the action that we are asked today to approve is, conduct a public hearing on the special assessment, and adopt an ordinance that passes the special assessment which sets the dates for the assessment payments. The service and assessment plan that was signed when the bonds were actually sold, that is annually updated by approval of the council, does provide authority for the city's administrator to determine the process and the dates for the assessments. And so, that's what the ordinance with number 94 and 95 is asking the council to do, is to set those -- approve the assessment roles and the due dates for the assessments for both Indian hills and whisper valley.

[5:05:23 PM]

The due date on the bonds is -- on the senior bonds, the payment dates are March 1st and September 1st. The payment dates on the subordinate bonds for both of those is December 1st. With respect to the subordinate bonds, they are backed by the special assessments. The guarantee behind the bonds is the special assessments, as well the water and wastewater cost reimbursement agreements. The documents say that if the reimbursements by the water utility are not made, the developer is responsible for making the special assessments on the due dates. And so, these do maintain the

September -- excuse me, the January 31st date for the senior bonds, and the November date that we had this past year for the subordinate bonds. I'm sorry, the July date. Sorry.

>> Tovo: Oh. That clarifies it, because I thought there was a discussion from Mr. Gilleland about shifting the July. So, if you could just address why you believe, in -- particular that that date is the appropriate date to have that was suggesting.

>> Sure. I appreciate the opportunity. I discussed this at length with the city's financial advisor, as well as the bond council on these bonds. Neither one recommends moving the date back to the November 1st, because of the experience we had this year. We knew last -- many months ago, a year ago, when we set the original July date, that the construction was delayed. And we -- that the reimbursements would not be made on time, and that we needed -- that we were going to need time to remedy that.

[5:07:25 PM]

The city is fiduciarily -- has a fiduciary responsibility to the bond holders to get the payments made to them. We are not a direct obligation. In other words, the city does not have to write the check. The tax pledge, or property tax, is not the source of the payment. But we do have to do everything in our -- that's legally possible to make sure those payments are made and to remedy any delinquent payments. And so, when the payment was not made July 1st, we worked through the commissions and the committee structure to get to the council by September 17th to propose this conditional acceptance. As we were getting to council, about a week before that, we learned of the lawsuit, which complicated the larger reimbursement on waterline one, which is about an 8.5 to \$10 million. As we got in those discussions with the developer, and following the authorization to execute the reimbursement agreement amendment, the developer made the decision to fund the water -- the wastewater treatment plant with his own funds, and allow us to maintain the bond funds in the trustee account to be used for the December 16 payment. So that's just as he said. But we have a 16,254,000 payment due December 1st. We believe that if we can remedy the waterline one construction dispute, that we'll have plenty of money to make that payment without the developer making any payments. We also believe that that can be resolved before the July 1st date. So, because of those opinions -- that are staff opinions -- I do not recommend changing the July 1st date.

[5:09:30 PM]

Certainly, it's a council policy to make -- that decision. I would recommend if you change that date that we ask for a partial letter of credit to guarantee that the developer has some incentive to resolve that lawsuit.

>> Mayor Adler: Did you talk about the lawsuit -- he said that the lawsuit isn't set for trial until June. You're suggesting that it could be resolved earlier than the trial? Is that right? Do you think you could get an earlier trial setting?

>> He is trying to resolve it with the contractor. Based on our meeting earlier today, he is working through the invoices. It is a dispute of \$500,000 in change orders up to a million and a half, some of which he believes may have been improperly billed to him, others he's trying to work through with the contractor. So, my impression of our discussion today is that it might not go to trial, that there may be some resolution prior to that. They have gone to mediation, and that did not work. And so the lawsuit was filed during 2015.

>> Mayor Adler: My only concern with having -- basing something on the belief that someone could resolve it earlier is that if he really believes that he doesn't owe that money, then he has a trial, and an ability to go into court and say, don't make me pay this. If the city is saying, we need you to settle it earlier -- if I'm the person on the other side, I say, give me my money. Whether you think you owe it to me or not, because you can't take me to court for finding on whether or not I do. So, I'm a little uncomfortable with that as our recommendation to him, and the basis on which we are comfortable setting an earlier date, effectively denying him the opportunity to litigate that question.

[5:11:34 PM]

Is there a way for him to bond -- it's only \$500,000, or a million and a quarter. I don't understand why he can't bond around that.

>> I need legal to speak to that.

>> Gregory Miller with the law department. Essentially, what we're being asked to do is to conditionally accept the waterline, and become owners of the waterline, and therefore interject ourselves in the lawsuit. We're basically asking ourselves to be joint --

>> Mayor Adler: Help me understand how that joins you. He has a lawsuit about whether or not he owes money to someone. How does your conditional acceptance bring you into the dispute about whether or not that contractor is due invoices to be paid by him?

>> It creates the strong impression that we're siding with the contractor. If you read the petition from the contractor against the developer, it's pretty brief. But one of the main points is the validation that the city is solely responsible for any delays in development. So, by us taking ownership of the line, basically stepping into the position of owner of the line before the line is completed, we're inviting ourselves into the lawsuit.

>> Mayor Adler: Help me understand. What is a given is that everyone knows when that line is done, it gets turned over to the city on completion. That's not a hidden fact, right ? >> Correct.

>> Mayor Adler: How does taking the line earlier change anybody's position or privity, or what people know is happening with that line?

>> Presently, we don't own any aspect of the line. There's no material provider or anybody that can come to the city and say, you owe me for work or materials on the line. Once we conditionally accept, that changes. We are suddenly standing in the shoes of the developer, and people can start coming to ask us for material payments, and supplies and so forth.

[5:13:49 PM]

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Could he bond -- could he put up security that says -- even if that happened, even if they came after you for the money, if I go with you on that point, and it's a \$500,000, or a million two, or whatever it is. If he's put up that money, so that the city doesn't suffer -- if that happens, then the condition is set, and then you have that money that's already been bonded, and you pay it off.

>> I mean, essentially, I'm being asked would I encourage my client to voluntarily expose itself to a lawsuit. And I would say no, especially since the lawsuit is \$1.5 million. We don't know if it will go higher or lower. But, let's say they agree to write us a blank check to cover covers. We're talking about large legal expenses, untold potential exposure, and in terms of what we've seen as the proposed indemnity or proposed bonding, all we've seen so far are things that relate to chapter 53 of the property code, which would be like perfected mechanics liens, nothing addressing the lawsuit. I would be very surprised if the developer wanted to indemnify us in that lawsuit. They haven't put anything on the table to do so yet. So, I haven't seen any mechanism to do so, and I would advise against walking into a lawsuit.

>> Mayor Adler: Is this whole dispute around that 500,000 to a million and a half dollars?

>> I'm sorry?

>> Mayor Adler: Is this whole thing about the 500,000 to a million and a half?

>> Yes. This particular dispute, 500,000 to a million and a half, is holding up conditional acceptance and a \$10 million reimbursement and city ownership of the waterline.

>> Mayor Adler: Okay.

>> Zimmerman: A point of inquiry. I'm sorry, what was your name?

[5:15:50 PM]

>> Gregory Miller.

>> Zimmerman: Do you work for the city?

>> I do.

>> Zimmerman: Thank you.

>> Mayor Adler: Legal.

>> Law department.

>> Thank you.

>> And I am licensed to practice law.

[Laughing]

>> Zimmerman: That's terrific, because the basic person kind of understands the concept of a bond. But what I heard from you is that a bond is worthless, a bond doesn't protect you. That's wrong.

>> I'd like to say that we're just trying to give the answers that you're asking here, and give the advice that you have asked us for. Thank you, Gregory.

>> Zimmerman: I'm just asking for truthful information.

>> Mayor Adler: Is there a way for the property owner here to -- if they were to go -- come out of pocket for that 500,000 to a million and a half, would they be able to move forward without prejudicing their position in the lawsuit?

>> We've suggested that they look into some sort of reservation of rights in the lawsuit. I don't know if they followed up on that or not.

>> Mayor Adler: Reservation of rights? Could they do it, assuming the people on the other side were not cooperating with them? Could they, in fact, move forward with this deal with the city, come out of pocket with \$500,000, without compromising their position in that lawsuit, without asking the person who's on the opposite side of the lawsuit to help facilitate that? I imagine they wouldn't want to help facilitate that.

>> As I said, we've offered a few things, but recognizing we're not their attorneys in. .We've made a few suggestions, but we can only take it so far. We're waiting on seeing what they come to us with.

>> Mayor Adler: Okay. I have a question to that lawyer. I hate that we're spending time on this on the dais. Could your client put up the \$500,000 or whatever it is, and not prejudice their position in the lawsuit?

[5:17:50 PM]

>> I do not know how they could do that. What we proposed was exactly what the council has been looking for, which is a layer of protection. We have offered to defend and indemnify the city as to -- the statute from September says, protection as to liens and encumbrances on the property. We offered to protect the city on liens and claims filed under defense and indemnity F. If there's a lien filed, there's a bond to indemnify against the lien.

>> Mayor Adler: The question, what kind of bond would protect against that? Maybe it's a \$500,000, maybe it's a million and a half. Maybe there's a lot of legal fees associated with that. Would you put up \$5 million to secure against that? You don't have to pay the \$5 million unless there's a claim against the city. But maybe there's an amount of money that would cover the particular -- the potential downfall. What I'm uncomfortable with is, we're here this year because when we had this three months ago, we were all arguing about whether these folks thought sufficiently about setting the July date, when the July date was set. They came in and said, when you made it July, we told you then it wasn't going to work. My fear is we're going to be back here in July, and they're going to say, see, we told you it wasn't going to work, because the lawsuit's still going on. And I'll be uncomfortable asking these folks, as the ability to be able to resolve this thing, to concede to someone and pay someone money that they don't think that they owe money to. And I haven't heard what the out is that we think we can -- that they have to do that, or we're just saying to that person, hey, whether it's a false claim or not, you just have to pay the million and a half in false claim because it's necessary for the deal to happen.

>> I think that's exactly right. I mean, to me, I don't know the workaround, other than what we have proposed. And we haven't gotten a substantive response back. This is the first I've heard about a reservation of rights.

[5:19:52 PM]

Indemnity protects that. It's a contested claim. We've been sued. We defend against that. We shouldn't be forced into an artificial timeframe for settlement just because it works under this time crunch. My client very well may make that decision, but being forced to do it by virtue of timing on bond payments and reimbursement agreements just strikes me as fundamentally unfair, because we are entitled to our day in court, but we're being told, just throw your money at it and take care of it. That's problematic.

And, yeah, we are set for the June trial setting ewe. Right now. Courts get busy, they change, schedules get pushed back. It's a possibility. Right now, we'd be fighting against that. But, we're in litigation. Anyone who's had any experience with that knows how that unfolds. We haven't had any continuances yet. We were scheduled in November with an aggressive seven-month schedule. We knew we had deadlines to meet, but things happen in litigation where things get moved around. And being pressured into some artificial timeframe for settlement, just throwing money at it to, you know -- even though it's a disputed claim, strikes me as problematic.

>> Mayor Adler: Is there a workout claim that our attorneys can think of so that this thing can move forward without them having to admit or pay to someone they don't think they owe money to, what they think they owe? Do you have any suggestions on -- I'm asking now our legal people. Do you have any suggestions on how they could get out of this box, how -- absent going and paying a claim to someone they don't think they owe money to, is there a way out of this box for them?

>> I've spent a lot of time thinking about this, I really have. And I can't say that I know of what that would look like. And we've stayed open, and we will stay open to any solutions and sit down and try to think of something.

[5:21:54 PM]

But until then, I just need to go back to my advice that I can't recommend that we conditionally accept the lines and expose ourselves to those liabilities. But, that said, we're open to discussion.

>> Mayor Adler: When you said they should put up a partial line of credit, explain to me what that is in this context.

>> Imagining something like a letter of credit from a bank, where we know that there is some money in an account waiting for us, that we can call on with no hassle involved --

>> Mayor Adler: What would be the trigger event for the letter of credit?

>> I'm not sure. I mean, because the problem I'm having is just the other side of things, of us getting drawn into a lawsuit and having to spend the time and effort to defend that. And step into the shoes as a party. That is just a whole other mess that I would rather avoid. But I'm -- I think that the trigger would have to be tied to our payment obligations to the trustee. It would have to be set early enough to know that we're going to have money to make that December payment. That, to me, would be the minimum requirement.

>> Mayor Adler: Because ultimately, your concern about whether the money is available to make the December payment.

>> Correct. And what happens with the -- Elaine is going to need to help me with this. What happens with waterline one is it's not just a \$1.5 million reimbursement. That's \$10 million of the \$16 million obligation. So.

>> Mayor Adler: The \$16 million obligation, is that due in December -- is any of that money approved at this point?

>> Yes. We have \$6 million, roughly, in the bank already. In the trustee account. Of the 16,245,000 that we need to make the payment on on December 1st of 2016.

[5:23:56 PM]

>> Mayor Adler: So there's \$10 million that you're afraid might not be available on December.

>> That is very close to the amount of the full reimbursement on waterline one that we've been discussing.

>> Mayor Adler: Okay. So, rather than paying the 500 to a million and a half, you could get a letter of credit for \$10 million, and then you would know that ultimately, you're going to get the \$10 million back, because you're going to win in the lawsuit, plus or minus 500 or a million and a half. But you would be able to demonstrate the ability to perform on the last \$10 million. Is there a way for you to guarantee performance on that last \$10 million? I'm asking them now. That seems to be the issue, whether you're going to be able to perform on the 10 million -- the additional \$10 million in December. You know if you finish the line, you get the \$10 million. You know that if you win or resolve the lawsuit, you get the \$10 million.

>> Right.

>> Mayor Adler: So all the different scenarios have you getting the \$10 million. Can you assume the risk that you'll be able to get the \$10 million there by December and just get a letter of credit or bond to that moment?

>> For us, and those that are familiar with lending relationships, asking for a letter of credit is essentially putting cash in the bank of \$10 million. So, we have made a commitment that whatever date the council decides on, we will make that payment. It's always been our feeling and contention that the payment should be made by the reimbursement process. The reimbursement process can be achieved quite simply by getting to conditional acceptance. The waterline is 100% in the ground, and completion of conditional acceptance is within weeks. So, it would seem to me that if we were to focus on taking care of any potential liability that the city would have being drawn into some action, I think the suggestion of putting up some type of a million and a half in an account, some type of a pledge that would be

associated with the amount that the contractor might ask from the city, should resolve -- in our opinion -- should resolve that issue.

[5:26:12 PM]

Comments have been made by the city attorney that they have made recommendations to us. We have not had substantive discussions with the city attorney about ways of bonding around this. We truly believe that bonding is the appropriate way to do this.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I'll ask our staff to verify this, because I have another -- I want to go back to another question for them. But as I heard them saying, you know, they've offered you some suggestions, but they're not your attorneys. And they don't support -- they don't recommend that their client, who is the city, enter into a bonding around. And so as I understand it, that's why you haven't gotten any recommendations about how the city could bond around, because that's not their advice. It seems to me from what they're saying, that's not what they believe is in the best interest of the city of Austin.

>> The suggestion Mr. Miller made is the first time I've heard that today. And I think our legal counsel made that statement to you, as well.

>> Tovo: Okay.

>> That suggestion has not come forward, nor has any other suggestion come forward that we can even respond to. We have made two different submittals to the staff with our proposal for bonding. We've asked for an opportunity to get a red line version of those back so we understand the required language. We've not received anything back. We've had communication with them to simply say, it's not acceptable. The standard is too high. And so we're not going to be able to accept a bond. So, again, we understand these concerns. And, again, I want to reiterate. We're not here to create more conflict. We'd like to get to conditional acceptance. If we have to go through the litigation process, then we would simply -- ask that we move the date back, at least to September, which gives us time to go through that process.

>> Tovo: I have a quick question, we're at our 5:30 time, and then I want to get back to staff. I think I heard you say you'll comply with whatever deadlines, whether that's July or another timeframe.

[5:28:14 PM]

>> Yes, ma'am.

>> Tovo: Thank you, I appreciate that, and I'm glad to hear that willingness, because I think that's important, and that's our staff's recommendation. And Ms. Hart, I wanted to confirm our previous actions. As I understand what was before us previously, they were supposed to have completed the line in January. Then it wasn't complete until October. And so to enable them in making that payment, we authored the terms of the agreement so that the city could pay them with conditional acceptance.

>> That's correct. The reimbursement agreement originally required final acceptance, including the vegetation. And we are willing to accept a vegetation bond for that piece so that we could get comfortable with the conditional acceptance.

>> Tovo: Thanks. So I guess I would say, I think for me, that is what has changed. Yes, we're hearing concern about the deadlines, but we're also hearing a willingness to meet them. And we've also made some changes to the agreement to accommodate -- you know, to push it out to allow them more time to pay. And so, you know, I would propose at this point that we move forward with 94 and 95 as they appear in our backup. And I'm happy to make that motion, unless there are more questions for staff.

>> Mayor Adler: I have one more question. Is there -- do you think that there's prejudice to the city if we were to move the date to September with the understanding to the folks that we don't want them to come back, that they have made the pledge that in September, they're going to make that payment? If you knew that the payment was going to be made in September, regardless of the disposition of the lawsuit at that point in time, does -- and with you not coming back to us asking for anything else -- does that give you sufficient time to be able to do what you would need to do?

>> In the event that the payment in the event payment was not made, we would not have time the forecast on the property, which would protect the bondholders.

[5:30:25 PM]

What we would have to face September 1st, in the first half of our budget adoption period, would very likely be finding an additional source of funding for the \$10 million. My suggestion to the council would be to increase the water rates and take the \$10 million from them to remedy the default.

>> Mayor Adler: Okay. Ms. Tovo? Ms. Tovo, do you have a motion that you want to make?

>> I think she made a motion.

>> Mayor Adler: Ms. Tovo?

>> Tovo: I believe councilmember pool -- I didn't remember that she had already made -- she had already moved approval, and I assume it had a second. So there's no need for me to do --

>> Mayor Adler: Let's do it again. Ms. Pool moves adoption of 94, 95, 17, and 18.

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Is there a second on that? Ms. Garza seconds that. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I wanted to -- I move that we amend these two items in part 6, due date and collections on page 3 of 4, and I move that we amend the date from July 1st, 2016, to November 1st, 2016.

>> Mayor Adler: Is there a second to the motion to change the date from November to --

>> From July to November.

>> July to November.

>> Mayor Adler: From July to November. Is there a second?

>> Second.

>> Mayor Adler: In the absence of a second -- Ms. Houston.

>> Houston: I have a question, Ms. Hart. What if we split this baby in half and do August instead of July, instead of September? What happens if we vote on August? No, I'm talking -- I'm interjecting August as the date.

[5:32:26 PM]

>> I believe that that would give the developer one more month to resolve his lawsuit. It would give us one less month to proceed with foreclosure, and I believe I could live with that.

>> Houston: Okay.

>> It does put the city in a little bit more risk if they don't make the payment on August 1st, but we would certainly, as staff, look to alternative solutions on August 1st. If we did not receive payment.

>> Houston: Okay. Because I'm very uncomfortable with us having the lien out there or the legal dispute going on and us -- regardless of what my lawyer to the right says, having that legal issue be transferred to us. So I make a motion -- oh, I can't make a motion yet, can I? Oh, we haven't voted. I'd like the amend councilmember pool's motion to say that the date would be moved to August.

>> Mayor Adler: August 1st.

>> Houston: 1st. 2016.

>> Mayor Adler: Is there a second to the motion to move to August 1st?

>> Zimmerman: I'll second it.

>> Mayor Adler: Mr. Zimmerman seconds that.

>> Houston: And the only reason I suggested that is because it gives the developer just a little while to get through with that legal issue. We still have I think, enough time to do what we need to do in case he's unable to do, but he's promised us to pay, so I'm going to -- I'm hoping that he will keep that commitment.

>> Mayor Adler: August 1st, from what day in July?

>> July 1st to August 1st did.

>> Mayor Adler: To August 1st? First discussion, Mr. Zimmerman?

>> Zimmerman: Thank you. I'd like to speak in favor. Obviously, I'd rather have this date set back to what it was before. I guess I'm disappointed that we can't keep the original commitment that we had.

[5:34:30 PM]

Sometime back, we had a flooding incident, and to my knowledge, we had no legal obligation to buy out flood victims, but we suddenly came up with tens of millions of dollars. So when the city wants to do something, money can appear like that. Around so I think it's kind of disingenuous to say the city can't find money if it finds itself in a bind, for a fiduciary responsibility. We can find money, even when we don't have a legal obligation. So I just think it's disingenuous to say we have to move this date up because we can't find money. It's not that much money, compared to what we spend in this city. But at any rate, August would be better than July, so --

>> Mayor Adler: Ms. Garza?

>> Garza: I just have to -- I just have to respond to that because I am so tired of hearing folks compare other issues to what happened in my district. And the city had a moral obligation to get those families out of harm's way. We don't have a moral obligation to bail developers out.

>> Mayor Adler: I'm going to -- Ms. Houston's motion is to change the date from August 1st to July 1st. It's been seconded --

>> Houston: No, just the opposite.

>> Mayor Adler: July 1st to August 1st. It's been seconded. Any further discussion? Those in favor of the amendment, please raise your hand. Mr. Renteria, Ms. Houston, Mr. Zimmerman. Three of those opposed, raise your hand. The balance of the dais. , With Ms. Troxclair off. We're now back to the base

motion, which is to approve the items assed, it's been seconded. Further debate? Those if favor, please raise your hand. Those opposed?

>> Zimmerman: I'm abstaining.

>> Mayor Adler: Mr. Zimmerman abstains, Ms. Troxclair off the dais.

[5:36:32 PM]

Those items are approved.

>> That includes 17 and 18?

>> Mayor Adler: That includes 17 and 18.

>> Thank you.

>> Casar: Mr. Mayor?

>> Mayor Adler: Yes.

>> Casar: I know that the city attorney spoke briefly on this. I don't pick favorites, but I did want to mention I appreciate how hard both cfo's office and city attorney's office has worked on this end. Mr. Miller, just this issue, but other has provided valuable advice to my office, and I think many others here, so thanks the for your work for the city.

>> Mayor Adler: Okay. I see the things remaining on our agenda are the str, 98, and 100, the homestead preservation reinvestment, which is 99, and the tnc and quarter-cent items, 75 and 76. I think that's what's left on our agenda. But it is now 5:30, and at 5:30 we get to move to live music. And it is just in time. We're going to take a recess, 5:30. Can we meet back here at -- you want to start before 7:00 and see if we can knock out some of those other items so we can start close to 7:00?

>> 6:45?

>> Mayor Adler: Are we okay going to 6:45? 6:45, we'll be back. Till then, the meeting stands in recess.

[Council in recess.]

[Council in recess.]

[5:42:52 PM]

Capital of the world is that we honor and celebrate that at all of our council meetings by stopping at 5:30, almost regardless of where we are, to enjoy some live music, and some nights like tonight, the live music arriving almost feels like the cavalry coming over the hill. We need the support and the soothing, and we are in, today, on December 17th, we are joined by representatives of the Austin symphony. The Austin symphony in and you Austin, Texas, was founded in 1911. The symphony orchestra is Austin's oldest performing arts group, and the mission of the Austin symphony orchestra is to enhance the cultural quality of life for adults and for young people of Austin and central Texas by providing excellence in music performance, as well as in educational programming. The Austin symphony is currently performing their Christmas in the community program, across Austin. This is a ten-concert series that's held in various locations throughout the city and features different ensembles of the orchestra as they play familiar holiday music. So with great pleasure, I would ask you to join me in welcoming the Austin symphony. Thank you so much for being here.

[Applause]

[5:44:55 PM]

[♪ Music playing ♪]

[Music playing]

[5:49:31 PM]

[Applause]

>> Mayor Adler: So the -- would you tell us what you played?

>> It's a song without words by

[inaudible]

>> Mayor Adler: Thank you. You know, when most of the live music comes up, it's usually musicians, band, and I ask if you have a website and a record, but I almost didn't ask that, but you do have a website. No? What is the website you have?

>> Austinsymphony.org.

>> Mayor Adler: And you know austinsymphony.org. If someone went to austinsymphony.org, they could see when and where you are playing?

>> Yes. There's a calendar of events right on the front page.

>> Mayor Adler: Right on the first page, and you're in the middle of ensemble series. How far into it are you?

>> We're about halfway. We've got four more shows.

>> Mayor Adler: Four more? Do you know where the next location or two are?

>> At the long center. We do most of our shows at the long center.

>> Mayor Adler: Okay. And are you also playing at the nutcracker?

>> And the nutcracker, yes. All four of us are playing at the nutcracker this evening.

>> Mayor Adler: Okay. I show up there as mother ginger in another few days.

>> Great. I remember it.

>> Mayor Adler: So play well.

>> Thank you.

>> Mayor Adler: I have pleasure of being able to read a proclamation, issue a proclamation. Be it known that whereas the city of Austin, Texas is blessed with many creative musicians whose talents extend to virtually every musical genre, and whereas our music scene thrives because Austin audiences support good music produced by legends that are local favorites and new-comers alike; and whereas we are pleased to showcase and support our local artists, now, therefore, I, Steve Adler, mayor of the live music capital, do hereby proclaim December 17th of 2015 as Austin symphony day.

[5:51:58 PM]

Congratulations.

[Applause]

>> Mayor Adler: Thank you very much.

>> Thank you.

>> Thank you so much.

>> Thank you so much for having us.

[5:54:07 PM]

>> Mayor Adler: I have a proclamation. Be it known that, whereas, the poetry caravan, inc., founded by Usha akella, in cooperation with the Austin poetry society, was formed to serve poetry lovers in the city of Austin, being under the leadership and vision of Usha, and ably managed by Kerry futener in 2015. And whereas the poetry caravan Austin chapter, through local poets, has provided meaningful and creative volunteerism to many scores of people in senior homes and women's shelters, and health institutions; and whereas poets generously offer free poetry, readings, to members of various venues in the city, and, thus, taking poetry to those who cannot otherwise access poetry activities on their own, including 50 free readings in the city of Austin in 2015, and will continue to serve those who appreciate the readings in the future. Now, therefore, I, Steve Adler, mayor of the city of Austin Texas, do hereby proclaim the upcoming January 7th, 2016, as poetry caravan day. Congratulations. Nikelle, do you want to say anything?

>> Thank you.

>> Mayor Adler: Do you want to say something?

>> Yes.

>> Mayor Adler: Okay.

>> Part of this project, because we believe in the healing power of poetry with all our parts, and, obviously, there's no poetry caravan without the poets who participate in it.

[5:56:08 PM]

We feel deeply grateful to be part of a city that allows projects like this thank you.

>> Thank you so much. This is a real honor and being part of the caravan has been a real honor as well. I really enjoy going into the senior homes and the firm facilities and places we have serviced and seen smiles we can bring to people's faces, and I hope that the caravan has a long career here in Austin. Thanks again.

[Applause]

>> Mayor Adler: And we have copies of the proclamation for all the poets as well. Let's take a picture.

[5:58:13 PM]

>> Mayor Adler: I have the honor of issuing a city of Austin distinguished service award. This is in recognition of 20 years of dedicated service and significant contributions to the city of Austin. James Bushner is deserving of public acclaim and recognition for his bravery and tenacity while performing his job for the -- for Austin water. Mr. Bushner served as a water meter technician with pipeline operations division in Austin water. He's been a water meter technician since 2011, and has a career-long role as a water and wastewater utility technician since 1996. He is a leader and mentor for many peers and shows his dedication in fostering team efforts. This is presented in acknowledgment of Mr. Bushner's achievements, in 17th day of December, in the year 2015, for the city council of Austin, Texas, signed by mayor Steve Adler. Mr. Bushner, thank you very much, and congratulations.

>> First of all, I want to give honor to god, thank all my coworkers and friends for coming out here and supporting me, thank my wife of 27 years for standing by my side, and I just want to say god is good. He spared me and gave me another opportunity to stand here and be a witness for him, and I just want to say thank you. Thank you. Thank you. Thank you. applause.

[6:00:18 PM]

>> Good evening. I'm Greg, director of Austin water. I have the pleasure of being director with somebody like James on my team. James models all the kind of behavior and ideals you would expect of a public servant. He comes to work every day and he works as hard as anyone I know. He inspires others. He does quality work, and he's committed to his community. And James is quite modest. What he did he didn't tell you and what you may have seen on the news, James one early morning was changing a meter and two men approached him in an armed robbery and he was shot on duty for Austin water. We were so thankful that James was able to recover from that terrible incident, and is moving on strong in his life, but we are honoring him, not only for his service to Austin water, but because of his bravery, and reminder that thousands of public servants are out there in harm's way every day and it's people like James. Thank you so much, James, for your service and your bravery.

[Cheers and applause]

[6:02:32 PM]

>> Mayor Adler: I have a city of Austin distinguished service award in recognition of his three decades of --

[cheers and applause]

-- Of service to the citizens and leaders of Austin. Fred Evins is deserving of public acclaim and recognition. Fred, a Texas registered architect, played a central role in pioneering city projects, such as the triangle, and the second street and Seaholm districts. His deep knowledge and patience and good humor were apparent throughout his career with the public works and economic development departments. For the past decade-plus, he shepherded innovative public/private partnerships that help remake quant into a vibrant destination for all ages that balances growth with Austin's values by supporting public art and open space and local businesses and sustainability, affordability, and trails. He is a consummate leader, mentor, and broker, sharing his expertise, experience, and solutions in order to find the best path forward for all parties. For all those reasons, this certificate is presented in acknowledgment and deep appreciation thereof, this 17th day of December, in the year 2000 -- in the year 2015, by the city council of Austin, signed by Steve Adler, mayor. Congratulations, and it comes with a pen.

[6:04:33 PM]

[Cheers and applause]

>> I want to thank everyone whose come today and thank the mayor personally for presenting the award. It means a whole lot to me, both the award and his kind words, as well as those that I've received as I prepared for retirement. If you asked me 30 years ago if I'd still be here, I probably wouldn't have guessed I would have. When I came from the private sector, I wasn't sure how long I'd stay here, but I'm glad I did. Presented a lot of opportunities, like meeting the mayor, and meeting a lot of others, both inside the organization and outside. One of the main reasons I stuck around is the job has been tremendously rewarding, both professionally and personally. Professionally it's given me a lot of opportunities as an architect to grow, as an urban designer and developer to grow in those areas, as well as a project manager and even as an operational manager. The city has given me tremendous opportunities, and I really appreciate it. I'm also grateful for all the coworkers and people I've met over the years and worked with over the years. Tremendous group. Very committed of, and talented and professional and, you know, of course gained a lot of lifelong friends along the way, which is very valued. I'm very proud of what we, together, have contributed to the city of Austin, and I say we because a lot of the folks here that join me tonight are also project managers, are also involved in delivering things to the community, and in the last 30 years, I've seen a tremendous -- some tremendous things delivered to the community in terms of civic infrastructure, and I'm proud to be a part of that. We should all be proud. I think everyone here is proud of what we've accomplished, and that happened -- I was -- I had the privilege of working at public works for about 19 years before coming to economic development.

[6:06:39 PM]

In both areas, very supportive, and gave me a lot of opportunities and involved with a lot of really great projects. I want to thank my family, Margaret, and my son Garrett, who join me tonight. They provided consistent, what I would call, loving oasis away from work. They were very supportive during those times when the job was quite demanding, and accommodated -- accommodated the work hours, and I real appreciate it. Of course all the supervisors and managers that I've worked with have been very inspiring. Appreciate them hiring me, but also they've really helped me grow professionally and, you know, I appreciate their focus on creativity. I guess the last thing I'd like to see is that I'm touched by those that showed up today and by the honor of this award. You know, I've been touched by all my coworkers and the support I've gotten as I prepare for this milestone. It is a milestone, and my perspective is, it's not the end of the road. I'm excited about starting this new chapter and look forward to what life has ahead. I guess my watch words or final words to those I'm leaving behind is that, you know, let's go out there, build a better Austin, and make sure there's opportunities for everybody.

[Cheers and applause]

>> I'm going to jump in real quick, I'm Kevin Johns, director economic development. It's been my pleasure to work with Fred. He's so humble, he forgot to recognize a couple of recognitions I would like everybody in Austin to know. Fred, on his work in creating second street, won the world's top award, the international economic development council's award for the best public/private partnership of any major city in the world.

[6:08:49 PM]

[Applause] And he talks a little bit -- you heard him talk a little bit about the work he's done on the waterfront, but, in fact, he has been the lead for our entire team on the Seaholm district, which is a billion-dollar development. And the legacy that he leaves, both with Greg and Margaret and the other team, but the legacy he leaves is a billion-dollar waterfront that will last a hundred years for Austin. So I wanted everybody to know that you're losing not just a talented architect, but a visionary who's done a great job for this city. So thank him very much for us. Thank you.

[Cheers and applause]

>> Mayor Adler: Councilmember Gallo and I have the opportunity to issue yet another proclamation. This summer, I went to visit some of our sister cities and look at traffic control rooms around the world, and I ended up in one of the places in Dublin, and while I was in Dublin, the consul general flue flew out to be with me.

[6:11:08 PM]

And we went by the hurling stadium. A lot of you may not know what hurling is. It's an incredible sport. It used to be a sport that you could die when you played that sport. It's changed over the years, but it was very exciting. And we have a proclamation now with reference to that. Be it known that whereas Ireland's historic links with Texas date back to the 18th century, and the Irish have also played a proud role in the development of the city of Austin since its foundation, and whereas in 2015, Ireland opened its 6th consulate office in the United States in Austin, Texas, in recognition of that historical, cultural, and the economic ties between Ireland and Austin, and whereas Austin's Irish population today continues to grow, and the city's main Irish sports and social club, the Celtic Cowboys, last weekend hosted Ireland's top hurling sports team, the GAA All Stars, and whereas I nearly died when I threw out the schliter, those are big guys; that's not in the proclamation. And whereas the visit from the Irish hurling team in Austin promotes even stronger relations between the people of Ireland and Austin, bringing Irish sport and heritage to new audiences in one of the world's most innovative cities, now, therefore, I, Steve Adler, joined by councilmember Sheri Gallo, do hereby proclaim December 5th, of the year 2015, as Irish hurling in Austin day. Congratulations.

[Applause]

>> Gallo: I just want to say before they start to mention their comments, but they have promised to take all of the city council members that are interested and teach us how to hurl, and I'm just hoping that my background in tennis and jumping horses over fences will prepare me for that, but I have a feeling it won't at all.

[6:13:24 PM]

But we will try. Thank you so much for being here. And I think you wanted to address?

>> Sure.

>> Say something.

>> Yeah. Thank you very much. So the main sports in Ireland are hurling and Gaelic football. We had an honor of having the best players in Ireland. Even though it's an amateur sport back there, they train as professionals. If you see them play, it's quite exhibition to see them. Mayor Adler was kind enough to throw the ball in before the game started. There was a hurley broken next to his shins, but all was good. We definitely extend the welcome to anyone who wants to try the sport. You don't have to be athletic or anything like that, or ever played it before. We're willing to show and exhibit the skills, no problem at all. We were going to bring in a hurley but the last time we tried that, they stopped us at security. It

looks a bit more like a weapon than anything, but it's basically a stick of probably maybe 34 inches long that's made from ash. The game itself, if you want to Google it, you can go to our website, and it has all the details about last weekend's game. One of the comments we had at the weekend was how to describe the game of hurling, so it's kind of a mixture of lacrosse and field hockey with some baseball thrown in. It's like a joyous and ferocious ballet dance. That was kind of the description we got. We thought it was quite good, actually. So behalf of the cowboys, we'd like to thank you for giving us this proclamation. Celtic cowboys.com. Check it out.

>> Mayor Adler: I would point out, you should take a look at the CNN rated all the sporting events in the world and listed them in rank order of the live sporting events that, if you could, you should see in your life Tim. Lifetime. Number one on that list were the olympics.

[6:15:25 PM]

Number 3 on that list was the world cup. But number 2 on that list was the senior hurling championships in Ireland. We're also honored to have with us tonight the council general, Adrian Ferrell. It is the technique honor for Austin to be the home base for the council general. Many council generals find their homes in Houston, maybe Dallas, but we have two in the city of Austin. Mexico has a counsel general here and Ireland, recently, within the last couple years, has joined to make us an international stop. Counsel general, do you want to say anything?

>> Well, ladies and gentlemen, thank you so much. I'll just add briefly to thank pat and Connor and all the celtic cowboys for organizing such a great weekend but pat and Connor and the club have been active for more than a decade in promoting Irish sports and culture in Austin. And as pat said, it's a community -- it's not just for the Irish community, so please come and join them at some stage. I'd just like to very briefly add, this is actually the Irish counselor opened about six months, seven months ago here in Austin. It's our first Christmas in the city. We're delighted to be here. We're absolutely, you know, so, so grateful for the support that we've gotten from mayor Adler, from counselor Gallo, and all of the city council. We're honored to be here. It's great that we're in a city which is so internationally renowned for its culture and it's innovation, just like Ireland is, so two very strong international centers for culture and innovation, and a city in which we've been made so welcome, me as a consul, but also the Irish community. Thank you so much. As I said, we end our first year having a consulate here in Austin.

[6:17:25 PM]

I just want to say on behalf of the people in Ireland, thank so much for the welcome and the support. The mayor, the city council, but above all, the people of Austin have given us. I'll break the teleprompter again. We wish you all a very, very happy Christmas and prosperous 2016 for Austin and Ireland. Thank you so much. Thank you.

[Applause]

>> Here, I brought props.

>> Excellent. We're all about the props. All right. Good evening, everybody. I'm Leslie Pool, councilmember for district 7 and I'm here to offer proclamation for shop local for the holidays month. And I have Rebecca Melancon with me who heads it up, mayor pro tem Tovo and mayor Adler. Here we go.

Proclamation: Be it known that whereas shopping locally owned businesses puts three times the dollars into our local economy, of a hundred dollars spent at a local business, \$45 stays in our community, compared to only \$13 when the same one hundred dollars is spent at chain stores, and whereas locally owned businesses buy more of their goods and services from other locally owned businesses, linking our community in a web of economic growth, members of the Austin independent business alliance represent more than 10,000 employees making their companies collectively one of the largest employers in Austin.

[6:19:48 PM]

And whereas locally owned businesses from funky to sophisticated, help Austin retain its unique character and provide a more diverse range of product and service choices than are available from national businesses; now, therefore, I, Leslie Pool, Steve Adler, and mayor pro tem Tovo, and the city of Austin, do hereby proclaim December 2015 as shop local for the holidays month. Thank you so much.

[Applause]

>> Thank you.

[Applause]

>> Thank you so much. I want to particularly thank mayor Adler, councilmember Pool, and mayor pro tem Tovo, who have worked tirelessly on behalf of local business. On behalf of AIBA and the estimated 50,000 local businesses in Austin, we certainly appreciate this recognition and hope you all have a very happy local holiday. Thank you.

[Applause]

[6:22:00 PM]

> Mayor Adler: Always nice to make proclamations that are related to international awards. We have a proclamation. Be it known that whereas the united nations educational scientific and cultural organization, unesco, creative cities network was designed to promote social, economic, and cultural development of cities in both the developed and the developing world, and whereas the economic development department's award-winning international economic development strategy, designed to strengthen Austin as a world class business city, where trade, finance, technology, and a diverse population could enable local business to thrive in the global economy, encouraged the pursuit of a unesco creative city designation, to establish opportunities for joint creativity, industry, development, with other member cities; and whereas the united nations education scientific and cultural organization, again, unesco, has designated Austin, Texas, as the only 2015 city of media arts, a reflection of our reputation as an innovative city, and the representation of many artistic disciplines, including visual arts and music and film and digital gaming, making Austin part of the unesco creative cities network; now, therefore, I, Steve Adler, mayor of the city of Austin, Texas, do hereby proclaim December 17th of the year 2015 as Austin unesco city of media art day.

[6:24:00 PM]

Congratulations to the city.

[Applause] We have Kevin Johns and Lani Gonzalez with us. Do you want to say something?

>> Thank you very much. Happy new year, merry Christmas. We're going to try very hard to market Austin's musicians and artists and creators, all across the world through this network. And I'd like to thank Lani, who who -- who came up with the idea of the cultural arts team that put this together. Thank you very much, Austin. We appreciate it and look forward to helping to grow the Austin's creatives worldwide.

[Applause]

[Applause]

>> Mayor Adler: Those are all of the proclamations. The council is going to be out till 6:45. We have four items to pick up, including the tnc issue, a quarter-cent transportation issue, \$20 million expenditure, and two other matters. Because the tnc issue -- issue has been up before, it has the debate with prearranged debaters. There's four on each side, as well as some neutral folks that are speaking. So rest, take it easy because it's going to be another 20 minutes before the council comes back.

[6:26:04 PM]

Thanks for being here.

[Council in recess.]

[Council in recess.]

[Council in recess.]

[7:00:46 PM]

>> Mayor Adler: Are we ready to pick this back up? We have a few more items on our agenda. We have people who are outside the hall that can't get in. So I'm going to do the uber/lyft item first so that we can clear out the hall.

>> I would like to do the other one first. I would appreciate that. The tnc conversation is going to take a while. It would be better off if we take the quarter-cent first.

>> Mayor Adler: Okay. People want to do that first?

>> Yes.

>> Mayor, I would also make a strong plea that we take out the short-term rental item. We've had a handful of people waiting for hours to talk about it. I don't believe that's doing to be a very long discussion. Perhaps we could prevail -- we could figure out how many str people are outside who want to come in, and ask some of the folks who are here for the tncs with the commitment that you'll be allowed to come in as soon as they leave. But, that is an item I think we could handle quickly, and the tncs will not be an item we can handle quickly.

>> I'm happy to take strs or quarter-cent first.

>> Mayor Adler: Since we have so many people here, I was going to let them have their hearing so that they could leave. It would open up room in the council chamber to let everybody come back in. But let's go put it to a vote. Those people that would like to have the tnc, uber/lyft matter first, would you raise your hand? Four of us. Those that would like to hear the quarter penny issue first, raise your hand.

>> Or either one. Quarter penny or str.

[7:02:49 PM]

>> It is the will to hear quarter-cent and str before Lyft? We'll go ahead and do that. Do you have a preference on quarter penny or str.

>> I don't have a preference.

>> Mayor Adler: Let's go ahead and do str first.

>> Mayor.

>> Mayor Adler: Yes.

>> Troxclair: I know we're taking str's up first, under the expectation that it would be a quick item. I just want clarity about -- I mean, obviously, str is a very long conversation, too. If we're going to take up more than the "Test the waters" ordinance.

>> Mayor Adler: My understanding was that the mayor pro tem was going to move that we just take out the testing provision. That's what we announced to the public on Tuesday, and directed other people not to come down and discuss. So, public testimony today on str's will be limited to the question of whether or not we should keep in or not keep in the testing the water provision. Mr. Renteria.

>> Renteria: I would like to see if there are some people that are out there that wanted -- that signed up to speak on this item. I don't see some of the people that were here earlier that wanted to speak.

>> Mayor Adler: I think that everybody who is outside that wants to come in and speak on the str issue should come into the building -- come into the room.

>> Renteria: The fire marshal is only allowing so many people.

>> Mayor Adler: And we need some of the uber/lyft people to walk out while those people come in. So, if there's anybody out in the hallway interested in the str matter, they should come into the hall. And if the folks tell us that there are people we should move out, then we can do that.

>> Mayor, it sounds like there are about five people outside.

[7:04:49 PM]

>> Mayor Adler: Okay. Are there five uber/lyft people that will walk out of the room for a few minutes?

>> Tovo: Mayor, just to answer councilmember troxclair's question, that was my intent. There were some legal obstacles to doing that, to taking out just a piece of the ordinance. And if it passes, to implementing that piece of the ordinance. Without hearing the full public hearing on all of the other parts of the ordinance, as well, which is one of the reasons why I brought forward the item on the

addendum, in conjunction with Renteria, Houston, and kitchen, so we could take up the other pieces of the question on 128. But, it wouldn't prevent us from taking a narrow focus.

>> Mayor Adler: Make your motion.

>> Tovo: I will move approval of the ordinance change that was distributed on the dais earlier today. And in essence what it does is, it strikes section 25-2-791, within license requirements it strikes section G, the provision that allows people to advertise without having a license.

>> Mayor Adler: Okay. This is the one that says at the top, 12/17/2015, number 98, initiated by mayor Adler, it should be initiated by mayor pro tem tovo.

>> Tovo: I may have a --

>> Does it say updated at the top?

>> Tovo: I don't have another copy, but I'm happy to put this one up.

[7:06:49 PM]

>> Zimmerman: 12/17/2015.

>> 2:42 P.M.

>> Zimmerman: The wrong one.

>> Tovo: I'll give this to the folks to put up. There were two distributed. They effect the same change. Legal tweaked it a bit from the 11:00 A.M. Version.

>> Mayor Adler: The one you're going has updated, and the earlier one does not have the word updated.

>> Tovo: That's right. It's timed 2:42 at the bottom. Are you about to post that on the overhead, Ms. Link? Again, it simply removes the testing the waters provision. And we did get an emailed letter from the Austin rental alliance earlier today expressing their support for moving forward with this piece today. I'm going to find that in a minute and just confirm my understanding.

>> Mayor Adler: Okay. Mayor pro tem moves to delete by ordinance as handed out the provision that allows for testing of the waters. Is there a second to that motion? Ms. Troxclair seconds that motion. Do you want to discuss that? I guess you've already laid that out.

>> Tovo: I believe there was a lot of agreement on this point, that that provision has made it very difficult for Austin code to enforce our existing regulations.

>> Mayor Adler: What's been taken out from the earlier draft was the discussion about the matters related to the moratorium issue. That was in earlier, and that's not in there now. Is that right?

>> Tovo: I would need law to clarify what the changes were from the morning to the afternoon. I would simply say that the afternoon version really smoothly captures what we were trying to do. I was a little confused by the morning version.

>> This afternoon's version a clear version -- it's a simplified version.

>> Mayor Adler: Is what I said correct?

[7:08:52 PM]

>> It just strikes testing the waters, and reletters the remaining subsections. So what was H becomes G.

>> Mayor Adler: There was language in the earlier version that you were striking that related to the moratorium issue. It appears to me that the difference between what we're considering now and what came out this morning was the language that was dealing with the moratorium issue that was being stricken is not being stricken thousand. Now.

>> It was being adjusted this morning. This is a clearer way to handle it. It has the same effect. It doesn't touch the language about not issuing licenses. It's just a clear version.

>> Mayor Adler: Gotcha. Because you were striking it from a later place, you were adding it -- you were striking and adding it, and now rather than striking and adding, you're leaving it where it was before and relettering the provisions.

>> Correct.

>> Mayor Adler: Also in here is the language that says that at the end of the year, the moratorium is over. Is that correct?

>> That's an uncoded portion that will be in the ordinance that was adopted in November.

>> Mayor Adler: Got it. It's been moved and seconded. We have people that are here to talk. I'm going to give them an opportunity to talk in this public hearing, limited to the question of whether or not we should the end the testing of the water provision. I think there is much agreement on the dais for this item. But I'll give the chance to the public to speak if they wish to. The first speaker would be Scott R. Buffington. Is Skyler here? Forfeit time. Thank you. It Stewart Hirsch here? Do you want to speak?

>> Mayor, members of the council, my name is Stewart Harry Hirsch, I rent.

[7:10:56 PM]

I'm here to support this change with one amendment. I've handed you a copy of a document you probably don't carry around with you, the property maintenance code adopted by the city council in the local amendments. If this repeal occurs, my belief is on page 11 of the ordinance, may not advertise or promote a licensed establishment without including the license number in the promotion. So that will now say if you don't have a license, you can't advertise. In order to make that effective, I provided you the back section of definitions that are missing in the current property maintenance code local amendments. And that definition is short-term rental one, 1a, two, and three. You can see the bed and breakfast boarding house, rooming house, and all the others governed by licenses have definitions. It appears to me that to make this all work, you need to either cross-reference the existing language in 25-2 as to what those definitions are, or are repeat it here. The lawyers are more competent at that than I am. But fear is if we just do what's posted tonight, we will find ourselves with the same sort of challenges we have now. And our purpose tonight is to avoid that. I'm asking you to add an amendment to add the definitions that the council has already adopted on those various categories of short-term rental so all this will work the way it's intended. Thank you very much.

>> Mayor Adler: Help me understand what that has to do with the testing of the water provision?

>> Pardon?

>> Mayor Adler: What does that have to do with the testing of the water provision?

>> It will allow -- it will finally define what short-term rental is in the property maintenance code local amendments. That definition is missing now in section 202.1 supplement tal, and mage two of 13.

[7:13:00 PM]

>> That's global for short-term rentals generally?

>> Yes.

>> Mayor Adler: That's something we can pick up when we Wedo the more global change, as opposed to focusing on this single issue of testing the water provision.

>> My understanding is staff says this needs to happen. And it was an oversight already. And nobody disputes that. And my fear is if we don't do that tonight in conjunction with the repealing of the other provision, we could end up with a vulnerability, and that would put us back to square one, which would be tragic.

>> Mayor Adler: Does the deletion of this provision create that problem?

>> No, it already exists.

>> Mayor Adler: I'm probably going to suggest that we pick that up with the omnibus bill that's going to hit the larger issues. Thank you, Mr. Hirsch. Please don't let us forget it at that point, though.

>> Gallo: I just want to apologize for Mr. Hirsch. I was thinking the -- thanking the people that participated in the parkland. I didn't mention your name. I apologize, and thank you for your help with that.

>> Thank you.

>> Mayor Adler: Thank you. David king. Good. Suzanne pike.

>> Good evening, mayor, and council. Hello, my name is Suzanne. I've been in Austin for 15 years. I'm a homeowner who has shared our home for over 2 1/2 years. We have been licensed with the city and submitted taxes from the beginning. As a retired couple, we count on the space we share to help us afford to stay in Austin. In fact, we bought our home in part because we were aware of the home-sharing ordinance and thought it was very reasonable. Throughout this process, I have said many times that enforcement should be the priority. In line with that thinking, I wholeheartedly support your efforts today in deleting at the testing the waters provision.

[7:15:03 PM]

Code enforcement has made it clear that doing so would make their jobs exponentially easier, and it should be our goal to reasonably assist them in theirs. In fact, code's recent efforts, combined with more awareness from neighbors, has already led to at least one bad actor removing himself from the market. However, I would like to remind the council that the better enforcement must carry over to the next meeting in January, when we gather to discuss the other proposed rules. I speak for many hosts when I say, with the type two moratorium, the city code will be in a much better position to punish the bad actors. We want to work with you on this. In light of this, I ask you to please consider passing only the reasonable regulations that are left on the table. Blanket bans, making obtaining a license more difficult, occupancy limits and the like will only serve to drive more people underground and make enforcement even more difficult. Thank you for your time.

>> Mayor Adler: Thank you. Next speaker is palmer coroni.

>> Good evening, my name is palmer coroni. I've lived in my home for the last 15 years. Prior to two years ago, had never called 311, or come to city hall, or gotten my parking validated, or come to a planning commission meeting. Look at me now, I'm making you all fruitcake.

[Laughing]

>> So thank you so much for listening to this. I want to say, ditto. We're in agreement. Please take the testing the waters portion of this out. It makes it very difficult for code. We're asking code to enforce more. It's very difficult for them to go in if there are no licenses listed, to be able to understand which ones are licensed and which ones are not.

[7:17:06 PM]

We need to close the gap between the 1200 that are licensed and the other 5,000 short-term rentals that are operating. And that will be a big step towards that. So, thank you very much. And thank you, really, for tackling this. I've enjoyed spending my 2015 with you all, and look forward to 2016.

[Laughing]

>> Thank you.

>> Mayor Adler: Thank you.

[Clapping]

>> Mayor Adler: The next speaker we have is Suzanne Suarez.

>> Thank you mayor, mayor pro tem, and councilmembers. I have owned my home in Barton hills now for about 20 years. And we've had a short-term license for about five of those. On behalf of the license techs compliance save quiet and courteous short-term rental owners, we support removing this clause from current regulations. Not only do we support its removal, but we fought against the inclusion of the clause when the original ordinance was implemented. We knew even then that its inclusion would make it nearly impossible to determine who was playing by the rules and who was not. Were it not for the inclusion of that one short-sighted clause, we would have a highly effective regulatory framework. We would also like to share with council, as you consider other suggestions on this topic in January, the inclusion of a recent exhaustive study conducted by the city of Santa Fe, New Mexico. The analysis concluded that capping the number of units, or restricting the number of arrivals is, and I quote, "Generally determined to be an unenforceable restriction." And in fact, there is not a single example across the U.S.

[7:19:09 PM]

Where either bans or onerous regulations have been remotely effective. We will stand with this council, as we have from the very beginning, in demanding that bad actors be shut down and demanding that all rental properties conduct themselves in the high standards of good neighborly conduct. Removing the

testing the waters clause, along with the breathing room afforded by a temporary moratorium has stepped up efforts to curb the behavior of a handful of bad actors, should be considered a resounding success for this council and your leadership. We thank you for your time over the weekend after Thanksgiving. I got a chance to see code compliance in full force, late at night and early in the mornings. So we're glad to see that happening, and hopefully it will continue in the right way. Thank you for your time.

>> Mayor Adler: Thank you. Greg. Nancy Beckett is on deck. Is Greg here? Is Nancy Beckett here? Do you want to speak?

>> Hello, my name is Nancy Beckett. Mayor, mayor pro tem, and council, I am a tax-paying citizen. I'm a homeowner. I have a short-term rental. It's been a lovely experience in terms of hosting musicians, artists, mothers, sons. It's been a very quiet experience. I've asked my neighbors. They've had no complaints. They've told me they don't even know anyone is there. So, if the -- removing the testing the waters provision helps to solve the problem -- which I think are the short-term rentals that are not acting responsibly -- then I think that's a good thing. What I'm hoping is that there's not a further effort to make restrictions on the people who are acting responsibly.

[7:21:17 PM]

We host people. We're a champion for our city.

[Clearing throat] We ask them to use our restaurants, our music venues. We promote our city. We have businesspeople that come to check our city out. And so I support removing this provision if you think that it will help. But what I think might help more is to have better enforcement of already-existing -- you know, nuisance and sound ordinances and things like that. Because if you say something can't happen in a short-term rental that can happen in a long-term rental or a permanent home, I mean, it's what's happening there that's the issue, not necessarily what it's registered as.

>> Mayor Adler: Thank you.

>> Thank you.

[Applause]

>> Mayor Adler: Next person, this is Stephanie Ashworth. Joann Estrada is on deck.

>> Hey, y'all. My name is Stephanie Ashworth, and I'm here speaking on behalf of neighbors for short-term rental reform. And I want to tell y'all that we support removing the testing the waters provision from the short-term rental ordinance. Thank you.

>> Mayor Adler: Thank you. Joann Estrada.

>> Good evening. Just wanted to also speak in support of removing testing the waters. I live in the east Cesar Chavez neighborhood, and we've been dealing with a lot of abuse in this neighborhood. And I know we're way over our 3% cap. And this will help us to take -- hopefully take the burden off of the neighbors in having to report people that are operating without a license, and move over to more proactive enforcement rather than complaint-driven.

[7:23:20 PM]

And that's what I would like to see. Thank you for being here tonight.

>> Mayor Adler: Thank you. Those were all the public speakers. We're now back up to the dais. Is there any additional conversation on the motion as proposed by the mayor pro tem? Mr. Zimmerman.

>> Zimmerman: I have a very quick question, maybe for staff or somebody. If this goes through -- and it looks like it probably will, and we strike this -- what's to stop competitors from advertising on behalf of somebody who's not licensed, and then the people who are not licensed get a fine, or a citation from code compliance, because there's an advertisement on the internet that they didn't authorize? So my home is not a short-term rental. But if somebody were to put something on the internet and it says, hey, Zimmerman's house is up for short-term rental, then I get hit with a citation.

>> City attorney. If staff had that complaint, they would investigate. If you're not operating as a short-term rental, you would not be in violation of the code.

>> Zimmerman: That works for me. Thanks.

[Laughing]

>> Mayor Adler: Any further discussion? Hearing none, those in favor of the ordinance and closing the public hearing on the issue with respect to testing the water as made by the mayor pro tem? Seconded. Those in favor, please raise your hand. Those opposed?

>> Zimmerman: I'm abstaining.

>> Mayor Adler: The rest voting aye, that motion passes 10-0-1. Ms. Tovo.

>> Tovo: Mayor, I'd like to move passage of item 100, which is the item on the addendum to set the public hearing for the rest of the short-term rental ordinance on January 28th.

[7:25:20 PM]

>> Mayor Adler: It's been moved. Seconded by Ms. Pool. Any discussion on that? Those in favor of -- two speakers, sorry. Thank you. So, this is speaking on the question of whether or not we should set the balance of the items to be heard on January 28th. We have one speaker, Greg casternak. Is Greg here? Okay. That was the only person signed up to speak. Is there any discussion on the motion? Those in favor, please raise your hand. Those opposed? It's unanimous on the dais. So, item number 100 is taken care of. Do we also want to do the homestead preservation reinvestment zone, 99, as well? First -- let's go ahead and do -- we're going to do --

>> Quarter-cent.

>> Mayor Adler: Do you want to make the motion?

>> Yes.

>> Mayor Adler: Councilmember kitchen?

>> Kitchen: Yes, I'll make a motion. And should I speak to the motion first, or make it first? What would you prefer?

>> Mayor Adler: Why don't you make the motion, and then I'll let you speak to it.

>> Kitchen: Okay. I move passage of item 76, the version that's in your backup.

>> Mayor Adler: Okay.

>> Kitchen: Okay.

>> Mayor Adler: Is there a second to the motion on item 76? Ms. Garza seconds that. Do you want to address it?

>> Kitchen: Yes. I think we may have a few speakers, too.

>> Mayor Adler: We do. We have three.

>> Kitchen: I'll just say a few words, and see if anyone else on the mobility committee wants to add anything, and then we can go to speakers. So, just a little bit of background, because it's been a while.

[7:27:23 PM]

So, in June, you all may remember that the council passed a resolution directing the city manager to prepare a list of district-specific and citywide projects that were eligible for funding. And so, our wonderful -- I can't say enough good words about the public works and transportation department -- worked very hard and diligently with all of our council offices to identify projects that would be eligible for funding, applying criteria that spoke to proximity to transit stops and schools, and the other kinds of

criteria, lending their expertise to what kinds of projects rise to the top. So, as we all know, the number of projects in each area citywide, and each district that rise to the top using that criteria is way more than the dollars that are available for quarter-cent. And so, it comes down to a question of prioritizing. Just as we do when we set the budget, the council has a role in determining how limited dollars are spent within the -- you know, within the confines of the expertise that our staff provides us. So, that's what we're doing here, is we're taking limited dollars. The 21.8 million pool is available through the quarter-cent. And we're making some decisions about how that should be prioritized from a spending perspective. What's unique and very valuable about this opportunity is it gave us the opportunity to work very close with members of our districts, as well as citywide, to understand from the community what their priorities were, and to have the community help us winnow down the list of projects that were available. It allowed us to demonstrate a responsiveness to attending to the needs of the broader community that we haven't necessarily had that opportunity to do in the past.

[7:29:28 PM]

And just to give you some perspective, or just to give everyone some perspective, we're only talking about 21.8 million, which is a really small dollar amount. There are hundreds of -- in fact, there are billions of dollars that are spent on transportation in our community. When we look at txdot, campo, they just put a million dollars towards b-cycle to support bicycle projects. So, when you look at everything that's spent across our community, it's a large, large dollar amount. So we're talking about a small amount of dollars with an opportunity to work closely with our districts to listen to folks in our districts about what's important to them within the framework of the expertise that our staff provides to us. There's been some concern that this is ward politics. And I would just have to say, I really just don't -- I don't agree with that. I know that in working with my district, it was clearly understood that this was a one-time opportunity. And it's not ward politics. Instead, it's just a demonstration of responsiveness to the needs of our city at the micro level, at the neighborhood level. So it gives us the opportunity and the ability to address more local concerns that at the end of the day will ultimately contribute to the greater functioning of our citywide system. So, I'd like to just ask if any of my mobility committee members would like to say anything?

>> Zimmerman: Thank you, Mr. Mayor. I want to commend our chair, councilmember kitchen. Fantastic. I have nothing to add. Thank you for that statement.

[Laughing]

>> Mayor Adler: Okay. Ms. Gallo.

>> Gallo: And I want to say thank you, too, for your leadership on this. You know -- and once again, I don't feel like we're setting a precedent at all. This was just a one-time opportunity to really reach out to our districts and talk to our neighborhoods -- excuse me.

[7:31:30 PM]

And get them to help us prioritize the spending of the funds in the best way to address safety traffic issues, both in the neighborhoods and certainly around our schools. There has been a lot of frustration over the years that sometimes people in neighborhoods, and people in the community, particularly the outlying areas and subdivisions a little bit further out from central city really feel like that some of their concerns aren't addressed. And this was a wonderful opportunity for all of those neighborhoods to feel like the city and the transportation department and public works was really listening to some of those concerns. And we had a small opportunity to be able to address those. And I want to -- mayor, what councilmember kitchen said, thank you to public works and transportation. They've been great partners in helping us go through this. We've indicated to the community as we talked to them that this is a onetime opportunity, and there may be some of the projects that we suggest that engineering will come back and say, no, I don't think that's going to work. So, it really is a collaborative effort, and I say thank you to both of those departments.

>> Mayor Adler: Okay. My concern on this has been discussed at the work session. It goes to the process and what's being done here. I think that the citizen engagement that occurred has been absolutely wonderful. And I think it's one of the better things that this council has helped to initiate in our first year together. I think having community members come together to indicate what they would like to have in their district or their neighborhood has been great. The process has been great. The participation has been absolutely wonderful. But at the end of the day, when we passed this resolution, it was not a resolution that directed that the spending would be divided equally.

[7:33:36 PM]

It said it would be divided equitably. And to take any sum of money in any department and to divide it up by the number of districts we have is a bad precedent to set. I understand that the councilmembers will say, it's not a precedent, they promise they'll never do it again. And they're just going to pass it. I hope we hear that. But, I'm concerned that no matter how we might try not to make it a precedent, this council or a subsequent council might say that it is a precedent, because the council went ahead and did it. Our challenges in this city will not always fall to one where it is equally distributed around the city. We have professional staff that are experts in areas that we go to to help us decide how to spend limited resources in ways that will have the greatest impact on our community. And depending on the program, we may have greater needs in east Austin than in west Austin, or in north Austin, or in south Austin. And to ever be dividing money up on an equal bases may be politically expedient, but it creates problems. And I think the staff went through this process, did a tremendous amount of work, and came

up with real innovative solutions for grouping together projects that might not otherwise have risen by themselves up the priority list, but by grouping them together around schools and transit stops was able to move things up in the priority list, and came up with something that had an average of about a million and a half as opposed to the million nine. Not that much of a difference, but conceptually and procedurally, words apart from what is being proposed here.

[7:35:46 PM]

I think that staff could take the comments -- when it came back to the committee, and the committee said, hey, this isn't quite what we wanted or what we had in mind, I think that staff could take that information and go back. And as they said they would, and quickly without any real delay of any kind, come back and address those concerns, and to do it in a way that wouldn't put us in danger of a precedent that wouldn't work. That would set a bad precedent for the future. And I would like to see us -- I would rather us do it that way. The way this resolution is drafted, it actually has individual councilmembers giving instruction to the staff on how to spend money. And then it doesn't even come back to council. We don't even do committee and commission appointments that way individually. Each one of us has a right -- those things come back to the whole council. And this is drafted where it's just direct instruction from councilmembers to staff what to do. And I just think it's a bad precedent. I think we did a great job this year in avoiding this kind of situation. And it's a hiccup for us, I believe. And so I'll be proposing amendments to this. First, that would address the way that this is just being handled, asking the staff to go back. And an amendment that says that it should come back to the council in any regard rather than having instruction going straight from each of us as individual councilmembers to the staff.

>> May I just clarify the Lang language?

[7:37:51 PM]

>> Mayor Adler: Yes.

>> Kitchen: I've already had an opportunity to speak, but I think it might be helpful for people to understand the language, because it's something we discussed in the committee. The language is not -- the language is not equal. The thinking is that it's equitable. It says for each district totaling no more than 1.9 million, which contemplates that some districts may be less. So it's not divided equally. It also talks in terms of all the remaining amount would go to citywide projects. That's simply an effort to provide some guidance to our councilmembers in sharing the needs of their district with the staff. So,

the intent of the committee was to stay with the equitable, which I think is what we did. And this language does not equally divide across the districts.

>> Mayor Adler: Okay. Ms. Pool.

>> Pool: I also wanted to just comment that the list that we worked from in district 7 came from the city staff. And it had been -- the projects had all been lined up. The sorting mechanism that they were pedestrian, school-related, bike-related, had been applied as a filter. And then city staff had done some ranking on the feasibility of the projects and their various -- where they would fall on importance. And when my staff and I started looking at the list and talking with residents in my district, we were working from a list that had already been essentially formed, shaped, and culled through the process of the professional engineers with our transportation department. So, we weren't blue skying it, we were working from the kind of list with the expertise behind it, mayor, that you are describing.

[7:39:53 PM]

And so I had a real sense of certainty about if we were looking at expanding sidewalks near a school in order to ensure safety for the children to walk, then that was a project that the atd staff and public works as well had looked at and given a thumbs-up on. So, the projects the that we came up with were ones that primarily were already on the list of projects that the staff would like to have us accomplish.

>> Mayor Adler: Okay. We'll go to the speakers now. The first speaker we have is Eric auff.

>> Good evening, council. Eric, on behalf of aura, A.U.R.A. I was here to speak in favor of mayor Adler's proposed amendments. I think he has raised some good points, especially given number 1, the limited size of the amount of money that you're dealing with when weighed against the possible precedent. I know you said you don't want to set the precedent, and you're not setting a precedent, but it is divided by district. And each office does have authority to do what they -- what they want to submit to the city manager's office, and that's what's in the language of the unrevised ordinance. The fact is that people both live in Austin, but also work in Austin and go to school in Austin. And many people work in a different district than they live in. And so, being able to spend the money based on the highest efficacy and equitability makes sense.

[7:42:02 PM]

For example, a pot hole on lavaca has a much bigger impact than the sidewalk by my house. I would prefer for you to fix the sidewalk by my house, possibly, but, many people walk on the sidewalk on la Vacca. I think you can still get to your district's needs, because there are many things that are important

across the city. And I think you can strike the right balance by having projects that are important to the district without having them being submitted by each member of city council. I appreciate that it's easy to do and useful, because you know from many conversations with your constituents what the issues are. But we're worried about the precedent that mayor Adler pointed out, and hope that you support his amendments. Thank you so much.

>> Mayor Adler: Thank you. The next speaker is David king.

>> Thank you, my, mayor pro tem, councilmembers. I live in the zilker neighborhood. And the process that councilmember pool described was the process we went through in my neighborhood, in our district. And the issues that we're dealing with here are issues that have been in existence for sometimes decades. These issues. And now we have this opportunity. We've gone through this process to say, "In our neighborhood, this is a big problem. And it's been a big problem for a long time. And now we see this as a potential opportunity to go have enough money to do something about that problem." And so, I have a concern about this process stopping it and then changing it, and then the expectations that people have had, if they're going through this process.

[7:44:03 PM]

It's been grassroots, the neighborhoods. And the process of meeting with the city staff, the transportation department, where they did talk to us about, okay, you put that as a high priority, here are the pros and cons, and, you know, getting us information and helping us, working together with us to come up with our list. So we've gone through the process you described to some extent already, mayor. And I do agree. I understand your concern about precedent. Because I think I get up here and I often talk about decisions that you make setting precedent. And so I understand that perspective. But we're talking about, really, in the scheme of things, different strategies to solve problems that we have. I see this as one strategy that can help solve problems in many neighborhoods throughout the city. \$21 million can't solve big projects, we need to look at bonds. It needs to be a multitude of strategies. This is just one of those tools in our toolkit. We've done so much work on it, and there's such potential to help solve these problems that by themselves, never get resolved. It doesn't rise up to a priority. So we never get them solved. So I see this as an opportunity to get these problems solved, and I hope you will move forward tonight and approve this, and let us get some relief to some of these neighborhoods.

>> Mayor Adler: Mr. King, just to be clear in the debate -- I appreciate your comments. And I understand the communities' and neighborhoods' desire for specific projects, and many of them appeared on the list prepared by staff. I just think that the city and the council can be responsive without splitting money ten ways. I just think that the recommendation -- even if we didn't do this. If we went back with the amendment that I would offer, we would still have proposals that reflected district and community priorities. They just wouldn't necessarily be split ten ways.

[7:46:06 PM]

In my mind, it is not about the projects. These are good projects. It's about the process, and the procedure. I just want to make that clear.

>> Thank you.

>> Zimmerman: Mr. King, Mr. Mayor.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: I appreciate your comments, too. And if the Austin staff did not approve things that we were considering, I wouldn't vote for them, either. You know, all of these things have to past muster, you know, as being legitimate projects. So to be clear, you're happy with the resolution the way it is without any amendments, right?

>> Yes, sir.

>> Zimmerman: Thank you very much.

>> Thank you.

>> Mayor Adler: Thank you. Bob.

>> Mayor, councilmembers. Austin interfaith has consistently and historically stood on the side of equity in issues affecting Austin families. We know that equal does not mean equitable. We do not have a position on the projects themselves. That's not the issue. However, equitable allocation of city resources and funding is a major issue of ours. Because of this, we oppose the effort to allocate the quarter-cent funding equally. Allocation of money equally among the districts without regard to equity is not acceptable. Equitable allocation will rarely result in equal allocation. And the council action does set a precedent, even if that is not the intent, and even if it is a relatively small, one-time pot of money.

[7:48:11 PM]

We call on the mayor and council to oppose equal allocation of the quarter-cent fund, and to device another way to allocate that funding.

>> Kitchen: Hi. Thank you so much. I really, really appreciate all the work that you all do in the community. And I absolutely support equity. And I just think there's been some confusion, understandably so. Perhaps the language is not clear. But I wanted to let you know that this language

does not -- it does not use the word "Equal." It does not say that X amount will be spent in every district. And it's based on the criteria that we -- that our staff uses right now for equity, which is the criteria that they use to determine what the needs are. So I just want to make sure that you knew that, that the language simply does what we do as part of our budgetary process, which just determines what kind of dollars that we have. It does not anywhere say that it must be an equal amount across districts.

>> I -- hear you explain that earlier, and I do kind of understand that. However, I do believe that the future will look at this as equal allocation. And whether or not that's real or not, I believe the perception of the community and other members of council, and future councils, would view this as being equal.

>> Kitchen: I appreciate your perspective. And I thank you for coming and letting us know what you think.

>> Thank you.

>> Casar: Mr. Mayor.

>> Mayor Adler: Yes.

>> Casar: I'd like to ask a clarifying question.

>> Kitchen: Yeah.

>> Casar: If it were to pass as it stands, and the ten district councilmembers were all to submit \$1.9 million worth of projects to the transportation department that are listed on the potential list of projects, would the effect be that \$1.9 million equally would be spent on the district?

[7:50:31 PM]

>> Kitchen: Well, it depends. I think you're forgetting the citywide projects, because there's dollar amounts here also for citywide projects. So, no. It wouldn't equal the same amount across all districts, because we have citywide projects. And those citywide projects impact multiple districts, but not all districts. And so the end result is still going to be differing amounts across all districts.

>> Casar: Understood. But of \$19 million, in my view, from what you've described, I think my concerns remain. And I'll lay them out when we get into debate on the equal funding by districts, because essentially, as long as all of us are trying to get improvements in our district -- and I would probably -- while I'm not supportive of this language, if it did pass, \$2 million a project, the end result would be that if you looked at the \$19 million pot, set aside for district improvements and non-citywide improvements, it would effectively be divvied at \$1.9 million of district. If we all did our due diligence, and submitted \$2 million of projects. God knows we all have at least that much in projects we would like to see.

>> Kitchen: Do you want me to respond?

>> Casar: Yes, please.

>> Kitchen: I don't see this as any different than the kinds of decisions that we make during our budgetary process. During our budgetary process, we made multiple decisions in your district and in other districts where we funded specific projects in specific districts. Of our dollars we just put in as dollars for the staff to deal with. But we also made some specific allocations by school districts. And one could make the same argument that we shouldn't have made any of those by districts. We did some of that in your district, as well as. Some of the other districts.

[7:52:34 PM]

That's how I would respond.

>> Zimmerman: Could I make a point of inquiry here? Would it be possible to table this and get to the tnc discussion, and then bring this back up? I think we heard from our speakers. Could we go ahead and move to the tnc discussion, and then bring this back, you know, for a vote?

>> Kitchen: I think there's more speakers.

>> Zimmerman: I thought we were done with the speakers.

>> Mayor Adler: We're not done with the speakers yet.

>> Zimmerman: If we could finish speakers, then table it and bring it back.

>> Kitchen: Maybe not. I'm not sure.

>> Mayor Adler: We'll entertain that motion in a second. Ms. Tovo.

>> Tovo: I have a couple questions about the dialogue that just ensued. We're talking about -- I mean, for all of you out there who may be following this topic with rapt attention, we're talking about a total of \$21.8 million. And so 19 of it would be allocated, as councilmember Casar was saying, 19 of it would likely be allocated across. If each councilmember submits \$1.9 million worth of projects, then we're talking about a total left over of about 2.8. And so as I understand your point, councilmember kitchen, you were saying some of that spread out in citywide projects will result in a different amount in some districts, potentially, than others. So, is that the crux of what you were saying, that you feel we're not distributing it equally because of that 2.8?

>> Kitchen: There's two things. No councilmember is required to submit any dollar amount. So, it doesn't -- you know, there's a lot of what-if scenarios, because I could provide the same what-if scenario. What if one district only submitted 1 million, and another submitted 1.9? You're not going to

have equal. And then of course there's what I just said, you know, in terms of the citywide projects. And when we first passed this ordinance back in June, we had this discussion about equity. And this is in line with the original discussion that we had.

[7:54:34 PM]

And that's why we said at that time that we wanted to make sure we had citywide projects. And so we put that in what we passed at that time. This is simply consistent with what we passed back in June.

>> Tovo: Again, I guess I'll reserve my comments for later, too. Because I agree with the mayor's comments about -- well, all of them, really, including the original resolution. But I would say, you know, it's come up a couple times that this is similar to what we do in the budget. I think there's also a very major difference, and that is that the council approves the allocation of the funding to those specific projects. It appears from the resolution -- and maybe it's not accurate -- that the final decision on which projects get funded appear to rest within the individual councilmembers, and are not coming back to council for approval. So I would look forward -- I'm not sure if that's an accurate reading of it or not. So I guess I would just look to the mobility committee to understand whether what's contemplated in item 3, that they spend the \$21.8 million to fund improvements as identified by each councilmember -- do you contemplate that will come to the full council for ratification, or is this going to be the last vote on the topic? Tonight?

>> Kitchen: We were simply operating as part of the mobility committee along the lines of what the previous plan was, you know, in June when we passed this. It wasn't contemplated to bring the final list back, so that's what the mobility committee -- the mobility committee wasn't aware of any desire on the part of the council to pass on the actual projects. In our budget right now, we don't do that. When we pass a dollar amount for like the transportation department, we don't vote on every single project they spend money on.

[7:56:36 PM]

We don't even do that for the capital improvement projects. So I think that we were just -- and I'll leave it to my other councilmembers to speak to it. But from my perspective, what we're doing here is not any different than the budget, because in the budget, we do not vote on every single project, every single street that's done, every single, you know, pedestrian hybrid -- we don't do that.

>> Tovo: Okay. I understand that really well. We do vote on the capital improvement plan, but, yes, I understand what you're saying about not voting on individual projects. But that clarifies for me whether or not you're contemplating that this would be the last vote on the topic.

>> Mayor Adler: And I want to correct. I had thought that Ms. Macintyre was identified to speak. She's here against it, but had given us an email, all of us, which I'll refer to later. But she has not indicated a desire to speak. So, we have completed all of the public testimony that we have. Mr. Zimmerman had a motion.

>> Zimmerman: Yes. I would like to temporarily table the item for future, you know, debate. But I want to move to the tncs. So, how do I make a motion to temporarily table this so we can move to tnc discussion?

>> Mayor Adler: You make the motion to table.

>> Zimmerman: All right. Motion to table.

>> Mayor Adler: Is there a second to the motion to table?

>> I'll second for discussion. I mean, one of the reasons that we put this before tncs is because we said it was going to be quick, and now we have a whole room full of people who have been waiting for an hour to get to tncs. We're well-versed on the quarter-cent issue. We need to take a vote. I mean, I'm happy to take a vote right now if it means we can do it quickly.

>> Mayor Adler: I think there's more testimony that we need. And I see staff. I'd like to ask some questions.

>> Troxclair: Okay. Then I'll support councilmember Zimmerman's motion to take up the item that the public is here for.

[7:58:42 PM]

>> Mayor Adler: Is there further debate on the motion to table? Ms. Kitchen.

>> Kitchen: I think I would prefer that we go ahead and vote on this. We've had testimony. And I just can't imagine that it would take that much longer. I agree with councilmember troxclair. We're all well-versed on this. And, mayor, you have already set out what your motion is, so we understand it. I'd like to call the question. And vote on this.

>> Mayor Adler: You're calling the question on the motion to table? Is there --

>> Zimmerman: Well --

>> Kitchen: No.

>> Mayor Adler: We have a motion to table in front of us that's been seconded. Debate now is on the motion to table. Is there further debate on the motion to table? Those in favor of tabling this, please raise your hand. 2. Those opposed, please raise your hand. We're going to continue. I'm laying out an amendment. It's amendment a to the I'm laying out an amendment, amendment a to the resolution, it's what was posted on the work session back on -- earlier in the week. Is there a second to the resolution laid out?

>> Casar: Second.

>> Mayor Adler: Seconded by Mr. Casar. This goes to the question did I do hear the debate, you know, it could be that we end up with the same projects going through this process. It'll be interesting to see which staff comes back with. But I think we should let staff -- let staff do that I think that absent that there's going to be an expectation that they come back with ten sets of a million nine, plus the change being -- going elsewhere. But I would like to give staff the opportunity to be able to comment on this, on this issue. Is transportation here?

[8:00:51 PM]

>> Mr. Mayor, I think we're going to bring the whole team up here, so --

>> Mayor Adler: Okay. You know, this is -- you know, this is -- I think everybody is here in best of faith, and we've worked hard together over the course of the years, and I'm real proud to have been part of this -- this council in the way that we've handled things. And, you know, I think this is, you know, an honest and sincere agreement that has been set out, and I think it's just a good moment for us to air the related issues associated with this. It's -- in some respects, it's both important issues to discuss and a celebration of what we've done over the course of a year. So let me recognize you on this topic of this item.

>> So I'm not sure what the question is, sir.

>> Mayor Adler: What I'd like you to do is speak to the motion as made by Ms. Kitchen, the amendment as I've laid out and has been seconded, and talk about how you see those from transportation policy or city policy issues, or with respect to the specifics of the transportation items proposed. We're looking for advice and counsel on issues that you think might be important for us to hear.

>> Mayor Adler: I'm sorry?

>> Zimmerman: I think weigh in.

>> Mayor Adler: I'm sorry?

>> Zimmerman: I think I'll weigh in and save robin Howard from the middle of this. What our concern would be, the partnership has just been wonderful. You've been thanking staff. As we moved forward, you all reached out to your council districts and it's been a great experience for staff as well to find out much more about the projects than we would have, although we have a long list of priorities in the city already.

[8:02:52 PM]

So that's been very helpful. And I think, based on the small amount of money that we did have -- councilmember kitchen already mentioned that -- we put together a criteria based on what we think we could do to group some projects together and get some bigger bang for the buck. But that criteria could change. It could be -- that was criteria that staff chose in order to focus on transit and school and connectivity there, but that could -- we have a lot of priorities, as you all know, and mobility challenges in the city. So we could move forward, as the mayor's proposal, and work with every council office and come back with what we think could really be a win-win on what you all have put together from your district offices, and then look at the criteria that we've come up with and tweak it and see if it does fit priorities. From the staff's standpoint, it does feel better for us to come back to the full body because there's in accountability and transparency that is lost if we're working directly with council offices, and the body isn't aware of what other council offices are doing. So I think that's where we stand from staff's standpoint. We can certainly work with every council office, but it does feel better no us to come back for the full body's acknowledgment and approval of that.

>> Mayor Adler: Thank you. To that end, I would point out that in the amendment a on 3, there was a broadening of the criteria to include some of the items that were mentioned by council offices as filters that were not in the original filters for staff to take a look at. It's been expanded to potentially pick up projects in other districts. Some of these, as were specifically mentioned by councilmember Garza as she was looking at the projects that were reported back to her. Does any other staff want to say something? I don't want to require anybody to say anything. Does anybody else want to say anything on this.

>> I think we would defer to our assistant city manager.

>> Mayor Adler: I'll let you do that. Let me do ask, that if we did this, Gordon, do you see any substantial delay in being able to move forward with projects and selection?

[8:04:57 PM]

>> I can actually answer that, and Howard can help out. I do not see a delay in the process, given the construction timing and then the advanced planning that has to occur to deploy these projects.

>> And I would agree with that.

>> Mayor Adler: Okay. Thank you.

>> Kitchen: I have a question on that.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: With all due respect, so this has it coming back in two more months, and, you know, we can speak to this in a moment, but it repeats a process that we've already been through, and it delays it till February 28th. So if I'm reading this correctly, you guys couldn't even know which projects we're using until after February 28th. So I respect what you're saying, and I know that it takes a lot of -- a lot of time, you know, to plan for these things, but from my perspective, I do consider it a delay.

>> Mayor Adler: Do you think that staff could come back on January 28th if they came straight back to the council?

>> Certainly. If you keep the timeline that the council needs to submit projects to us by the end of this year, end of December, we can certainly bring it back on January 28th for this --

>> Mayor Adler: Directly to the council.

>> Right.

>> Mayor Adler: Thank you. Further discussion? Yes, in the Gallo.

>> Gallo: You know, I just want to share a couple of things. What started me in the understanding of how this was going to work initially -- and this goes back to the original proposal, not the ones that have come since, was, that as we were looking at it and kind of evaluating what projects were proposed for on district 10, we found very little money going to district 10, and we actually found almost no money going west of 360 in district 10. And that just -- you know, we hadn't thought about that before, but when you think about all the communities and all the schools that are located west of 360, you know, that's a big part of the district that wasn't having traffic and safety issues addressed.

[8:06:59 PM]

So, you know, that began my process of saying, you know, maybe there's a better way to do this. Maybe this small amount of money gives each district the ability to go in and really reach out and talk to the principals and talk to the pta presidents and talk to the neighborhoods and really -- really find out what are some of the actual day-to-day safety issues that -- we have wonderful departments, public works

and transportation, but you can't be in all those neighborhoods all the time. And so it really did give us the opportunity to reach out to our communities. And just to share with everyone -- we have a very specific list that has been provided to us for what we can choose and what we can use, and I'm just going down the list, cycle track, protected bike lane, signal communication equipment, traffic cameras, signal battery backup systems, and intersection improvements, adding or extending turn days, closing Medina openings roundabouts, median islands, I don't know what a ball bat is, safety features, hand railings, curb and gutter improvements, new signals, pedestrian hybrid, upgrades, some of the urban trails. It's not like we can go out and figure out anything, we have a very specific list to work with, and that's what we have all been addressing, but addressing it with the idea and the view that we are asking the users out in the community where the safety issues are. And that's my concern about moving any of this conversation back to a whole city, is that I trust, and I have full faith, that each councilmember in their district will act responsibly and make really good decisions that they are making in communication and in contact with their actual neighborhoods and schools.

>> Mayor Adler: Okay. Mr. Renteria.

>> Renteria: Thank you, mayor. I did also do both. I went down the list of the recommendation and then I went out and talked to the neighborhood, and then I began to realize that, you know, some of these projects that might be coming down, you know, there might be someone in my -- the district right next to me because I connect with, I believe, almost four other districts in my area; am I really doing the smart thing by all these recommendations?

[8:09:24 PM]

I think when we went out and looked for the needs that we needed in my district, we had over three million dollars worth of needs, and I said, well, that's great. We can submit it back to the transportation department, and later on, if we do have a would not election, or if we have money that comes in, we can continue these projects once they study it. But I'm not an expert. I really feel kind of uncomfortable trying to make these decisions, so I instructed my staff to follow the transportation committee recommendation and we went and looked at all that area. Then I identified a couple other areas that wasn't on the list and submitted to them, and a few of those that my recommendation came back on the list the second time around. So I thought we had already done everything that they had asked us, but then this came up, and I was going, okay, what's going on? So I do believe that we should submit our information to them and, you know, let them come back to us and see if their recommendation, you know, I will say -- you know, they're the ones that are the talent, they're the one that have been working on these projects. I'm not an expert in this field of sidewalks and -- you know, bus stops. And so that's all I look at. I would like them to come back to me to say, hey, if this is -- your recommendation is good. We're going to support it. And let me tell you, I'm pretty sure that we're going to be able to use up that \$1.9 million.

>> Mayor Adler: Ms. Houston?

>> Houston: Thank you, mayor. And I agree with what everybody has said about the process. The people in district 1 were just ecstatic that they had an opportunity to identify for themselves what some of the needs, transportation needs and the uses of the quarter-cent fund were because although I respect the expertise of the transportation and public works department, they live in one Texas center, and there are people who live in the district.

[8:11:54 PM]

And sometime those two don't MIX. And so they were very appreciative of the opportunity to identify things that had been missing in the district for centuries almost and having a way to get them addressed, or major thoroughfares like manor road, which I bring up often, no sidewalks. We have people walking in bike lanes to get to M station, and people in motorized vehicles. So that wasn't on the list. Parts of manor road were, but, you know, we were able to hone that in through the input of the people who live in the districts to say, yes, some parts of manor road don't, but these are the most important parts. And so I hope they will come back with those that are reasonable and could be done in a reasonable way, but I also hope that they pay attention to the fact that they're real people who live in the district, and there are some real needs in the district. I know everything can't be taken care of, but I think there's some important things that can be, and I think they need to rank them based upon what the people need, not what they think they need.

>> Mayor Adler: And to that end, Ms. Houston, what was proposed in amendment a asked the staff to go back and take into account the feedback that they got from -- from the district, so I would hope that if we pass that amendment, they would come back in a way that was responsive to the input that they received by the district. Mr. Casar, and then Ms. Garza.

>> Casar: So I -- I think I can break down the reason that I support the mayor's amendment into three -- into three key areas, and if we can't get support for the amendment, I'd like to highlight one of them here at the end. First, the original resolution, we talked about the funds being used all over the city. But I specifically laid out my discomfort with laying anything out specifically by district boundary because our districts were drawn with political intent, good political intent for them to be -- the criteria is contiguous and exact and bring to other communities of interest, but that doesn't necessarily lay out map overwell for transportation needs, how many miles of streets they are, how old they are, what the crosswalks are like, what the bus stops are like.

[8:14:17 PM]

That's not -- that doesn't -- those aren't, I don't think, rational boundaries for us to be dedicating transportation funds to. And -- but specific streets or specific roads or specific projects, I think, are much safer route for this council to go about allocating funds. So that's why I think the mayor's -- I support the mayor's amendment in that respect. The second respect, I understand that the intent is that it may not come out equally, 1.9 million per district, but as far as I can tell, my best prediction, and I think it would be an prediction, they would come back 1.9 per district because as councilmember Renteria said, we all have 1.9 million worth of need. We will submit that amount, but if we can work together as a council to decide that maybe some folks are going to get more spent in their district and other less because that's more equitable, think I think that's a better road to go down that while a system doesn't mandate 1.9 per district, most likely would result in 1.9 per district. I hear the mobility committee, when you say it's really not that much money, and so it's not doing much harm, for us to do 1.9 million per district, and I agree, but I do worry about the precedent of this ramping up to something larger, so larger cip project or bond project. So I think the precedent issue in that second one does concern me, but my biggest concern is the idea that video individual councilmembers would give direction to staff that then would be implemented by staff because of the councilmember. The potential for political patronage, and on sort of circumventing where one councilmember could direct staff to do something, is of particular concern to me. So if the mayor's amendment isn't able to pass in its entirety, I would like to think of a way to deal with that third issue because I don't feel comfortable with any one individual councilmember or the mayor being able to direct staff to make specific improvements.

[8:16:29 PM]

And final, I don't think the mayor's amendment precludes citizen engagement. I did extensive engagement with my district in order to think about what projects I would highlight for staff and fight for, but I made that all contingent on the fact that this was going to be distributed equitably so we'd have to make a strong case for why those improvements indeed should be made. I didn't tell anybody it was a given, but that we should -- but I worked with my community to think about what important projects would be. So I think that the mayor's proposal still gives us the opportunity to do that citizen engagement, but I think there are those three key issues that it clears up.

>> Mayor Adler: You all can sit down, by the way. You don't need to be standing.

>> Thank you.

>> Garza: It seems to have turned out -- turned into a very nuanced conversation about equitable versus equally. I think we're all really saying the same thing, and I can't support this amendment. I'm going to support what the mobility committee recommended. It seems like, you know, the strongest argument I keep hearing is it's going to set precedent, it's going to set precedent, I know you say it's not, but it will. I'll just point to the hundred items we've had on our agenda today, and I would say over half of them were about allocating millions of dollars, and not a single time during that allocation of those several

millions of dollars did anybody say, wait, wait, wait, let's do this equally. And on January 28th there's going to be a council meeting, we're going to allocate millions of dollars again, and I'm positive that there's not going to be the conversation of, let's do -- let's split this 11 ways. This is a one-time opportunity to get some low-cost, high-impact projects in our -- I can't tell you the frustration that we get when we get calls from our constituents about different issues that are on transportation's list, but they're just not way up there on the priority list. And what we have to tell our constituents is, you know, let's see what transportation has to say.

[8:18:31 PM]

Well, you know what, your project is number 196 on the list. Even to that person that's 196, to them, it's the number one issue for them. And I talked about Ms. Mirror mireles's project, her sidewalk needs to be repaired. They're retired, she walks on that sidewalk every day, it kills her that she -- you know, she lives in dove springs, her husband is a retired city of Austin worker. To her that sidewalk is a priority, but she's number 200 and something on that list. So this is just a one-time opportunity to be really responsive to our constituents. The community has been so excited about the allocation of this money. And, again, this is -- I have no intention of saying that every single project is now -- or every single allocation of money is going to have to be equal. This is a one-time opportunity for us to be responsive to our constituents, and I really hope that we can take advantage of this.

>> Zimmerman: Mr. Mayor, I'd like to move to call the question.

>> Mayor Adler: It's been moved. Is there a second? Is there anyone that wants debate? Let's go ahead and vote. Amendment a is on the floor. It's been seconded. Those in favor of amendment a, please raise your hand. Tovo, Adler, Renteria, and Casar. Four votes. Those opposed to a, please raise your hand. It is the balance of the group. The amendment is defeated. Proposed amendment B.

>> Zimmerman: I was going to move to the previous question if we could and vote on --

>> Kitchen: Yeah. I'd like to move the previous question. I second that.

>> Mayor Adler: I think we should change the section that Mr. Casar had so that the reporting doesn't just have individual councilmembers directing staff as to issues.

[8:20:36 PM]

That's amendment B that's being handed out. Is there a second to amendment B?

>> Pool: I'll second.

>> Mayor Adler: Ms. Pool seconds amendment B.

>> Pool: For conversation.

>> Mayor Adler: Amendment B, just as Mr. Casar suggested a second ago, was his third point. It has the matter coming back to council again. We don't even let individual councilmembers appoint boards and commission people. Ms. Tovo?

>> Tovo: I would just add, you know, I think in terms of the duties that our charter -- the duties and responsibilities that our charter lays out, I think this is far more in line with -- with our limitations, the key of which we are not -- you know, we're making policy as a city council. We're not complimenting and we're not directing staff, so I appreciate this amendment.

>> Zimmerman: I have just a point of inquire inquiry. Would this be the final one contemplated?

>> Mayor Adler: It would be the final one.

>> Zimmerman: Final one. Thank you.

>> Houston: I actually will support this amendment because I think that does make sense, and I also want you to know that on my priority list is something in councilmember Renteria's -- in his district.

>> Mayor Adler: Okay. Any further debate on B? Ms. Kitchen?

>> Kitchen: I remain concerned about this. I respect the -- I certainly will respect the will of council, but I still can't support this because it's February 28th. That's two more months. We've already been through this process, and I don't think that that's appropriate.

>> Mayor Adler: I would move to amend B to say that it comes back straight to council by January 28th because staff indicates they can get it back to council at that point.

[8:22:36 PM]

If mobility committee wants to hear it before then, I think that would be great, but whether or not it gets back to the mobility committee, this amendment, the amendment would have it coming back to the council by January 28. Is there a second on that? Mr. Casar. Any debate? I'm sorry, Ms. Gallo?

>> Gallo: I have a question of clarification, please.

>> Mayor Adler: Okay.

>> Gallo: So this is -- your amendment is after 1 and 2, be it resolved, so the first be it resolved is the 1.9 million up to, for each council district, and all the funds remaining citywide by the mayor, and then 3 comes after that, and it says the city manager will present an updated recommendation for

consideration and approval if we take that -- approval by the Austin city council. Are we talking about, and I want clarification, that this updated recommendation is based on what has come forward on 1 and 2.

>> Mayor Adler: This amendment only changes number 3. Doesn't it change number 1 or number 2.

>> Gallo: Okay. But the -- but the part that's been deleted, the part that's been deleted talks about the priority list submitted in 1 above, and the mayor has identified in 2 above, so it has deleted the connection of 1 and 2 to 3, and I just want to make sure we're still talking about -- I mean, I would support it coming back to the council, but I want to make sure what the city manager is bringing back is still the priority list that is in 1 and 2.

>> Casar: Mr. Mayor?

>> Mayor Adler: Yes, Mr. Casar.

>> Casar: I'm happy to speak to that because in my own amendment I would have made, I would have made sure to actually write it the way listed by the mayor. I think that if councilmembers want to bring their priority lists, they can bring it. But I don't feel comfortable directing the city manager to bring a recommendation that the city manager may or may not want to recommend. The city manager's job is to be -- is to bring forward his own recommendation, and if we want the city manager to bring forward our recommendation, then we as councilmembers have that prerogative to bring our own lists.

[8:24:47 PM]

But I don't recall comfortable telling the city manager, and I don't think it really falls within our understanding of the charter, to tell the city manager that by resolution, he must bring forward something that one councilmember tells the city manager's office to do.

>> Mayor Adler: You know, Mr. Casar, I think that that's the vote that we lost just a moment ago. So I think that to make it clear here, what my intent is by this -- and by the way, I agree with everything you just said, that said that I think what number 3 is intending here is that the staff's work, after following the instruction in 1 and 2, comes back to council for approval.

>> Gallo: Ratification.

>> Mayor Adler: Well, for consideration and approval. So I would change this then to say we'll present an updated recommendation for project to be funded sent for consideration by the city council, by January 28th.

>> Mayor, question for you.

>> Mayor Adler: Hang on one second.

>> Okay.

>> Mayor Adler: Consistent with number 1 and number 2 above. By January 28th, 2016, consistent with number 1 and 2 above. Is there any objection to my amendment being changed to be that? So my amendment is now that. Ms. Kitchen?

>> Kitchen: I'm still concerned with the lack of clarity. "Consistent with" is not specific. To my mind, it should reflect those lists. So you know, I appreciate the efforts to make this amendment better, and -- but I still remain concerned.

[8:26:49 PM]

I mean, this is what the mobility committee struggled with, was how to word this in a way that gives some clarity to all involved, and that's what we were trying to do. And if we just say "Consistent with," I'm not sure that that gives our staff clarity. I mean, basically, what we're saying is, it should reflect the list, and again, that's because what we're saying is that our starting -- well, I won't go through all the -- what we talked about before --

>> Mayor Adler: My intent by this is not to retry the vote we just had. So if consistent with doesn't do that, the intent is for it to follow number 1 and 2 above. Does that language work?

>> Kitchen: How about reflects the list that's included in number 1 and number 2 above?

>> Could you just leave the language already in there, that was scratched out.

>> Mayor Adler: Okay. That's fine. So it would say by January 28th, 2016, to extend --

>> Kitchen: Of the remaining, and we can put the 21.8 million, instead of just expend, of the remaining 21.8 million.

>> Mayor Adler: Say that again?

>> Kitchen: Of the 21.8 -- I just changed the word "Expend" to of.

>> Mayor Adler: So it would read city manager recommend recommendation for projects to be funded by consideration by the Austin city council, by January 28th, 2016, of the 21.8 remaining for the improvements as identified by each city councilmember [inaudible] Above and by the mayor as identified in number 2 above. That's what the language reads. Any objection to my amendment being changed that way? Then that is what amendment B reads. Any further discussion on B? Take a vote. Those in favor of this amendment, please raise your hand. Those opposed? Mr. Zimmerman votes no. The rest voting aye.

[8:28:49 PM]

It's now amended with B. Any further discussion on the resolution as amended? Those in favor of the resolution as amended, please raise your hand. It is Houston, Zimmerman, troxclair, pool, Garza, Gallo, Renteria, and kitchen. Those opposed? Mr. Casar, Adler. Mayor pro tem, how are you voting in.

>> Tovo: I voted for it, and I'll explain that I'm clearly supportive of the quarter-cent. I wish we had proceeded along a different path.

>> Mayor Adler: Okay. 9-2 vote, the resolution passes. Okay. Let's do the homestead preservation reinvestment zone. Number 99. Is there a motion here? Mr. Casar?

>> Zimmerman: Mr. Mayor could I move that we consider the tnc matter at this time, please?

>> Mayor Adler: I'm happy to. I was ready to consider them first.

[Cheers and applause]

>> Mayor Adler: Does anybody want to not consider the tncs next? We'll go to the tncs.

>> What about 99?

>> Casar: As long as everybody promises to vote Y on the HPDs.

>> Mayor Adler: We'll pick that up last. It'll be us when the group leaves. So that gets us to the tnc issue. Ms. Kitchen, you want to lay something out?

>> Mayor?

>> Mayor Adler: Do we want to take a five-minute break before we --

[8:30:50 PM]

>> Houston: I have a point of personal privilege I'd like to say -- today is my daughter's birthday and I almost forgot.

[Laughter] So I want to wish Jean a happy birthday.

[Applause]

>> I think based on that, the entire council should wish her a happy birthday.

>> Mayor Adler: Really. Ms. Kitchen, you want to lay something out?

>> Kitchen: Did you want to take a break? I didn't hear what you said. It's up to you. I'm fine.

>> Mayor Adler: Well, I have one issue with respect to the way this was drafted and its intent. This is the first that I've seen this, and I don't know whether that's something that you and I should talk about briefly, or whether we should just go and start on this and bring that out in conversation.

>> Kitchen: It's up to you.

>> Mayor Adler: Well, let's -- let's just go ahead and start, and then we'll --

>> Kitchen: Okay.

>> Mayor Adler: We'll let it play out.

>> Zimmerman: Mr. Mayor, the point of inquiry on this, how do we know what the latest version of the ordinance is? We've gotten about three or four of them today.

>> Kitchen: I can speak to that.

>> Zimmerman: Can you speak the that? Okay. Thanks.

>> Kitchen: I'll be happy to speak to that when I lay it out.

>> Mayor Adler: Now's the time the lay it out.

>> Kitchen: All right. Again, I'm -- I'm going to move passage of the motion before us, and you can identify that by -- it's on a yellow sheet. It's the only one that's been passed out that's tnc on a yellow sheet, so that should be all you have on the yellow sheet. So that's the motion before you. And for the public, it's been posted on the council message board. And I will speak to it so I can help folks understand what's in it. It's not very different than what was posted last night and what was posted a week ago. So I think you've got it in your hand, councilmember Zimmerman.

[8:32:52 PM]

>> Zimmerman: Well, yes -- okay. So this one says at the lower left corner, the date is 12/11/2015.

>> Kitchen: Well, that's it. I think there may have been a mistake on the date, but that's -- that's it. It says at the top, item number 75, 12/17/2015.

>> Zimmerman: Okay. I got that, upper right corner.

>> Kitchen: Yeah, upper right-hand corner. All right. So I'm making a motion to move forward with that amendment, and then I'll explain it. Do I need a second first?

>> Mayor Adler: Yes. Ms. Houston seconds it.

>> Kitchen: Okay. I want to make a few remarks, and then just walk through what's in front of us so that people can understand what's in front of us. And then of course if -- you know, we have a list of speakers, and I'd suggest going to that next, unless any of my mobility committee members would like to say anything. So the first thing, just a few remarks, first I would like to say that I appreciate all the drivers who are here with us today, whether you drive for a taxi or a tnc or Lyft or Uber. I think that our community is well served by you as drivers, and I really appreciate the work that you do in our community, and you make it possible for us to have options to get around. So I wanted to begin by saying that. I also wanted to say -- to provide some background, just to remind folks, is what we have been doing, actually since the spring as a mobility committee, is, we've been following up on action that was required of us by the previous council, in the interim ordinance that was passed last year, which charged us with reviewing that ordinance and looking at equity across all of our vehicles for hire.

[8:34:56 PM]

So as a mobility committee, we've been working through the recommendations of our staff and looking at the differences between vehicles for hire and tncs and bringing forward recommendations that we thought were appropriate to discuss to -- to bring in line and to bring equity across all of our drivers. So with that said, I'd like to make a few remarks. With regard to fingerprinting -- with regard -- I'd like to say that in an environment where our police department has received seven complaints of tnc drivers sexually assaulting between April and August of 2015, and when experts at safe place tell us that they have provided exams and support in the past few months for five individuals who reported that they were assaulted by a Lyft or Uber driver, that's something that the city has to -- the city has to take these reports very seriously because public safety is our job. And I would say that while there is no one thing that will ensure absolute public safety, the least that the city can do is implement the recommended best practices. I would also like to acknowledge that there are a lot of safety issues here. Duis are a huge issue for our community, and I'd like to recognize the value that tncs and taxis offer to our community in helping to prevent DUIs which is another safety issue, but I do not think we have to choose between the risk of sexual assault, the risk of a DUI, and the opportunity to get a ride home. With regard to fingerprint based background checks, I'd just like to point out that both the FBI and the Texas department of public safety agree that fingerprinting is the best way to ensure that the records reviewed belong to the person being checked, with a match accuracy rate of 99.6%.

[8:37:03 PM]

It's all about accurately identifying that a person is who they say they are, and I'd like to quote from Mike Lesko, the deputy assistance director, Texas department of public safety in charge of crime

records: Fingerprint based background checks are considered a best practice law enforcement tool to tie the person checked to the person driving. Finally, by way of opening remarks, I'd just like to say that we need a wide range of transportation options in Austin in order to resolve the traffic issues in our city. And I believe that tncs are now a very important part of our transportation system. I also strongly believe, as I said before, that we have a responsibility, that the council has a responsibility, to ensure that the people of our city are safe when using transportation network companies. As I said before, austinites should not have to risk sacrificing their safety in order to get a ride home. The council does not wish, I do not well, and I'm quite certain none of the council members wish for the tnc to leave the Austin community, or the drivers who depend on them, but that's a choice for the tncs themselves to make. I can't make that choice for them, and I hope that they will listen to drivers and stay in town. I fully expect that a tnc can successfully operate within the standards being proposed and look forward to working cooperatively with tncs like our newest tnc, get me, who's already committed to support drivers and to work with our community towards our goals for best practices public safety measures. Now, I want to just talk briefly about the framework that we've laid out. I think it represents our best attempt to listen and respond to the concerns that the community and the drivers and the companies have raised.

[8:39:04 PM]

What we are doing -- first I'll speak with regard to fingerprints then I'll point out the other provisions that were recommendations from our staff that are included. The framework with regards to fingerprints sets benchmarks that work towards the goal of fingerprinting for all drivers and disincentives for not reaching these goals. That framework also envisions strong safety incentives for companies, for drivers, for passengers to get tnc drivers' fingerprinted and disincentives for not meeting those goals. The framework sets forth these benchmarks, but acknowledges that we need further discussion about what would be the appropriate incentives and what would be the appropriate disincentives, and what might be the appropriate penalties for not reaching our benchmark goals. So the ordinance envisions that we set this framework, and then we have further discussion in January about exactly what those incentives might be, or should be -- not might be, what those incentives should be, what the penalties should be, what the disincentives should be. So now I'm just going to speak briefly to the other recommendations that are included, just so people understand off. First off, there is a data reporting requirement. These are recommendations from our staff. The data reporting requirement sets forth data reporting for the purpose of supporting public safety and transportation planning, including the prevention of driving while intoxicated. Geo fencing is also included. This is a public safety provision whereby tncs will be working with event sponsors in the city to use designated pickup and drop-off locations for safe and efficient transportations. Travel lanes is another thing. The public safety provision

prohibiting tnc drivers from stopping, standing, parking, loading, or unloading passengers in a travel lane or bus stop.

[8:41:07 PM]

This is simply a provision that's a safety provision, just like our other vehicles for hire. Trade, another safety provision like other public safety provision requiring some kind of emblem identification of the vehicle that's to be worked out with the staff, between the staff and companies. There's also fees, which is something that we've been discussing for a couple of months. There's requirements related to a -- fee that we've talked about previously that offers some choices for tncs about how they might pay that fee. Ad then in keeping with the framework, where we're setting up incentives, there's an additional fee of 1% to fund an education fund that can be used to support incentives for drivers to be fingerprinted. So that's the basic framework. I will turn now, if it's all right with the mayor, to see if my councilmember Gallo or councilmember Garza would like to add anything at this point. Or if we could -- you can certainly add things later. All right. We have -- as the mayor mentioned earlier, we have invited testimony, and I believe the mayor has that list, and if we could turn to that testimony now, if you'd like to do that.

>> Mayor Adler: We can. I'd like to give a quick opening statement as well.

>> Kitchen: Okay.

>> Mayor Adler: Obviously, this is a very contested issue, emotional issue, again, in our community. We seem to have a lot of those today. You know, this is -- I started out with the belief that -- that I'm going to rely on our professionals who tell us that a background check is safe if it includes a fingerprint component.

[8:43:11 PM]

And in that respect, you know, the professionals that we have are telling us, our professionals are telling us that, and I don't have the competence to question that. Our professionals are also telling us that having transportation network companies, tncs, operating at scale, so that when someone in our city goes out and wants to call up a tnc, it's there, and there quickly, is also something that contributes to the safety in our community, and that our community is less safe if we do not have tncs operating to scale because of the effect they have of taking drivers that are impaired off the road. Given that that is true, and I've been told that by chief Acevedo, as well as the sheriff has also weighed in, sent us all a letter that says that. We know also that some tncs in town have indicated that if we did anything that

would require them to stop operating, if they don't have fingerprints, that they would leave, becomes the practical effect of a decision that we make if we were to put in a provision that would require a tnc to leave if they did -- didn't do -- require -- didn't require fingerprinting. And I think that while that might be those companies' choice, it is also the practical effect of us making a decision to pass something that would require a company to leave if it did not -- were to stop operating, if it didn't have fingerprinting.

[8:45:16 PM]

And I don't like any of those choices. I don't like being told that I have to choose between the safety of women alone in a vehicle, not having a biometric link, background check to who's ever driving, and I don't like the choice of deciding something that is a practical matter is going to have the tncs that are operating at scale leave if that's going to leave a vacuum in us having a tnc that does not operate at scale. And I took those concerns to -- to councilmember kitchen and asked if we could get through tonight without adopting an ordinance that, as a practical matter, would require any tnc in our city to leave, but to focus, instead, on whether or not we could provide incentives or a culture where the drivers in this city would get finger printed. I mean, ultimately, our goal is not to keep any particular company here or not here, our goal is to get drivers who are fingerprinted. And the question then becomes, what is the best path of getting from here to there. And I believe that there are ways, if we are Austin, the Austin that I know, the Austin that is creative and innovative, we can construct a system whereby we can encourage and incent the result that we want, and we sat down to see if we could negotiate language that would enable us to be put on that path without having ramification that, at the threshold level, I wanted to avoid.

[8:47:31 PM]

I've just gotten language, I haven't had a chance really to go through the language, we'll go through it in the course of the time that we're here, and I hope that this achieves that result. Let me ask the question, there are people who drive for Uber and Lyft in the room?

>> Yes.

>> Mayor Adler: Raise your hand. Are the people who drive for Uber and Lyft, without a restriction for companies or anything like that, do you object to having -- getting fingerprinted?

>> Yes.

>> Yes.

>> Mayor Adler: Okay. My experience has shown me, as I drive around, that 90% or more of the drivers that I talk to have no problem with getting fingerprinted. Many of them are fingerprinted. And I haven't heard a compelling reason yet why someone would not want to get finger printed. So I would like us to be able to construct something that encouraged drivers to get fingerprinted, perhaps gave them better access so that fingerprinted drivers could pick up people at south by southwest at the curb and people who weren't fingerprinted had to stay a little bit farther back, or drivers that were willing to get fingerprinted made more money than the drivers, they got an extra dollar or two on each one of the fares that they drove, where passengers perhaps got a little bit cheaper ride if they chose drivers that were willing to get fingerprinted. I just think that in this community, innovative and clever, we can come up with a system where we can drive the result that we want without putting at risk, safety risk, either of the two areas that we're trying to preserve a greatest amount of safety. So what my understanding was, is that we were going to construct in the ordinance that we would pass today, on third reading, if we actually had -- could do this, but only on third reading if we could, in fact, do this, was to have an ordinance that would state real clearly that it is the intent and the desire and the goal of this community to have drivers who are fingerprinted because there's then a biometric link between the person who's being investigated, background check, and the background check itself, and when someone gets in the car, they know that biometric link exists; and at the same time, do it in a way that preserved tnc operation in the city.

[8:50:20 PM]

So I expect to see an ordinance that says very clearly, this is our goal. An ordinance that very clearly says we expect to ramp up for that goal and to give guidance on how we expect that goal to be ramped up, too. And then because it was happening so quickly, we would leave plank blank for us to fill in in January what the incentive structure would be, what the disincentive structure would be, in order to be able to really drive the end result that we ultimately want to see. And if that's what this ordinance says, then I'm going to be prepared to vote for it and vote for it on third reading, recognizing that it still leaves open a lot of questions because we may have differences on the dais as to what that spectrum of incentives or disincentives might be, but it gives us a little over a month, working with each other, working with the tncs that are both here and potentially here, working with drivers, to see what incentives would be good incentives to get people to do that, working with the community, with the innovative, sharing economy folks that are in our city, to see if we can be clever, smart enough to be able to get us to the place that we don't have to choose either by direct decision or by the practical effect of our decisions, have to choose between one or the other. And in that light, I look forward to the discussion that we're about to have. Ms. Gallo.

[8:52:25 PM]

>> Gallo: I appreciated your question, but I want to be a little bit more specific in a couple other questions to the drivers out there. So how many drivers in the audience have been fingerprinted? Could you raise your hand? Okay. Thank you. And so how many drivers in the audience have not been fingerprinted? Okay. So of the ones that haven't been fingerprinted, you know, I -- in my background before I served on the city council was in the real estate business, and I was a small business owner, and I always wanted to figure out when we had issues of things that were -- were uncomfortable, what we could do to make them less uncomfortable. So if you haven't been fingerprinted, is one of your concerns the cost of the fingerprinting? I know that many of you are doing this to make extra money, so as the cost of doing the fingerprinting a concern? And if it is, could you raise your hand? Okay. So I want to make sure -- we've had a lot of information that's gone out to the community, and one of the things that we can be very helpful with is to make sure the correct information goes out. Let me share with you that the city is proposing to pay for the cost of your finger printing, so for those of you that are concerned about the cost, the city has been -- has been listening to those concerns. We've had a lot -- both Uber and Lyft have encouraged their drivers to call our office and we've really appreciated those calls because it's given us an opportunity to be able to talk to the drivers and listen to what their concerns are and what they've been told, and it's been really helpful in this whole conversation. So a few people were concerned with the cost. The city has resolved and dealt with that by saying the city will pay for the cost so it won't cost you in any more money. The rest of you that haven't raised your hands, are you concerned with it taking too much time to do or extra time to do? Is there anyone who's concerned with that in one back in the back. Anyone else? I see just a couple of hands there. So in my business, I'm a mortgage broker, I've been fingerprinted twice, once more my mortgage brokers license, once for my real estate license, and they were both very speedy processes.

[8:54:28 PM]

But the city is also committed to main thing sure that we help provide a process that it will make it as simple and efficient as possible because I know as a self-employed person, my time is valuable, and I wasn't making money unless I was out there working. And when things were keeping me away from my work, that kept me away -- that kept me from earning a living. And we don't want to do that. We want to make sure that we can do everything we can, in fact, as we were looking at this community out here, especially when y'all were outside, thought, boy, this would have been a perfect opportunity to have a fingerprinting fair right here where you could do it as you were waiting while we went through the other agenda items. I'm trying to think if there are any other reasons that we've heard that there have been objections or concerns about it. Because we certainly want to address it. And I think that's what we're looking for the time to do, is to be able to really hear the concerns and address and come up with creative solutions to those.

>> One concern was where they might have to go and things like that.

>> Gallo: Yes. Other concerns, any of you that haven't been fingerprinted are concerned about the results the city will get when they get back your fingerprinting? Is there anyone? I don't see any hands raised, so that's a good sign. We're working in the right direction.

[Laughter] I'll just say I was a little concerned when I got my fingerprinting done, but it came back okay. So once again, I think the message is, there has been information that's been put out there that perhaps isn't exactly correct, and we really want to try to make sure that all the drivers -- I mean, we appreciate what you do for this community. We understand that you're doing this to make additional money, or for it to be your sole line of work, and we don't. To impact the time that you can work by putting in unnecessary regulations, and we will work with you to try to figure out the best way to manage all of this. Just a quick question, because one of the drivers told us that they were told that one of the regulations that we were putting out was that they would have to wear a uniform.

[8:56:29 PM]

Has anybody been told that? No? Okay. Because that is not true. That's not true. Okay. Thank you. Thank you for being cooperative.

>> Mayor Adler: Any further discussion before we get any further discussion?

>> Tovo: This probably isn't the right time to have this particular discussion, but I just want to let me colleagues let my colleagues know, it's been hard to keep up with the changes throughout the day. I had to ask my staff to sit down with the ordinance in our backup, the recommendation from the mobility committee that has been out there for a while, and compare it the version that was forwarded as the mobility committee's revised version yesterday, and then the version that we have here today. And so I have -- I would say I have some specific questions about the version in front of us that I'll ask at the appropriate time, like what is the safety assurance program? And some other things. But I think I'm going to really want to hear, especially from our mobility commission members. We've gone -- you know, in the space of a couple days, from a recommendation that seemed solid, and that I support, to have fingerprints implemented within six months. We've gone to now a recommendation -- an amendment on the floor that goes to a year-long calendar, and doesn't get to a hundred percent. It ends at 99, which strikes me as extraordinarily difficult to enforce, in addition to other things. I need to understand -- from our mobility commission members, which of these are amendments today, which are supported by the mobility commission, and why the changes, in particular to fingerprinting, and also to things like the inspection requirements in section 13-2-521. Again, I have some big-picture questions. I'd like to know why the shift.

[8:58:32 PM]

But also, some very particular questions about individual items in the draft that was presented to us a few hours ago.

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Yes.

>> Zimmerman: May I go first? As a member of the mobility committee, I have the easiest answer of all. I didn't support any of them.

>> Tovo: Okay.

>> Zimmerman: Because the vast majority of my constituents didn't want any of that to happen.

>> Tovo: I didn't mean for that discussion to happen now. I'll leave it up to you, if you want to have the discussion with the invited speakers first or not.

>> Mayor Adler: Miss kitchen.

>> Tovo: I wanted to give a preview of what I've been wondering about.

>> Kitchen: I certainly appreciate your concerns, and apologize for not being clear in what we put out and red-lining everything, and would be happy to talk about each of those items. It might be helpful if we hear from the speakers first. Okay.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I am going to want to talk about a lot of things throughout our discussion. The first question that I have that I think is important to answer before we hear from our speakers is about why the intention is to pass this on all three readings tonight. I hear what you're saying about this utopia where we can figure out a system that no other city in the United States or in the world, essentially, has been able to figure out, where we're going to require fingerprint checks and somehow all of the tncs are going to be willing to stay in Austin. But it seems to me that the most prudent way to do that would be to pass what's in front of us -- or -- I mean, I'm probably not going to support this, but to take a vote on what's in front of us tonight on second reading. And then come back in third reading in January with the extra -- with the rest of the details about this plan.

[9:00:33 PM]

I mean, what's in front of us right now is just a mandatory fingerprinting requirement. And the rest of the information about incentivizing drivers, or creating other programs, or, you know, giving riders a

discount if their driver is fingerprinted. All those things sound interesting and maybe worth pursuing and talking about, but it's hard for me to understand. I mean, if that was the case, this might be something that I could support. But the reality is, what's in front of us is not what is being described. So I need to understand why we would not take a vote and have a discussion on what's in front of us on second reading with the hope that you would be able to have the time and come up with a plan that could be amenable to everybody by the time we got to third reading.

>> Mayor Adler: What if the 13-2-527 on page 8 of 15, what if section a were stricken? Which is probably something that I want to have discussed later in terms of whether or not that's something that needs to affect what I was talking about.

>> Troxclair: Well, I guess I would point -- sorry?

>> Mr. Mayor.

>> What page? 8 of 15?

>> Mr. Mayor. I would suggest that we get to those details later. That's not something that's support. And so, there's a lot of very good questions that everybody is raising that we need to talk about. But if it's acceptable to everyone, I think it might be helpful to hear our speakers first. I mean, the questions you're raising, councilmember troxclair, we need to discuss. And I'm happy to discuss that. I'm just feeling like I'd like to hear from all of our speakers first.

>> Mayor Adler: Do you have other copies of the ordinance?

[9:02:34 PM]

>> Zimmerman: Mr. Mayor.

>> Troxclair: If I can finish my thought, or respond to councilmember kitchen. I do want to hear from the speakers, because I do think there's a lot to discuss. But I think the conversation that they would have with us is very different if we're telling them that we're voting on a system that is going to allow tncs to remain in Austin, which is how this is being portrayed. When in reality, the only thing that we're voting on tonight, in addition to a lot of other fees and requirements, is a mandatory fingerprint check. And so I think it's important, in order to have the quality discussion that I want to have with the people who are here, to understand the context of the vote.

>> Mayor Adler: I think what you have is a conversation you've heard earlier. My intent, you've heard Ms. Kitchen's intent. I will vote for this to the degree that the language does what it was that I said was my intent. And as we go through the language, we can see that. My hope is that we'll be able to reach a common place with respect to that language. Let's go ahead and have --

>> Zimmerman: A point of order, if I could.

>> Mayor Adler: Yes.

>> Zimmerman: Would it be possible to get a copy of the latest thing? And please give it to the person with the overhead, so that when we talk about the sections, we can go ahead and put it on the screen.

>> Kitchen: I already passed it out to everybody on the dais earlier.

>> Zimmerman: To have it on the overhead.

>> Mayor Adler: I don't think I got a copy.

>> Kitchen: I have more if people don't have their copies.

>> Mayor Adler: I think Ms. Garza needs a copy.

>> Yes. There's only been one passed out. There's only been one passed out. It's on the yellow sheet.

>> Mayor Adler: Okay.

>> Kitchen: Yes, several -- many yellow sheets.

>> Mayor Adler: We're going to go ahead and have now the conversation. This has been debated before.

[9:04:36 PM]

We have four people on each side. We have a couple -- one neutral person to speak. I'm going to go back and forth from one side to the other. The order of the speakers are going to be Andrew, Adam, Ken, April, Alex, Joseph, Kelly, and Shannon. We'll begin now. And then -- Mr. Ramiro.

>> Good evening. Thank you, mayor, mayor pro tem, and councilmembers for the opportunity to come here and talk to y'all this evening. My name is Andrew. I'm a sergeant with the Austin police department and the vice president of the Austin police association. I've been a police officer serving this community for over 15 years. Many of those years I served in the capacity as an investigator of violent crimes including sexual assaults. So this is an issue that I have an understanding of. Taxi drivers, and now tnc operators, provide a service to the public. And that service that they provide is obviously very vital. And nobody wants them to leave, including police officers. But part of that public service that they have -- and part of the trust that we have given them -- is that they have access to our citizens. And sometimes in their most vulnerable state. It is the position of the office that you follow the recommendations of these reasonable requirements of best practices that include fingerprint checks. And the reason for that is, we not only want to potentially eliminate folks that will violate that trust that we are giving them as

operators of taxicabs and tncs, but fingerprinting also gives us the highest probability of being able to apprehend those who violate that trust that we place in them.

[9:06:44 PM]

So, I hope you all impose these reasonable requirements to ensure that those that use tncs as well as taxicabs are as safe as they can be. So I'll answer any questions if you have them.

>> Mayor Adler: Are you speaking today as an expert on public safety, or in your capacity as president or an officer in the association?

>> Not the president, I'm the vice president.

>> Mayor Adler: Vice president.

>> And I'm speaking in my capacity as a member of the police association, in that role.

>> Mayor Adler: Okay. Is there a difference, speaking in that role, versus speaking just as an expert on public safety?

>> Well, I would say my 15 plus years in law enforcement would give me some credibility to be able to speak on issues of public safety, but my opinions are those of the police association, and may differ from the police department. And I'm not here representing the police department.

>> Mayor Adler: Okay. Would you also agree -- you've indicated that for someone in a vulnerable situation, you said that you've handled sexual assault cases in the past, that in your opinion, those folks are safer if they're in a vehicle driven by somebody who has the bio-metric fingerprint linked to their background check, is that correct?

>> Well, I can tell you from my experience, I have worked cases that involved taxicab drivers as suspects. And by knowing that they went through background checks that included fingerprinting, it makes working that case and identifying the person, along with all of the other information that's available in the course of an investigation because of technology that exists today, it gives you a higher probability of ensuring that the person at the end of that investigation is actually the person that needs to be held accountable.

[9:08:52 PM]

Does that --

>> Mayor Adler: It does. So, as I said before, I'm going to rely on my experts, my professionals, to advise me. So, thank you for your testimony with respect to sexual assault. I now want to change the conversation that we have, and I want to talk about DUI. Is a DUI also a threat to public safety on our streets?

>> It certainly is.

>> Mayor Adler: Do you think that tncs operating at scale provide safety for the community?

>> I believe they do.

>> Mayor Adler: Do you think that if this council were to do something that removed the tncs operating at scale in the community, they would also be doing something that would render the community less safe?

>> I would agree if the premise of what you're offering here would force tncs out of business.

>> Mayor Adler: No, my question was, do you think that if we do something here that would lead to the loss of tncs operating at scale in this city, if this city -- if we would be something that would make this city less safe.

>> Well, I --

>> Mayor Adler: Or do you think that wouldn't impact safety?

>> My answer is, I haven't read anything here to lead me to believe that you would lose tncs by passing this.

>> Mayor Adler: Okay.

>> If they did leave, that would obviously be of their own accord, as councilmember kitchen outlined.

[Applause]

>> Mayor Adler: Let me unpack what you said. You said three or four things right now.

>> Sure.

>> Mayor Adler: It's your opinion that if we were to pass a requirement for -- and that's not what we're doing here. But what I understand -- let me back it up. You think if we passed a requirement for tncs to do fingerprinting that they would leave?

>> I don't see why they would. We're a lucrative market.

>> Mayor Adler: Okay. So if that were not true, if tncs would leave, if we were to pass a requirement, do you think that us passing that requirement would make the city less safe?

[9:10:58 PM]

The effect of our decision would be that the city would be less safe?

>> I can't make a decision between what issue we hold higher for safety.

>> Mayor Adler: Let me ask the question differently. Do you think that as concerns DUIs --

>> Right.

>> Mayor Adler: And people driving intoxicated on the road, do you think if we took a decision that had the practical effect, the loss of tncs at scale, that would make the city less safe?

>> I think you asked the same question. And I'll try to answer that as best as I can. Or let me reiterate the question to you. Are you asking me to make the decision of what makes the city less safe, having no tncs, and potentially having more DUIs, or having consumers getting a ride from somebody --

>> Mayor Adler: Absolutely not. There was nothing in my question that talked about the sexual assault issue. You and I discussed the sexual assault issue. I thanked you for that and put that topic aside. The questions I'm asking you are now about DUIs on our streets. I'm asking you, if this council makes a decision that has effect of losing tncs at scale, would that make the city less safe?

>> Yes, it would.

>> Mayor Adler: Thank you.

[Applause]

>> Kitchen: Mr. Ramiro, thank you for your testimony. I really appreciate that. Let me just ask it this way. The decision about balancing relative risk is a policy decision, would you agree?

>> I would.

>> Kitchen: And that's a decision for this council to make, not for you to make. Would you agree with that?

>> I agree.

>> Kitchen: So, I think that -- would you agree that there is a risk to safety by having drivers who are not fingerprinted?

[9:13:03 PM]

>> I do.

>> Kitchen: You would also agree, of course, that there's a risk to someone who's intoxicated if they don't have any kind of transportation, whether that's taxi, or tnc, or some other kind of transportation.

>> That's correct.

>> Kitchen: Okay. So, I think I will just express my opinion. I think the weighing of the relative risk is this council's decision to make. And I don't think it's putting you in an appropriate position to ask you to make that decision. What I want to know from you as an expert is where are the risks? So, let me ask you another question. I think that -- I think you would agree, right, did you not say that DUIs are a risk?

>> Yes.

>> Kitchen: Are you aware of any data that definitively connects, or creates a causal relationship between the number of tnc rides and whether or not we have DUIs?

>> I don't have access to that.

>> Kitchen: Okay. If the council would like to have that kind of discussion, I think that's an appropriate question for our atd staff, not for our public safety staff. So, thank you.

[Applause]

>> Mayor Adler: Ms. Garza.

>> Garza: I hope we're not going to sit here and cross-examine every speaker to get the answer that we're looking for.

[Applause]

>> Garza: From either side. I think everyone is kind of clear where they stand here. So, obviously, it's our prerogative as councilmembers to ask questions, but if we could just hear from our speakers, and not feel the need to cross-examine them, I would appreciate that.

[Applause]

>> Kitchen: And I would agree. Thank you, councilmember Garza.

[9:15:04 PM]

>> It's good it was me, because I've been cross-examined before.

[Laughing]

>> And this was actually quite pleasant.

[Laughing]

>> Mayor Adler: And it's not my intent to cross-examine, but when someone comes to the stand and talks about the dangerous dangers associated with one side of the safety question, I think it's perfectly okay for me to ask about the other side of the safety question. And I was not asking -- by any questions, the relative impact of the two. I am trying very hard not to have to choose between the two, because I don't want to have to choose between two different safety imperatives. Thank you. The next witness that we have -- comments? I'm sorry. I'm sorry.

[Laughing]

>> Mayor Adler: Ms. Tovo. Ms. Tovo.

>> Tovo: You know, I'll make my comment later. I did have a followup question for Mr. Ramiro, but I take councilmember Garza's point, and I think we can just move on. But, you know, as we have this discussion, I just feel like I need to say a couple of things. One is, it's wonderful to have these transportation options here in Austin, and certainly we've all gotten lots of emails about transportation network companies and the ways they offer people additional options, especially if they are out drinking. But I want to caution us against saying anything that sounds like we're letting people off the hook to make responsible choices if they're out drinking. They shouldn't be getting into the car, driving, whether or not there is a taxi cab driver who can come pick them up. There are other options. You can appoint a designated driver and other things.

[Applause]

>> Tovo: So, again, I appreciate --

[applause]

>> Tovo: While I appreciate all of the options that are represented among the drivers here in Austin, it concerns me the way we're talking about balancing the safety of reducing drunk driving deaths and fingerprinting.

[9:17:06 PM]

That does not seem to be a fair framing of this question. And I also take objection to the comments that were made earlier that we would be -- if we passed mandatory fingerprinting, or really, what we're talking about -- well. If we pass mandatory fingerprinting, we would be requiring a company to leave, or that we were requiring any tnc in our city to leave, and I would emphasis the comment that Mr. Ramiro

and Ms. Kitchen made. That would be a choice a company would make. We make regulations all the time.

[Applause]

>> Tovo: For the companies that operate within our boundaries, and that's not -- anyway.

>> Mayor Adler: Okay. Anyone else want to speak before we go to the next speaker?

>> Tovo: On a lighter note, I would love to know who the jokester is who keeps handing out pictures of squirrels on the dais. We have one for str, and one for tnCS, of a squirrel in a car with a Barbie. If anyone can tell us who the citizen is who has handed those out, I would appreciate knowing.

>> Mayor Adler: Okay. Anyone else on the dais? Adam.

>> Mayor.

>> Mayor Adler: Yes.

>> Troxclair: I feel like I have to respond to mayor pro tem tovo's discussion about people being responsible when they go out to drink. I mean, of course I think that we all want to instill in ourselves, and in each other, a responsibility, when you choose to drink alcohol, that you have a safe ride home. But unfortunately, that is not the reality that we live in in Austin.

[Applause]

>> Troxclair: And with drink driving being an absolute epidemic, being in a college town that struggles with this problem --

[applause]

>> Troxclair: And honestly, being someone who lives a little bit further from town who has had a really difficult time trying to find a ride home, I just -- yes, in a perfect world, every time that we had alcohol, we would make sure we had a designated driver with us.

[9:19:20 PM]

But that is just, unfortunately, not only not the reality of human nature, but it's also, unfortunately, the affect that alcohol has on you. It diminishes your ability to make good decisions. So, I just think although, yes, we need to hold everybody accountable, we also need to take every step that we can to make sure that people have options -- accessible options and a safe ride home.

[Applause]

>> Mayor Adler: Ms. Gallo.

>> Gallo: You know, and we kind of have been talking about the assumption that if this is implemented, then there will be companies that leave. But what we haven't even said or addressed yet -- or maybe we did in your opening remarks -- that we have a company that's been operating in Austin that's now expanded their business to include ride-sharing. And they have agreed to comply with the regulations. So, you know, just because we have some companies talking about leaving, I think we all need to be aware of the fact that we have other companies that are very interested in coming into the Austin market and complying with the regulations. And, you know, that's an indication of what a great market Austin is.

[Applause]

>> Mayor Adler: Okay.

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Yes.

>> Zimmerman: Just to make a very quick comment on that, I love that idea. Because that brought up the idea of competition. Imagine if we had tncs that decided, you know what, we think fingerprint background checks are an advantage to our tnc. Go do it! The companies that don't believe that fingerprint background checks, don't do it. And let the consumers decide.

[Applause]

>> Mayor Adler: All right.

>> Thank you very much, mayor. My name is Adam, and I'm with Uber. I had notes prepared for tonight this morning, but I did away with them because there's been so much development.

[9:21:23 PM]

I hope I've been able to craft new notes to reflect the new changes. We received the new draft ordinance only when it was published at 3:00 P.M. This afternoon. We are still working through this document. I will say, it is complex, confusing, and an incomplete proposal. As such, I can't provide complete analysis. That said, despite best attempts by the councilmembers, it doesn't appear any of the core issues with the ordinance have changed, at least in the draft that I have seen. There are still provisions that would place unnecessary burdens on drivers and would be extremely hard if not impossible to comply with. We are sympathetic to the council, and what it is seeking to achieve. And we do appreciate your efforts here. Like you, we believe there shouldn't be a choice between safety and tncs, but we think what's being posed here is a false choice. We care deeply about the well-being of

those that choose to partner with us, and those that choose to use our platform for rides, some of whom are here tonight. But as we said in previous meetings -- and we know from the people that use our app -- we provide a safe experience before, during, and our a trip. The safety regime includes the national, statewide and criminal background screening before partners are allowed on the platform. Every ride is tracked by gps, and can be shared with friends and family. Before stepping into a car, riders receive the driver's name, photo, license plate number, and rating from previous drive -- riders. Before ridesharing, driver screening stopped at background checks, but today, we have an ongoing approach to safety that focuses directly on what it takes to provide safe transportation. I'm here to ask that you do not vote on this ordinance. It would be hasty to pass something that has been in the public for six hours and is complex and incomplete, and would have serious repercussions for the city.

[9:23:30 PM]

Furthermore -- I need to stress this -- there is a strong comprehensive ordinance in place right now. So the imperative for action is just not there to act tonight. Please don't fix what is not broken. In closing, I want to stress, we are here to work with you to figure out how to make Austin a safer, more livable city, solving its most intractable problems like DUIs, congestion, and accessibility. We stand here ready and willing to partner with you. Thank you.

[Applause]

>> Mayor Adler: Ms. Gallo.

>> Gallo: Thank you for being here. How many drivers do you have in Austin? How many drivers do you have in Austin?

>> Over 10,000.

>> Gallo: In Austin? Okay. And I know y'all -- you just completed or have been doing a really healthy media campaign. About what did you spend on that in Austin, what was your budget on that?

>> I don't have that information. I'm sorry.

[Laughing]

>> Gallo: Would that be something you'd be able to get ahold of? I'm just curious. Obviously, as a small business owner, costs are important. And being able to take care of your employees through your drivers is important. I'm just curious what was spent on that campaign, as we talk about the expense of doing things.

>> Well, I can tell you in terms of the expenses, I mean, we spend a lot in the community to make these partnerships work.

>> Gallo: I understand.

>> The cost of the background check processes, so that's not a burden of fault on the drivers.

>> Gallo: That's one of the things we've talked about, that would be something the city would be willing to assist with. I was just curious what the company has spent on the advertising campaign here in Austin, but you don't know?

>> No.

>> Gallo: Thank you.

[Laughing]

>> Mayor Adler: Any further questions? Yes, Ms. Troxclair.

>> Troxclair: How many cities does Uber operate in that do not require mandatory fingerprinting?

>> It would be well over 300 globally, over 150 in the U.S.

[9:25:33 PM]

>> Troxclair: Okay. Can you explain to us -- the mandatory fingerprinting issue is a complicated issue, because there are so many aspects to public safety, and there are so many aspects to why you think the background check that you do is the best one available. And then there's the aspect of what you think works best for -- what is necessary for a successful ridesharing company. So can you just clearly explain for us why the process that you have in place is the best process for the success of ridesharing, regardless of the company? Because, you know, there's been some discussion about the new ridesharing company, which is great. I encourage as much competition and new entrants into the market as we can get. But I want to hear from you why that hasn't been the past that you've chosen to go down.

>> So, first and foremost, I appreciate the question, councilmember troxclair. First and foremost, I think it's important for me to stress a point I made earlier. We really focus on a safety regime. We believe that this has to be a holistic approach to transportation in order to ensure the safety of riders and drivers. So the background check is an important part of the regime, but it's just a snapshot into someone's history. It doesn't tell you what people are going to do in the future. We really focus a lot of our attention as a company -- we have dozens of people on our safety team, committed to making the product as safe as possible. We work on ways to ensure that riders are empowered with features like tracking, like knowing who your driver is before you're able to get in a car, like sharing your information with loved ones. We actually made that easier recently with a new product called safety net, which allows you to

preload five loved ones with one tap of a button. You can send your trip in realtime to your closest contacts, so they can track you.

[9:27:34 PM]

We believe we focus on something that's comprehensive. In terms of the background check process, you know, currently in Austin, taxi cab only looks at statewide background checks. And it's up to the driver to go and do that themselves, and bring the results to the city. Our background check process goes through a third-party provider. It's a secure channel, we do it national, statewide, and at the county level. Our concern with the background check as proposed, there is value in the bio-metric background check. No background check is a hundred percent accurate. Not every arrest ends in a fingerprint. Duis might not end up there, some domestic assaults might not end with fingerprints. We would only know those issues if we went to the county courthouse to find it out. In addition, the proposal as written wouldn't deal with issues such as final dispositions. The statewide -- the dbs background check -- I'm sorry, the database and the FBI database are primarily arrest databases. It's not required that they have a hundred percent disposition reporting. And so, certain individuals will also have to be responsible, under this regime, as I read it, to clear their own name.

>> Troxclair: So do you think -- okay. Again, I also want to follow up asking about the new ridesharing company that has -- they agreed to do background checks, which is great. I agree with what councilmember Zimmerman said. It would be a great way to test the market to see, now that this discussion has publicly aired, how many people make the conscious decision to use another company that requires a fingerprint over a company like Uber and Lyft. But do you think that they will be able to scale and to fill the gap? I mean, if Uber and Lyft leave, do you think that a startup company that has agreed to -- from what I understand -- I guess they might be here, so they can answer these questions for themselves later, too.

[9:29:41 PM]

The gap, while abiding by the fingerprinting mandate that has been suggested?

>> So I don't want to speak for another company, but I will say our experience is that the answer to that will be no. It will be very difficult to scale. The more -- I think -- it's getting to a really important point. When we say we have over 10,000 partners, well over 50% of them are doing less than ten hours a week. Many of them will do it for a month or two. After Christmas they want to buy gifts, it's the summer, they're teachers, they want to make a little extra money for the summer. These are not full-time individuals. The more barriers and costs, and friction that you put up front that you constrain their

ability to get onto the platform and just try it out and see if it's for them. Our system is not meant solely for people who are looking to use this as a primary source of income. The way we scale -- the way we have enough supply for a/c, the way we have enough supply for south by and for Saturday night on -- for the bars when they close is we have a lot of people willing to do a very little amount on the platform.

>> Troxclair: Thank you.

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Ms. Kitchen, and then we'll come back.

>> Kitchen: Thank you for being here. We've had many month of conversation, so I'll ask you a few questions. And I don't want to ask too many, because we've had lots and lots of discussion. But I understand that you are operating in Houston, which requires fingerprints. Is that correct?

>> Yes.

>> Kitchen: Okay. So, okay. That's all I wanted to clarify, that you are operating in Houston. Human is a mandatory fingerprint, and you did not leave Houston. And you are managing to have drivers that are fingerprinted in Houston. Thank you.

[9:31:42 PM]

[Applause]

>> Zimmerman: Mr. Mayor.

>> Kitchen: Let me ask you, how many drivers do you have in Houston?

>> I'm not aware off the top of my head how many we have.

[Laughing]

>> Kitchen: Give me an order of magnitude. Do you have one driver, a thousand, ten thousand drivers? I'm sure you have an idea the order of magnitude.

>> No. I don't have it off the top of my head. I'm sure we can get you something. I will say it feels a bit surprising to be here in Austin and have the city council look to Houston for guidance on regulations. There are over 150 --

[laughing]

>> There are over 150 cities that could've also been used as an example for ridesharing.

>> Kitchen: I'm not using them as an example, I'm simply asking a question. Because what you've been saying is --

>> Mayor Adler: Shh.

>> Kitchen: You've been saying that you can't operate in an environment where fingerprints are required, but you are. And you're also saying that the drivers won't be fingerprinted, but they are in Houston. And I'm asking you how many you have in Houston. And you're telling me that you don't know. That's not very credible.

>> I know it doesn't work for our business. And since Houston, San Antonio similar regulations, Brouwer county, Kansas, we did not continue to operate there. And we only returned after we were able to come to an agreement with those jurisdictions to pass regulations that recognize our safety systems.

>> Kitchen: So how did you scale in Houston if you're saying that you can't operate in a place where there's fingerprints?

>> Houston has been a very difficult city for us to operate. It requires a lot of resources. It does not scale -- the quality of service is not there. It's something that we realize as a company does not work in other markets. And that is why, since that period in time, we have not been able to accept that in another jurisdiction.

[9:33:45 PM]

And I know my colleague from Lyft will be up later. They are not operating in Houston for the very reasons of all the problems that come with the provisions that are in place there.

>> Kitchen: Are you planning on leaving Houston?

>> I'm not in a position to speak to that tonight.

>> Kitchen: Okay, thank you.

>> Zimmerman: Mr. Mayor, San Antonio is my hometown. What I've heard -- you can tell me if I'm right or not. So, I think they came up with some compromise where on your application, you have a checkbox or an option to say, you know, do you insist on a fingerprinted driver, or are you okay with a driver that's not fingerprinted. Is that kind of what the San Antonio solution was?

>> Not exactly. The San Antonio agreement looks like, the driver can voluntarily go and get a city background check, and can display that they have gone through that process in the app.

>> Zimmerman: Okay. But I thought that there was an ability for somebody to say, I insist on somebody that has a fingerprint.

>> The technology doesn't allow for that.

>> Zimmerman: Okay.

>> It's up to them whether or not they want to cancel a trip with someone that does not have --

>> Zimmerman: That's what I was getting to. That information is available to the consumer.

>> Yes.

>> Zimmerman: The consumer knows whether they've had a check or not, so if the consumers looks at it and says, oh, that person hasn't had the city check, they can cancel the ride.

>> Exactly.

>> Zimmerman: There have to be statistics on that. How many consumers look at the application and go, gee, this driver doesn't have a check, I'm going to cancel the ride. There have to be statistics on that.

>> I'm not aware of any instance of that.

>> Zimmerman: Okay.

>> Mayor Adler: Ms. Tovo.

>> Tovo: Thanks very much for the information. I was just looking -- I just did a quick Google search to see if I could find any information about the number of drivers in Houston. There's an article on the Forbes website from May 1st, 2015.

[9:35:49 PM]

There's a comment that talks about the markets like Miami, Austin, and Houston where Uber has more recently expanded, adding drivers faster than Los Angeles, San Francisco, and New York. There's a graph. And it looks like Austin -- I can't quite tell, because it's so small. But it looks like Austin is probably at about 4,000, and Houston's just slightly above that. Does that -- I know you just said 10,000, so this is clearly out of date.

>> It's probably very dated. That could very well be the case. I will say Houston is four times the size of Austin, so if you think about coverage and service levels, that kind of statistic actually speaks to the issue of scalability.

>> Tovo: I guess what I'm asking is -- I understand that this was from May, and you're expanding quite rapidly. So, has Houston expanded at the same rate that Austin has since May, so that there's still, you know -- at a higher number of drivers -- I would expect that to be more than 10,000, just given what I'm seeing.

>> My understanding is Austin has more active drivers than Houston.

>> Tovo: All right. Thank you.

>> Mayor Adler: Do you have any objection in Austin if we were able to come up with a system that incented or motivated drivers to voluntarily go get fingerprinted, you wouldn't have any problem if your drivers were getting voluntarily fingerprinted, do you?

>> I would need more time with these documents. I think that there's so many questions.

>> Mayor Adler: I'm asking a more general question now. For the principle of the thing, do you have a problem with your drivers voluntarily getting fingerprinted?

>> They're independent contractors. If they choose to go through a fingerprint background check, that would be their decision as anyone in Austin can decide to do that.

[9:37:50 PM]

So we wouldn't take a position on any independent contractor making a decision that they would take. .

>> Mayor Adler: All right. But as a city, if we could come up with a strategy or a plan to encourage drivers driving for anybody to get fingerprinted, as a principle matter, there's not -- we don't have any specific plans to look at. You don't have a problem with that, do you?

>> I don't feel like I'm in a position to answer that. I would have to see what we are talking about.

>> Mayor Adler: Okay. Thank you.

[Laughing]

>> Come on.

>> Mayor Adler: Any further questions? Okay. Thank you. Next witness is ken.

>> Thank you. My name is ken. I come as a driver, both for Uber and Lyft. I've done over a thousand trips for each of them. I continue to drive for them. And also, I have a master's degree in public policy from the Ibj school of public affairs. And I'm here just to say a couple things. First off, as a driver, I think we all agree that the services that the tncs provided have made a big impact on the city in the positive way, especially regarding reduction of DUIs in the city, as has been said. I just want to say as a driver, I think the biggest you hear is the background checks. I don't have any objection to any kind of background check, especially, I think it is important for us to have a fingerprint background checks. I've done it before, because if you want to do anything at the aisd, you have to have a background check if you're going to interact with children.

[9:39:52 PM]

A lot of people have had background checks, and the drivers I've talked to haven't had a problem with it. So I would say that once drivers are educated and informed about what the kind of background check is and what it entails -- there is some risk. There's always mistakes, as has been mentioned. And there are - sometimes, the resolution of these cases aren't on there. But it's important to do a background check to find out if there is something unresolved on your record. So even that problem can actually be solved when background checks are done. And so, I would say when drivers are educated and informed, they usually -- in my opinion -- would not object to doing it. And overall, as a public safety measure, I think it makes it safer for all of us to know that the drivers that are driving are actually the person that are there. The other background check is actually more important than the id in the sense that it picks up more things and so forth. So I wouldn't say you want to one without having the other. The background check that Uber and Lyft does is very important, but, without having the bio-metric there is a potential for manipulation. Anybody that has applied to be a driver can tell you it's easy to become a driver. As my partner applied to become a driver, we helped each other. It was very obvious that if you had all of a person's information, you could easily manipulate that system. And, you know, I'm not a criminal mind, so I can't think of all the potential things, but I'm sure people have and will. And having a background check that includes fingerprints would be a better public policy position for the city to take, and would avoid that.

[Applause]

>> Mayor Adler: Thank you. Any questions for this speaker? Ms. Gallo.

>> Gallo: Yes, thank you. As I said before, it's really important for me to try to understand the issues and the concerns.

[9:41:57 PM]

And as the mayor mentioned, we're a creative community, trying to figure out ways that we can move forward. So I wanted to ask you about if you don't do fingerprinting, then I would assume that one of the ways that you help with identity is a face-to-face. You mentioned that you drove for both companies.

>> Yes.

>> Gallo: Did you have a face-to-face with someone in the company on both of those applications?

>> With Lyft, you have a mentor that you initially meet with. That is just another driver. So they aren't actually an employee any more than I am. They are a contractor as well. But at least I do think that that is a valuable measure, because that is a real person, and they get to check another real person. And I think that would discourage the kind of fraud that I'm talking about. With Uber, I mean, I don't think there's any interaction with a real person, unless you like literally go to one of their office meetings or something like that. You can on-board without ever talking to a person at Uber, or them ever talking to you.

>> Gallo: Okay. Thank you. That's helpful. Thank you.

>> Mayor Adler: Anything else for this speaker? Thank you, sir. Next speaker is April.

>> Thank you, Mr. Mayor, and city council. My name is April, and I'm here on behalf of Lyft and tens of thousands of austinites in the community. Many are here to show their support. We're here to urge city council to not adopt the proposed changes to the regulations that would require tncs to adopt mandatory fingerprint-based background checks. In case it's unclear, we do not operate in any city that requires a mandatory fingerprint for our peer-to-peer platform.

[9:44:02 PM]

Even on an extended timetable, the proposal will greatly reduce drive availability and increase passenger wait times for local rides. This proposal could potentially only work for a platform with a more static driver base and activity. However, Lyft is a flexible platform for drivers. 78% of our Lyft drivers work less than 15 hours a week. Some are put on the platform and they on-board and go through our process, however, they never even give one ride. Others drive on a temporary basis to pay off school loans or buy Christmas presents. It is unworkable to expect such a fluid platform to meet the benchmarks outlined in either proposal I've seen so far. There have been many updates to the proposed ordinance. I don't have a firm position on where we are here, but from what we've read, it looks like mandatory fingerprinting is being required. We recognize city council's commitment to safety, but please understand that Lyft's platform is built around safety. We have an entire call center dedicated just to customer experience. We stand by our background check process, but we also have the top engineers in the world who have developed an app based around safety with a driver and passenger display feature, gps tracking, a share the ride feature, and realtime feedback after every ride. These are not interchangeable. They are critical to the safety and success of the tnc, and the reason why Lyft has been successful across the country. You've also heard from the Austin community that they are choosing Lyft because it's safe. You've received messages urging you to not pass the proposal, because Lyft is helping them earn extra income and address drunk driving. Business and tech leaders have urged against it. Even some law enforcement are advising against this decision. I have a letter from the county commissioner that I'd like to distribute after my testimony.

[9:46:04 PM]

I'll close with one thought. There have been a lot of 11th-hour discussions regarding what is being characterized as an agreement. Lyft never agreed to changes. If fingerprinting is not mandatory, we look forward to continuing those discussions. Thank you.

[Applause]

>> Mayor Adler: You said about 78% of your drivers drive --

>> Less than 15 hours a week.

>> Mayor Adler: Do you know what percent of the driver miles or hours across your system are driven by that 78%?

>> I'm not sure, but I can ask for that information.

>> Mayor Adler: Okay. I'd like that information. Do you have any idea --

>> What I do know is that because they're driving less than 15 hours a week, and they're 78% of the base, they are critical to the life blood of the platform. We appreciate and love the folks that are here tonight that are already Lyft advocates, but they're not necessarily representative of the 10,000 plus folks on these types of platforms with other jobs and responsibilities, or the folks who have not discovered tnc driving but might want to do so in the future.

>> Mayor Adler: The question is to the schedule that's in the ordinance draft, is one that requires 25%, I think, of the a goal where 25% of the driver miles or the driver hours would be by drivers that are fingerprinted. Do you have any idea what percentage of your drivers 25% of your driver miles or driver hours?

[9:48:07 PM]

>> I don't have that information. But I do know from our perspective, one of the reasons we have some concerns about the benchmarks is because the same folks who were on the platform right now might not be the same folks that are here a year from now. So, to assume that this is a static platform isn't really the way that Lyft was built. Our mission is that everyone in this room who can pass the background check and the onboarding process will become a driver. That's how we build capacity into the transportation system. So if we did have a set group of workers who would be there all the time

working for many years, we could explore that. But that's not our mission or how the model is built. That's one of the reasons why fingerprinting, even on a benchmark basis, won't work.

>> Mayor Adler: Okay. Having that data would be real helpful, so I'd appreciate you getting that to us.

>> Sure.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: Thank you so much for being here. I appreciate all the time you've spent with us. That's very valuable for us, and we appreciate it. I just have to ask you one question. And I certainly respect your point of view. I mean, I certainly respect that. But have you ever operated anyplace where you've tried fingerprints to see if the drivers would actually get fingerprinted?

>> No, we've maintained a firm position that we don't operate in any city that requires fingerprinting, including Houston.

>> Kitchen: Okay. I understand that. I guess from our perspective, we would just -- as we've discussed many times before, and from our conversations with drivers, we'd just like to respectfully say, I think this is a community that could show you that the drivers would be fingerprinted and would want to participate. So -- but, again, I respect your position, and I just wanted to thank you for being here.

>> Mayor Adler: Thank you. Ms. Troxclair.

>> Troxclair: I think so much of the conversation so far has focused around Houston.

[9:50:10 PM]

So, does Lyft operate in Houston?

>> No, we do not operate in Houston. We were forced to pause operations there when a permanent ordinance was put into place that included a fingerprint requirement, as well as a 19-step process that drivers had to go through. And even though we were assured that it would be very easy to do, when we were able to come together as a company and walk through it, there were many barriers to entry and friction points that concerned the company. And so as much as we really wanted to operate Houston and would like to, it's not something we can do, because it's not in line with our business model or our mission as a company.

>> Troxclair: So can you expand on the question that councilmember Houston -- or councilmember kitchen, wow, I think that's the first time I've confused -- I am really -- everybody's getting tired up here.

[Laughing]

>> Troxclair: That councilmember kitchen asked about -- like, why is that not -- even if you have -- because I understand that if you ask a Lyft driver, they might say, yeah, I don't have a problem getting fingerprinted. But why is that, maybe, not workable in reality for new drivers coming on. Or people that say they wouldn't have a problem, but in reality, they don't end up driving over east Austin, or going through with the fingerprint process, or why fingerprinting is not part of a peer-to-peer ridesharing system.

>> So, to the first question, I can't speak to the conversation that different councilmembers have had. But what I do know is that a lot of the folks who are here, who we respect and love that they're on our platform, are not necessarily representative of all the folks who are using this platform. And also, that our mission is that everyone who can meet our strict onboarding process will eventually become a driver. Because the mission that our founders were setting out to try and answer is the idea that 80% of seats in cars on the road are empty.

[9:52:14 PM]

So if we could get people on their way to the grocery store, on their way to work, on their way to the post office to give a ride to their neighbor, then we could help build capacity into the transportation system and address issues like traffic congestion, and also air quality issues. But that only works if you have a platform that utilizes experts in the field and the latest technology to get people on the platform. And if you're assuming that we have a set fleet of drivers, then perhaps a fingerprint requirement is something that you can explore. But it's a part-time platform, it's fluid, and it's designed that way. And that's why the fingerprinting is a problem. We could also go into issues about the FBI fingerprint process, and some of the gaps in the data.

>> Troxclair: Mmhmm.

>> But that's not what you asked.

>> Troxclair: Okay. Can you address the same question that I asked the Uber representative about another tnc coming into the market that's a startup that has maybe agreed to what's being proposed? If what is in front of us passes, and Lyft and Uber leave because it's a mandatory fingerprint requirement, do you expect that that new company would be able to fill the gap, or should we be concerned that there would be a lot of people looking for transportation and not being able to get a safe ride home?

>> I can speak to my own personal experience. I've been with Lyft for a year and a half, from a hundred employees to over 500. For us, one of the reasons why it's important to have a strong platform isn't just about the driver base. It's also about the resources that go into building a strong platform. So that includes a 24/7 critical response line, a call center that's dedicated just to customer experience with lots of employees who are manning that, as well. It includes a trust and safety team. And so, from our perspective, those features aren't just great features to have, they're critical to the success of the

platform, because people know that when they have an issue, they can provide realtime feedback and they'll actually get feedback, and that there's someone available 24/7 to respond to any concerns they have, including safety concerns.

[9:54:32 PM]

It's not just about the drive driver fleet. It's also about the resources that are important in order to make these types of platforms work in scale.

>> Troxclair: Would you expect that, for the same reasons that thatlyft and Uber have decided not to operate in cities that require fingerprinting, besides Uber operating in Houston, do you feel like any through new company isgoing to have the same problems with the fingerprinting that's being proposed?

>> If it is a tnc that's going to be able to scale, which means allow people to flexibly be on and off the platform and to serve areas of the city -- many that are underserved -- and to give their neighbors a ride, that's going to be very difficult to do under a fingerprint-based background check. So from our perspective, events like south by southwest, Lyft and Uber were able to provide lots of rides there. I think Uber, even, would acknowledge there were challenges meeting demand. It will be very interesting to see in less than three months, what would happen in Lyft and Uber weren't there in terms of being able to scale.

>> Troxclair: Thank you. I appreciate that. I have one question. She reminded me of something that I wanted to asking councilmember kitchen. We talked in our last meeting, when this passed on first -- or, I don't remember when it was. I think that it was when it passed on first reading. We talked about including -- we were talking about public safety, there were a lot of things that tncs were doing that aren't a part of the taxi business model. And could we incorporate some of those things into the taxi business model as well. So, what about the -- you know, send your trip to a friend and gps location, and driver ratings and all of these other things we talked about incorporating? Are they in the proposed ordinance?

>> Kitchen: Yes. And when we get to the language, I'll be happy to point out where they are.

[9:56:32 PM]

>> Troxclair: Can you just tell me right now? I haven't seen it.

>> Kitchen: Well, I have a question for -- I have another question. Hang on just a minute.

>> Troxclair: Okay.

>> Mayor Adler: Ms. Tovo has a question.

>> Kitchen: You go ahead. It's in 527.

>> Zimmerman: Sorry, what page number?

>> Kitchen: Let me find it. It's in two places. Page 9 -- no, page 10, I'm sorry. 527f2. F2a. And then it's also . . . It's contemplated to include when we get to it, H.

>> Mayor Adler: On page 11.

>> Kitchen: Yes, sorry. Page 11.

>> Zimmerman: 8?

>> Kitchen: And we can talk about the language more. Happy to talk about the language more.

>> Troxclair: So, page 10, and then 2a. So that says, develop processes that mitigate perceived or actual barriers for drivers obtaining fingerprints, including use of best practices for app and other technology functionality?

>> Kitchen: Yes, mmhmm.

>> Troxclair: Okay. And then on page 11h says council will establish by separate ordinance programs, processes, and procedures to incentivize drivers to become compliant drivers, incentivize consumers to use compliant drivers, and incentivize tncs to utilize compliant drivers. Is that the other one you're talking about?

>> Kitchen: Yes. By the way, I mentioned before -- and I think all of us intend to do what you suggested, if you would like to suggest additional or different language, I'm happy to include it.

>> Troxclair: Yeah. I thought we had already voted on including that. Both of these things speak specifically to hoping tnc drivers get fingerprints, so I don't know how that gets to helping taxis provide some of the safety features that aren't currently incorporated.

[9:58:44 PM]

[Applause]

>> Kitchen: My intention was to include the language. Please feel free to bring forward language. There is no intention not to include it. It has been our intention all along. This was my best effort.

>> Troxclair: Okay, thanks.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I just had a quick question for April. I hear what you're saying about the mandatory fingerprinting not meeting your model, but I'm still not completely clear on the reasons why. When you're talking about the people -- even if there are particular drivers who are comfortable with fingerprinting, that may not be representative of the whole. Are there concerns about fingerprinting that it would keep you from growing to scale -- the time it takes to get fingerprints, or potential resistance from potential drivers, or both? I mean, I just really want to understand the substance of the concern.

>> Sure. It's both. The first

>> There is a stigma that could be intimidating to folks but really it's about the process of going to get fingerprinted, and the fact that most of our drivers are part-time drivers. That's going to be a barrier. They may only be doing it to buy Christmas presents, then we have to start that process over again. So if we're working on a scale where the idea is that eventually, my understanding of what's being proposed is that eventually we would get to 99% compliance. That's going to be difficult to do, given the flexibility of the platform allows people to leave and come as they please. That's why people enjoy the platform, or the fact that people might sign up and never give a ride, and the fact that our goal ultimately as a company -- and this is a core part of our mission -- is that everyone becomes a driver who can pass our background check process. And if we compromise those core values, then we become another for-hire service which is fine and we respect that, but that's not who we are.

[10:00:50 PM]

>> Tovo: Okay. I appreciate that additional information, and it is, by what you talk about, people, drivers, coming on and off the platform would make it pretty complicated to measure the 99 and the other benchmarks, so okay. Thank you.

>> Mayor Adler: Ms. You Houston, did you have a question?

>> Houston: Yes. Thank you, mayor. Ms. Mimms, how do you know how many people were 15 hours a week, as opposed to somebody that works as much as they can? How do you -- how do you know that?

>> So one, it's part of the payment system, in which drivers are able to receive pay, it's based on hours. And also, we've conducted surveys in some of our top markets that relate to hours and to which people are driving. So the way drivers get paid is based on -- based partially on how much they're driving.

>> Houston: So I've used Lyft three times in my whole entire life.

[Applause]

>> Thank you.

>> Houston: And each of those trips, they -- everybody was a full-time driver. Everybody was a full-time driver.

[Applause]

>> Mayor Adler: Any further? Ms. Kitchen?

>> Kitchen: I just have a question, I just wanted to clarify. I think you know this, but I just wanted to clarify, the proposal for the fingerprinting is a process that the city would be responsible for, and it's a very quick process, and my understanding is that the process that you have, because -- because of your concern for your drivers and because of your concern for your company model, that your process may take -- I don't know if I've got this right -- is it a week?

[10:02:51 PM]

Ten days? Two weeks? What would be the time frame for your process, generally speaking?

>> So I believe it can take anywhere from two days to --

>> Kitchen: Okay.

>> -- To five days.

>> Kitchen: Okay.

>> Depending on whether the driver actually goes through the process. We actually have --

>> Kitchen: Whether they finish the process.

>> Yeah, that the drivers have to go through. That's actually one of the reasons that we have a concern, is because, in addition to our background check, we have a number of other steps that the driver -- applicants have to take in order to be on-boarded.

>> Kitchen: Okay. I just wanted clarity. I just wanted to make sure you understand. I'm not suggesting you need to change your mind, I'm just wanting to make sure you understand that the background check process -- the process of collecting the wanting fingerprints and bouncing those off of dps is a quick turn around process and actually takes less time than the complete process, so it sounds to me like your concern -- your concern has to do with your business model, as you've explained, and some other things, but not the length of time that it takes to get the fingerprints. Would that be accurate?

>> The length of time could potentially be a barrier because our understanding of the dps fingerprint check is that the state databases are often incomplete. For example, there was a study in Texas in 2011

that showed the Texas state database has only about 73% final dispositions. And from our perspective, it's important to get the final disposition, not only in terms of liability, but to make sure that we give as many people as possible the opportunity to operate on the platform. And if that means that driver applicants are going to have to go and chase down final dispositions across the country, that process is going to take longer than two days. We're also not going to stop doing our own name base check process. So now we have two background checks that the drivers are required to do, when we believe that our process is so comprehensive that it doesn't require the fingerprint.

[10:04:52 PM]

>> Kitchen: Well, I'm sorry, I don't need to take a lot of time with this, but your process does not include a biometric identifier. Is that correct?

>> Correct.

>> Kitchen: Okay. All right. That's all I have.

>> Mayor Adler: Okay. Any further questions for this speaker in thank you.

>> Troxclair: I don't have a question, I just wanted to clarify, I think it's important if we're talking about trying to align the public safety features across the different models as we've talked about previously on council, but I didn't want anybody to take that, especially the taxi drivers here in the room, to mean that I think that over regulation is the answer to this problem. In fact, I heard your concerns earlier this summer when we had our conversations with how to improve the taxi industry, and we talked about how overregulated the industry is, and what we could do to get rid of some of those regulations to make it easier for you to do business here as well. So I just didn't want anybody to take that comment to mean that we should increase regulations on everybody. In fact, I think the opposite, I think that we can find a middle ground where we are protecting public safety and have a level playing field for everyone that allows you to compete for the vast amount of people in Austin who are looking for a transportation solution.

[Applause]

>> Mayor Adler: Any further questions from this speaker, or comments? Thank you very much. Next speaker is Alex Heim.

>> I'm sorry, can I distribute this? I talked about it in my --

>> Mayor Adler: Yes. Why don't you give it to the clerk. Yes, sir.

>> Yes. Hello. My name is Alex Heim and I'm a policy analyst with the city of Houston. I'd like to thank councilmember kitchen's office who invited us down to speak about our experience regulating tncs. I'd

like to read a letter our letter had written to the Austin city council to kind of explain a little bit about what we've done.

[10:06:56 PM]

She regrets, due to scheduling conflicts, she was not able to make it but I hope I can answer any questions you might have about what we've done. The city of Houston regulates all vehicles for hire. On November 4th, 2014, Houston's ordinance expanding our regulatory framework to include tncs, such as Uber and Lyft, went into effect. Over the past year, Uber has continuously grown, with new tncs entering the Houston majority of it has approved critically important to require tnc drivers to require a fingerprint based background check before licensure. Uber and other tncs use third-party companies that are credit check companies. Because they do not use a positive, unique identifier such as fingerprints, these miss applicants who use aliases. Recent tnc driver, cleared by hireees, did a background check that produced results showing she had 24 alias names, five listed birthdates, ten social security Numbers and an active warrant for her arrest. In the first ten months after Houston's ordinance went into effect, the fingerprint background check found several applicants for tnc licenses who had already passed a commercial criminal background check, had a prior criminal history. The charges included murder, assault, battery, indescend exposure, dwi, aggravated robbery, larceny, reckless driving, and the unauthorized use of a motor vehicle. Houston does not compromise on public safety and commercial background checks simply are not strong enough. Uber's success in Houston is proof the regulators do not need to compromise on safety to bring innovative transportation options to their cities. Uber drivers are being licensed and vehicles inspected in full compliance with our ordinance. In their first 18 months of operation, Uber reported they gave 3.5 million rides to a half million Houstonians.

[10:08:59 PM]

The number of Uber drivers continues to grow and Uber has announced plans to bring in an additional 5,000 drivers on board in 2016 to further expand their operations in Houston. We've seen both part-time and full-time drivers from every possible neighborhood and occupation across Houston. Uber drivers are as diverse as Houston itself. Working hand in hand over the past year with other vehicle for hire operators, as well as Houston's disabilities community, Uber assisted in crafting regulations to ensure within three years, Houstonians will be able to request a wheelchair accessible tnc in 20 minutes or less. In no other city in the nation has there been this type of collaborative agreement between traditional vehicle for hire industry and disabilities disability to codify this kind of requirement. This is done within Houston's existing ordinance, working to expand it. Houston believes that all cities should

require all vehicle for hire drivers to undergo an FBI based fingerprint background check prior to being authorized to provide service to fellow texans. As evidenced by the continuing partnership between Uber and the city of Houston, as well as Uber's substantial growth in our local market, Houston's ordinance is successfully balanced public safety with the need to provide Houstonians with as many safe transportation options as possible. I'd be more than happy to answer any questions you may have about Houston's experience or our ordinance.

>> Mayor Adler: Thank you.

[Applause] Any questions for this speaker? Yes, Mr. Zimmerman?

>> Zimmerman: Thank you. I appreciate those remarks. If we were to import Houston's model of Uber regulation, could we also import Houston's model of zoning?

[Laughter]

>> My department does a lot of things, councilmember. Our department is not involved in secretary. It may be the one thing we're not involved in, so I'm not really qualified to seek to that, but if that's something you wanted to do, I'm sure we can put you in touch with people who could give you that advice.

[Cheers and applause]

>> Zimmerman: I lived in Houston for 13 years and I thought the planning was done better without government bureaucrats involved, but that's simply my opinion.

[10:11:09 PM]

[Cheers and applause]

>> Mayor Adler: Ms. Kitchen?

>> Kitchen: Thank you. Could you speak to some of our other tncs have -- some of the tncs have expressed concerns about difficulties with part-time drivers. I don't know if you have any information from Houston related to that, but do you all have any experience you can report about part-time drivers being fingerprinted?

>> Well, councilmember, I would love to share the data with you that we've collected. Unfortunately, the city is under an injunction right now because we are being sued by Uber to not release any of our data. I can speak as a customer anecdotally, I live near the medical center in Houston, there are plenty of medical schools, and anecdotally, a lot of drivers involved with are med students. And I've had the full gamut of drivers from people that do this full-time to people that are just students trying to make some extra spending money.

>> Kitchen: Okay. I have some other questions, but I'm happy to let others ask questions first.

>> Mayor Adler: Anybody have any other questions?

>> I just have one quick question. Did you say that according to your information, Uber gave 3.5 million - how many -- 3.5 million rides in the first year? Is that what you said?

>> Yes, councilmember, that's according to a report Uber released about their operations in Houston.

>> Troxclair: Okay. And Houston is -- what's the population of Houston?

>> I think we're about 2.6 million within the city limits, give or take.

>> Troxclair: Obtain. So about three times bigger than Austin, I think, if my math -- a little bit bigger, almost four times.

>> I don't know the population of Austin, to be a hundred percent honest.

>> Troxclair: So almost four times bigger than Austin. So if my -- if I'm remembering correctly, in the first year, Uber gave 2.5 million rides here in Austin, so if we did the math, and we multiplied that by four, in order to have the same kind of business response that Austin has, in Houston, you would have -- Uber would have given 10 million rides, in the first year.

[10:13:20 PM]

So the fact that you only gave 3.5 million rides, to me, kind of speaks to -- speaks to the point that the tncs have been trying to make, that the background check significantly impairs their ability to get drivers on the road, which reduce -- which increases the wait time. Of.

>> Well, I think, councilmember, that although -- that cities are never exactly apples to apples direct comparison. I know you have to take other things into account. Houston, for example, has 2480 taxicabs, for example. We have a constantly expanding limousine market. I know Austin had a substantially fewer cabs than Houston, and we also don't have the significant festivals and cultural events we see in Austin, like south by southwest and acl. At the same time, Houston is very much a car city. So I think we'd have to -- I'd caution against making those direct apples to apples comparisons without taking some of those other transportation factors into account.

>> Troxclair: Okay. How many taxis did you say you have?

>> 2480.

>> Troxclair: That actually is comparable to what we have in Austin. I think the last count -- the ratio, the ratio based on population, I think we have about 900 cab permits in Austin right now. So if you multiply

that proportionally by our population, it sounds like we do have about the same taxicab coverage. And I was happy to support increasing the number of taxicab permits that we have here in Austin earlier this year. So ...

>> Mayor Adler: Okay. Ms. Tovo?

>> Tovo: Thanks very much for taking the time to come here and talk about Houston. Can you talk for just a couple minutes about the initial process of fingerprinting the Uber drivers? As I understand the Houston ordinance, the requirement is that within four months, a driver becomes fingerprinted? If you could, just remind us exactly what the Houston model is with regard to fingerprinting and then how you dealt with all of the Uber drivers after the implementation of the ordinance, how you dealt with making sure all of those drivers got fingerprinted.

[10:15:28 PM]

>> Absolutely. Our ordinance passed on August 6, 2014. We needed about 90 days to work with the FBI to get their approval to run those new types of licenses through their FBI background check. So our ordinance became effective on November 4th, 2014. In that interim time, we were hard at work preparing and in deep conversations with Uber about how we could make that work. We are very committed to streamlining our licensing process and making it as efficient and easy on the customer as possible. What we did, we pulled staff -- it really was all hands on deck. I actually got trained to issue tnc licenses so we had people from our department, from public works, from I.T., and we worked with the department of neighborhoods to get kind of a multiservice center so we had a dedicated location to issue nothing but tnc licenses. We had worked with morfo trust which is a company that has a contract with state dps to collect fingerprintings for the FBI and they set up a location on site as well so we worked with tncs to set up this dedicated licensing facility.

>> Tovo: Thank you. If you would again just remind us exactly of what Houston requires in terms of fingerprinting.

>> Yes. There is a 30-day provisional license that city council added through a table amendment, but in order to get the full two-year license to operate in Houston, all drivers have to go through -- pass an fbi-based fingerprint background check.

>> Tovo: So just to clarify, you can have -- if I were living in Houston and I decided to be an Uber driver, I could get a 30-day provisional license, but then I would have to, within those 30 days, go ahead and do the fuller -- the fuller check.

>> Yes, ma'am.

>> Tovo: But I would not need to renew it for another two years.

>> That's correct.

>> Tovo: Okay. Thank you. So I guess that handles some of the people who flex in and out of being drivers. They may have a period of time where they're not a driver, but their license lasts for several years.

>> Right. And we've actually also seen -- we've seen a lot of drivers come in and just do the full two-year license right off the bat because they know they want to drive and at the they figure why come in twice, I'd rather come in once and get the full license.

[10:17:35 PM]

>> Tovo: Thank you.

>> Mayor Adler: Ms. Kitchen? Or Gallo.

>> Gallo: Thank you so much for being here. It's really been interesting. I'm going to say this over and over again. I really want to make sure that we listen to the concerns that the companies are expressing and drivers are expressing about the issues that they would have with the process. And so I'm really interested in your streamlined process. I think mayor pro tem tovo touched on that with a question, but could you tell me the time it takes to do the process? We've talked about how quickly the fingerprinting can be done, but what your experience in Houston says that it takes how long? How quickly can it be done?

>> Well, speaking specifically to the fingerprinting, I know that conservatively, we tell people to expect about 72 hours to get our results back from the FBI. That being said, we see most of them back within 24 hours. So we get a pretty quick turn around from the FBI and from dps. I know that once you come to our permitting counter and if you have everything ready to go, we can get you, from the time you sit down to the time you print your license, about 20 minutes.

>> Gallo: Okay. So they would -- talk to us about the process that you go through. So when they decide they're going to be a driver, what's the process and how long does that take?

>> I know they can do the whole process, including some of you these prerequisites, one to two days at most. We require them to go through the full FBI fingerprint based background check, to do a drug test and physical examination, which can be done anywhere. We don't mandate them to go to specific locations. They also go through a warrant check with municipal courts as well, to make sure there are no outstanding warrants for their arrest. Then they bring that information to our permitting center with the permit application form. And then we also have customer service representatives there that help walk them through that process and point out anything they may be missing. Once they have everything completed, the license will go ahead and be issued.

>> Gallo: So they actually had been on-boarded in one to two days and the appointment to actually get their license was about 20 minutes or so?

[10:19:37 PM]

>> Yes, councilmember. We've seen people do it very quickly.

>> Gallo: Okay. Thank you. It sounds like you have really worked to have a streamlined process that has addressed some of the concerns about the length of time it would take to get drivers through this process.

>> Well, thank you. I want to say we've worked really hard with Uber. They've really pushed UT to streamline our process, and that's something we're very proud of that we can be customer focused.

>> Gallo: Okay. Thank you.

>> Mayor Adler: Ms. Garza.

>> Garza: I just want to thank you for being here and I just want to point out that Houston's model is not only proof that it can work, I think Houston's model is an example of strong leadership from that council who put their foot down --

[applause]

-- Who put their foot down and said, we're not going to compromise on public safety and we're not going to let a corporation dictate the rules, so thank you for being here.

>> Mayor Adler: Mr. Renteria.

>> Renteria: Can you -- I'm just curious, we did a poll here and we had about almost 90% of the people here that already have background check. How did you handle the people that already did? Did you require them to come and show them a copy of their background -- I mean their fingerprint check?

>> To just make sure I paid your question, you're asking about people who have already undergone a fingerprint based background check? Our ordinance requires the fingerprint background check to be done within the past 30 days before the license issuance, simply because a lot of things can happen and we just want to make sure we're looking at the most up to date version of the person's criminal history that we have. So we do -- if it's older than 30 days, we do require them to go through the process again.

>> Renteria: Thank you.

>> Mayor Adler: Ms. Pool.

>> Pool: Thanks. Thanks for being here and giving us succinct testimony. Could you speak a little bit to the claim that Houston's regulations have made it really difficult to get drivers?

>> Well, no, councilmember, we've seen exponential growth at our permitting center month after month.

[10:21:43 PM]

We've seen continued growth and at least the drivers involved with haven't had problems going through the fingerprint background check process, and I've personally ridden with part-time drivers, full-time drivers, that have run the gamut of occupations and neighborhoods of origin in Houston.

>> Pool: So you haven't seen any trouble in getting drivers.

>> We've not seen anything from our end.

>> Pool: Despite the regulations?

>> Yes, councilmember.

>> Pool: Do you have any ideas about how it happens that your regulations have been so readily accepted politically and publicly?

>> Well, I know that when we -- actually, the city of Houston, even before I started working at the city, approached of Uber and Lyft because we saw that there were new developments around the country and we paid to make sure we were being proactive and we weren't just having to sit and react when things happened. We actually reached out to the companies and invited them to participate in a dialogue with us. That's basically what we do, whenever we have ordinance changes, we engage all relevant stakeholders so we reached out to them and they've actually worked with us over the years, so long process of when we were working on this ordinance. So we had a lot of feedback from them. We had a lot of feedback from drivers and from the existing vehicle for hire industry. Everyone gave feedback on our ordinance.

>> Pool: I guess what I'm trying to understand is how fingerprinting in Houston was accepted by the tech companies, but we're having so much push back here in Austin. I don't understand why it was okay by them in Houston, but not here in Austin. Clearly, the community would like to see this additional public safety.

>> Councilmember, we really try to pride ourselves on having strong evidence-based regulation. At the time we were researching this issue, not a lot of cities around the country had taken action. I think luckily, Austin is in the position where you can look at what other cities are doing and see what's working. That being said, we did extensive research on all aspects of our regulation, and we really tried

to challenge the underlying assumptions of all our regulation to say make sure that we were only representing for that customer service and for that public safety aspect.

[10:23:48 PM]

We regularly invited tncs to provide us evidence to convince us about the strength of these criminal or third-party criminal history checks and just -- we just did not see any compelling evidence in our own research, combined with our discussions with law enforcement experts, just -- the public safety aspect kept coming to the forefront, and we saw that the fingerprint background check was just critically important. We just saw all the evidence pointing that way.

>> Pool: Great. Thank you so much.

>> Mayor Adler: Ms. Houston.

>> Houston: Again, like everyone, thank you so much for being here with us tonight. Can you tell me who pays for the fingerprints? Does the city do that, or does the driver do that, or --

>> No, councilmember, we do not. The city does not pay for the background checks for any of our vehicle for hire drivers. I don't want to speak to the internal business processes that any company may have. It's possible that a company may reimburse their drivers but I'm not intimately familiar with that so I'd rather let them speak for themselves what they do in Houston.

>> Houston: And you don't know how much that costs.

>> I believe the cost is approximately \$40.

>> Houston: Okay. Thanks.

>> Mayor Adler: Further? Mr. Zimmerman?

>> Zimmerman: Yeah. I have one quick technical question for you. I'm familiar with morpho trust, I went through them for my handgun license that's required, but do they have custody of the prints? Everything is digital, so is it morpho trust that also remains in control of the fingerprint files, the fingerprint online data?

>> I know that morpho trust has a contractual obligation with the state dps. I think someone from dps would be more qualified to speak to the intricacies of that contract than I would. My understanding, though, is that they channel is directly onto dps, then they channel them onto the FBI. If your question is whether another party is involved, I don't -- not to my knowledge.

>> Zimmerman: It sounds like the city of Houston never takes possession, custody of these fingerprints.

>> Right.

[10:25:50 PM]

>> Zimmerman: And final question, what about the false positives? We're going to have people come and talk about, well, two things, about theft of fingerprints, electronically, and the second thing is the false positives, a fingerprint record, disposition is never done, and it looks like they may have been arrested for something, but they were never charged or convicted. And we hear those Numbers are rather high. But we'll get some testimony on that later. Is there any -- any policy in Houston on how you take care of false, you know, fingerprints that should have never been collected, false arrests and what have you?

>> Absolutely, councilmember. First of all, just to say, we do not deny someone a license solely based on an arrest record. If someone has an unadjudicated arrest, let's say that your court date was March 15th, we would issue a license that expired March 15th and say just come back and show us the final disposition information, and once your clear, you would be on your way. State law has pretty clear guidelines on what we have to do when we have a background check for a license that guarantees due process is given. In I know that fails the city of Houston's background checks has the ability to request an appeal before an independent hearing officer. They're not in our department, not in our chain of command, they work for the courts and they're specifically trained to look at what state law allows and what the city of Houston's ordinance tailors and allows them to look at. So we always get every individual an have itized look at their criminal history, and a decision is made that way.

>> Zimmerman: Do you have any idea -- what Numbers are we talking about, in Houston's experience, how many people are going down that route where they've got fingerprints on file but they've never been convicted of anything?

>> I can get with our operations group, councilmember, and get that for you. I'm sorry, I don't have --

>> Zimmerman: No problem. Thank you very much.

>> Tovo: Sir, can you tell me how many licensed tnc drivers you have in Houston?

>> We do have that data, councilmember, and I'd love to share that with you, but unfortunately, we're under an be injunction and not able to share that.

>> Tovo: Thank you.

[10:27:53 PM]

>> Mayor Adler: Ms. Kitchen?

>> Kitchen: Could you speak to, since we're talking about the processes for the background checks, could you -- some earlier speakers, and I don't remember which, implied that the fingerprint-based background checks were not complete somehow. I know you've done a lot of research on that. Could you speak to -- could you speak for that?

>> Absolutely, councilmember. I noticed what gets thrown around a lot is this percentage of cases that don't have like final disposition information. When -- based on our discussions with dps, what they've explained to us is that it takes a long time for a case to work itself completely through the criminal justice system. The fact that disposition information is not there doesn't mean that there's a problem about the database. In a lot of cases it simply means that there is no final disposition information to report because the case is still working its way through the system. I know that what we've seen, though, is that, like I mentioned, we've had several individuals that have passed a private commercial third-party background check, and then we actually find they've had some pretty serious offenses. And that's consistent with some of the experiences we've been reading about from our jurisdictions as well.

>> Kitchen: As a follow-up question, my understanding is that the companies that do name-based background checks, at least two of those companies don't even cover allstates.

>> Yes, councilmember, that's correct. What we've seen is that what they post on their website is that -- I believe we've seen from higherees and sterling info systems, which conduct background checks for Lyft and Uber respectively, they cover about 46 states. That does raise some concerns for us.

>> Kitchen: Okay. Let's see, I have a different question now. Some of the questions -- some of the discussion has related to whether there are sufficient people that are going through the process. How would you answer the issue that not enough people are being fingerprinted in Houston to address the demand.

>> I think like I discussed, we've seen consistent growth in the number of licensed tnc drivers in Houston, so we haven't seen any indication this there's -- that there's significant unmet demand.

[10:30:04 PM]

We see drivers coming through our process daily.

>> Kitchen: Okay. So you don't have any indication that Uber doesn't have enough drivers to answer their demand.

>> Not based on the city's experience, no.

>> Kitchen: Okay. I'll just ask my last question here then. I've heard you refer to Uber working in conjunction with Uber, so would you characterize the relationship in Houston as being a collaborative relationship with Uber?

>> I think in a lot of instances, yes, we've been very collaborative. We have to really give them credit. They pushed us really hard to improve our licensing process. And our process is significantly better because of our interactions with them. I think additionally, there are plenty of causes and events they've partnered with us on, through Uber puppies, Uber partnered with the city's animal shelter to raise awareness of the animal problem in Houston, over 10000 Houstonians. I know there were residents of apartments condemned by the city, so they have been boring with us on that.

>> Kitchen: So you're in an environment where you have the opportunity to work with Uber and you do require fingerprints, and Uber works with you in a collaborative way. That's the kind of relationship we would love to have with Uber here, and we've asked them for.

[Applause]

>> Mayor Adler: Questions for this speaker? Thank you. Next speaker is Joseph

[inaudible].

>> Mr. Mayor, mayor pro tem, city council, I have sat here all evening, and I've got to be honest, what I'm hearing and what I'm seeing is two very different discussions. This is really not about fingerprints or safety at its heart. What it is really about is, we have allowed as a city to establish two different classes of workforce in this city, with two different sets of regulations.

[10:32:05 PM]

It is time to make this level again, and I have creative solutions tonight, based on not sacrifice safety, I'm going to make it so we can level this playing field that we have for too long allowed to be different standards. The hats I'm wearing tonight are three. I'm CEO of a train station tech company, we work with public transportation, ride share, car share, bike share, taxi companies and tncs, I'm also cosigner of a letter with over a dozen other city leaders in private, non-profit, and safety advocacy, I sent an open letter to you all that said find a solution. We never talked about the word fingerprint in that letter. We asked you to find a solution. And thirdly, I'm a dad. I've got three daughters. I understand the value of safety as much as anybody up there or back here. That are real, real data that some of us hide behind in name of protecting this two different class system. We do have background checks that fingerprints for our taxicab drivers, we do not require background checks for tncs. But look at the data today. Councilmember kitchen mentioned there are seven allegations of assault by our 15,000 tnc drivers. One is too many. But there are three allegations by assaults by our currently fingerprinted drivers in the city out of about, give or take, a thousand drivers.

[Applause] The sad reality -- there's nothing to cheer about. The sad reality, you're six times more likely to be assaulted by someone who's gone through the fingerprint check because bad actors do bad things. These are the good drivers, on all sides. So here's what I propose. Look at California. 600 million miles driven in tncs with a noticeable reduction in DUIs and no statistical significant increase in assaults.

[10:34:07 PM]

We're a creative city. How do we solve this? You want to pay for background checks? Start paying background checks for taxicab drivers. The second thing we can do, for every new taxicab driver in this city, don't require the background check that requires a fingerprint, have them use the same standard or tncs are using. Thirdly, let's let the consumer choose how they want to move about this city. We will way -- we, the city, the quarter penny tax, I sat there and watched the whole thing -- we will pay for the fingerprints for any tnc driver who wants to do it. Then very creatively, we'll take a Willie Nelson face sticker right next to a big, fat picture of your fingerprint, and slap it in the window of your car. If you feel unsafe getting into a car, despite the Uber symbol, despite the Lyft, and you don't see that fingerprint, don't get in it. That's how we should be operating. Don't get in it. That will level the playing field. Then after a year of this, let's see what is really helping our city. Is it this notion that a background check using a fingerprint is foolproof? That's Follie. It won't. The facts will speak for themselves, data will speak for itself. But let's level the playing field between these companies. Thank you very much.

>> Mayor Adler: Thank you.

[Applause]

>> Mayor Adler: Any questions? Questions for this speaker? Questions for this speaker in Mr. Zimmerman?

>> Zimmerman: One quick question. You did a very good job with your presentation there. I was almost convinced until I realized that what I talked about earlier up here on the dais when we were talking about the taxi franchises, and we reauthorized their franchise agreements and tweaked it, but, you know, they are not the same playing field.

>> It's true.

>> Zimmerman: I look at the tncs and taxis the way I look at blockbuster video and Netflix. They're not same. They're just not the same. You know, they both deliver movies, but they do it in very different ways.

[10:36:10 PM]

And so I like what you said, but I'm just having trouble squaring that with the reality, they're not the same fields. I can't level them because they're not the same field.

>> We're a creative city. Why can't we allow our taxicab drivers to also be drivers for Uber and Lyft?

>> Zimmerman: We're a creative city. Why can't we give freedom to let people decide what they're doing today.

>> Mayor Adler: Any further?

>> I just want to say I wholeheartedly agree with what you've said, you stated it so eloquently, so thank you for bringing that to our attention. I think the statistics -- there's been so much talk about these, you know, seven allegations of assault from tncs. And not a whole lot of talk about how that statistically compares to the other side. Yes, like you said, one is too many. We need to do everything in our power to make sure that we're preventing any kind of crime across the whole city. But, we have to look at the data in relation to other kinds of modes of transportation. So I think what you said about that is really important, and can you repeat it.

>> Yes. Specifically, we are talking about the fact that the data right now, in the city of Austin -- and I asked staff to clarify this, if I get it wrong -- we have over 15,000 drivers. There have been seven reported reports of incidents by tnc drivers but there are about a thousand permits for taxicab drivers, we have less than a thousand cabs, yet there have been three assaults by those fingerprint, background checked drivers. So I'm not saying any system is better than the other. What I'm simply pointing out, the data is inconclusive, and we shouldn't hide behind a fingerprint check to keep ourselves safe, but instead have other systems. And the technology is coming. Look on your iPhones right now. You already have fingerprint technology. Rather than stifle what we know is working, we should instead level the playing field more closely to allow citizens to have those options.

[10:38:15 PM]

>> Troxclair: Thank you. And I think that our city staff agreed with you until very recently. I mean in both of the memos that they sent out, both in March and in August, they recommended -- they said that driver requirements for taxis should mirror tnc driver requirements. And for inspection standards, they said inspection standards should mirror tnc inspection requirements. So it seems to me that -- I thought they had drawn the same conclusion that both you and I had drawn, that tncs was a good model that was working for our community, and that we need to lessen the regulations on the taxis so that they can more effectively compete on a level playing field with the most effective public safety protocols that we can find, based on the statistics. So it wasn't until less than a week ago today -- or less than a week ago -

- yeah, less than a week ago that our staff decided to recommend a fingerprint requirement. So I'll be interested to talk to them about that, too.

>> Mayor Adler: Ms. Tovo? Ms. Kitchen? Ms. Tovo? Ms. Kitchen? Ms. Tovo?

>> Tovo: I just wanted to -- it was my understanding that staff a while ago recommended instituting fingerprint checks, so I would like our staff to let us know. In fact, I believe the recommendation was initially to institute it rather rapidly.

>> Gordon Derr, assistant director Austin transportation department. I think we pretty consistently said we felt background checks were what we needed to be as safe as possible, and I think the level playing field was in terms of doing fingerprint checks for all vehicle for hire drivers. But looking at the requirements of those drivers and the vehicles, to look at what we need to do to make the level playing field.

>> Tovo: Thank you. So it was -- it was to do as has been proposed, which is to institute fingerprint background checks that include fingerprints.

>> Yes.

[10:40:19 PM]

>> Tovo: Fingerprinting. Thank you.

>> Mayor Adler: Hold on a second. Gordon, hold on, please, sir.

>> Troxclair: I guess since -- I assumed we would have city staff up here a little bit later so I was planning on asking you a multitude of questions. I don't know if now is the time or later is the time.

>> You can do it now or later.

>> Troxclair: Okay. Well, I -- between now and later, when you come back, I would -- I would encourage both of us to do a search on the recommendations that you put out, both in March and in August, because I have been unable to find a fingerprint -- a recommendation for a mandatory fingerprint in either of those documents. And I have here the page of the recommendation that clearly states, more than once, that taxi ground transportation operations related modifications, that driver requirements and inspection standards should mirror tncs. So we need to have a further discussion about that because I don't think that what you have relayed is accurate.

>> Mayor Adler: Is there a motion to extend this meeting past 10:00 P.M.?

>> Zimmerman: So move.

>> Mayor Adler: Mr. Zimmerman so moves. Is there a second? Mr. Renteria. Any objection? It's extended. Ms. Kitchen?

>> Kitchen: I'll ask you a question, then you can sit down while we keep talking. Thank you for being here. We appreciate all the work that you do in the city and ought innovative work that ride scout is doing from a technology standpoint. I just wanted to make sure I heard you correctly, I think that -- I think that I heard you say that fingerprints are not foolproof.

>> That's correct.

>> Kitchen: And I hope you understand that no one up here is saying that anything is -- that will make us safe a hundred percent of the time. I guess I just really want to say that -- and I think I also heard you say that one is too many?

>> That's right.

>> Kitchen: Okay. Well, then I would just say thank you very much. I really appreciate your testimony and I really appreciate the opportunity to continue to work with you however we end up here on the most innovative technology systems that we can put in place.

[10:42:28 PM]

And then I would just say to my colleagues that the discussion about the comparison of statistics is not where I think is appropriate because I think one is too many, whether that's -- by anybody, one is too many, and we have heard that fingerprints are best practice, and I think that we should use best practice. So thank you very much.

>> May I just address that point, clarify my point of one is too many? One is too many. But the option to stay so perfectly safe to prevent even one is not an option I want. As a dad with daughters, I want to send my daughters out into the word. I want them to go explore and do everything that's in this city and others, and there is risk that comes with that, so while one is too many, alone, can be taken out of context, you have to be able to allow the people of this city to have all their options on a level playing field so that we then can then look at the data a year from now while one is too many, we have to understand that there will be accidents because there will always be bad actors, and we shouldn't stay at home out of fear of them.

>> Mayor Adler: Mr. -- Go ahead.

>> Kitchen: Well, I would just respond. Thank you very much. I don't -- as I said earlier, I don't think that we have to choose between a risk of sexual assault, a risk of DUI, and not having a ride. I think that our city is better than that, and I think that we can do that and not have to make those kinds of choices, and so that's what I would just say to you. Thank you very much.

>> Mayor Adler: Sir, because I agree with Ms. Kitchen on that, and I think what we're trying to do is find the path that doesn't have us having to choose between safety options and uses at its core what it is that is most unique and special about Austin, which I think is our creativity and innovation, there's a section of the draft, as this is in front of us, I read the draft not to contain a setting out of what a penalty or repercussion would be of any tnc not meeting a goal, but it very clearly states it's a goal of Austin to be able to get to that place where we have fingerprinted drivers.

[10:44:52 PM]

But in that section H, it says that the council will establish by separate ordinance programs, processes, and procedures to incentivize drivers to become compliant drivers, which means drivers that have been fingerprinted, to incentivize drivers, to incentivize consumers, to use compliant drivers, and to incentivize tncs to use compliant dryer. We haven't set out that list. That list will be developed a month from now. We've heard that it could include things potentially like geofencing areas so that the drivers and companies that are using procedures that we want to encourage are the ones that get closest to the convention center, or acl or whatever, that we do things that make it so that when a driver is offering their services, they can offer their services for less if they're a compliant driver by how we use fees, or customers can select drivers and get a cheaper ride if they select someone that is already participating in that program. Over the next four or five weeks, will you help us come up with as many of those creative things as we can so that we can incentivize the place we want to get to?

>> Mr. Mayor, I would love to not only be part of that, no incentivize, using background checks using fingerprints, but I want to do it in such a way we never positioned ourselves to make it mandatory, leaving these private companies no option but to leave. If we can do that, we can find solutions that incentivize background checks, for both cab drivers and tnc drivers, I'd lieu of to be a part of that.

>> Houston: Mr. Mayor?

>> Mayor Adler: Yes, Ms. Houston.

>> Mayor Adler: It's 10:45. I think you need a motion. Where was I?

[10:46:56 PM]

[Laughter]

>> Mayor Adler: All right. Thank you very much. The next speaker we have is Kelly white.

>> Hi. My name is Kelly White, and I'm speaking on behalf of the Safe Alliance. It's a partnership of children's shelter and safe place. And I'm here speaking completely and totally about safety. Safe stands for stop abuse for everyone, and that's what we believe in, and why I'm here. We have been closely watching the ongoing debate in regard to regulating tncs in Austin. Beginning in June 2015, safe became the primary agency conducting forensic exams for teen and adult sexual assault survivors in central Texas. That has put us in the unique position of meeting with and hearing the stories of mostly young women who have been getting into a stranger's vehicle, by themselves, often late at night, and sometimes under the influence. They are trusting that they will be delivered safe and sound to their destination. Since June, our forensic nursing assault program has seen six survivors reporting to us they were sexually assaulted by their tnc drivers. During that same time, we've only had one that has reported to us that they were sexually assaulted by their taxi driver. So also it's important to note that when they come to us for the sexual assault forensic exam, we do not necessarily -- they do not necessarily then directly go and report to law enforcement. So we may not have exactly the same numbers. These are -- these are oftentimes young women who are -- sexual assault victims are notoriously reluctant to report to law enforcement, and to become involved in the criminal justice system, and particularly under these circumstances.

[10:48:58 PM]

I'm sure that we can all agree that even one sexual assault is too many. Six is just reprehensible. And we believe it is our responsibility, as a community and a city, to protect our citizens whenever, wherever possible. I'm sure most, probably all, of the passionate advocates in this room tonight -- and there's a lot of them -- are really terrific and great citizens. Many of the people that work with me are also tnc drivers. And if they work with me through the safe alliance, then they have also been FBI fingerprint background checked because that's what we do. Our programs operate across our community with hundreds of paid staff and hundreds more direct service volunteers, many -- most of whom only work a few hours a week, if you're direct service volunteers, and most all of them have gone through fingerprint background checks. We know that fingerprinting is the most accurate way to do a background check with the assurance that the person is who they say they are. And we ask that our officials and corporations provide as much assurance as possible --

[buzzer sounding]

-- That we aren't asserting predators into the midst of potentially vulnerable populations. Whenever anyone, particularly someone alone at night, gets into a car with a stranger, they are vulnerable. We recognize that there's simply no foolproof methods, and -- to ensure safety, and we believe that adopting a measure requiring fingerprint background checks for tnc drivers and having their vehicles identified, easily identified in some way, is an important measure to assist in that effort. And I want to really thank you for your very thoughtful consideration and also for your service to this city. Thank you.

>> Mayor Adler: Thank you very much.

[Applause]

[10:50:58 PM]

>> Mayor Adler: Questions? Thank you.

>> I'll be delighted if there's no questions. Of.

>> Kitchen: Oh, I have one. I'm so sorry.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: There's been a lot of discussion about voluntary, and that people should choose whether they're driving with someone with a fingerprint or not. And how someone who's vulnerable should just make that choice and choose someone that's been fingerprinted. And I wonder if you have any perspective on that, having -- working with the population that you do.

>> I'm just going to say that from my perspective, and I'd need to go back and talk to our professional staff and to the people that do this every day, from my perspective, the folks that we are seeing that are most vulnerable, as I said, often late at night by themselves and under the influence, young women, they're probably not making the best decisions under those circumstances.

>> Kitchen: Okay. Thank you.

>> Mayor Adler: Thank you. Anything else for this speaker? Thank you. Next speaker is Shannon Heymond. Of.

[Applause]

>> Hey, everybody. My name is Shannon Heymond. I'm an Austin resident, mother of four and proud member of the community. I'm here today to share my concerns with these proposed regulations and the impacts they'll have on thousands of ride-sharing drivers and passengers here in Austin. I want to share my story with you because it reflects how ride sharing has changed people's lives and underscore the importance of the decisions the council is making. Two years ago, I was diagnosed with a rare chronic medical condition. Between the doctor's appointment, days where I physically wasn't up to it, an unexpected admittance to the hospital, I couldn't keep a full-time job. With growing cost of living, raising four children, medical expenses, I found myself in complete financial turmoil.

[10:53:02 PM]

For a while, I was relying on government assistance and afraid that my situation would never get any better. Luckily, I discovered Lyft and began driving as soon as I was approved to be a driver. Since then, I've turned my finances around. No longer depend on government assistance and can take care of my family. I'm worried that this council has not had a chance to hear from all the other Lyft and Uber drivers with similar stories, but only one of thousands. More regulations, more barriers to access, longer application times, all chip away at the ability for people to quickly and easily become part of the Lyft community. When it comes to safety, Lyft and Uber raise the bar. Ride sharing apps have new safety features such as 24/7 gps tracking, photos of drivers, their vehicles, and digital ride receipts, and the list of safety features keeps growing. More important, drivers are already screened on a national level. So another issue I want to address, one that is very close close to me, is impact ride sharing has on drunk driving. I have family members who have struggled with this. I've also worked as a are about tender so I know firsthand what happens when there are no convenient transportation options for people who go out drinking at night. Yes, I have had cab drivers decline drunk drivers -- drunk passengers, I'm sorry, a lot of them refuse to give them rides. I'm sorry, but it's true. It's true. When you ask Lyft drivers what they love about what they do, the overwhelming response will be, giving back to the community by saving lives. Austin has had a string of DUI fatalities over the years and the trend was only going up until Lyft and Uber arrived. The availability of these apps has changed how people think about drinking. They're making smarter choices and as a result, our streets are safer. Please listen to your constituents. We've called. We've written. Tweeted. And tied to speak at committee hearings. There are thousands of austinites who rely on these services and pushing them out with these rules will make our streets less safe. Also, as a citizen and as a driver both, I want to ask why San Antonio was not invited to speak at this council meeting where fingerprinting is optional, and obviously working?

[10:55:16 PM]

Houston was. Thank you.

[Applause]

>> Mayor Adler: Any questions for this speaker in Ms. Gallo?

[Applause] Shannon? Heymond.

>> Gallo: Thank you so much. I appreciate you being here.

>> Thank you.

>> Gallo: And I so appreciate what you've done as a mom of four girls and health issues and really trying to make your way with being self-sufficient.

>> Thanks. Sorry about the shaky voice.

>> Gallo: No, no, we're very proud of you. I asked the question before because I'm really trying to understand the concerns that the drivers have with the process. So were there any other concerns -- we talked about the concern with the additional cost and the city is willing to pay that.

>> Right.

>> Gallo: I think Houston helped address that they have worked collaboratively with Uber in Houston to come up with a process that would take one to two days.

>> Right. And the fact that Houston has actually worked is Houston's thing. Austin is supposed to be a forward-thinking city, in my opinion, and it is the opinion of a lot of citizens here. Did the people ask for this? That's my question to the city council. Who asked for this? Was it the city council or was it a public poll?

>> Gallo: Thank you for that comment, but back to my questions because I'm really trying to understand the specific concerns that the drivers have, so we've talked about the cost.

>> Uh-huh.

>> Gallo: We've said the city is willing to pay for that. We've talked about the timing issue, and it sounds like with Houston's model, that we could copy or improve on that it would be one to two days process.

>> Right.

>> Gallo: So that certainly sounds like it's within the time frame that you're already looking at getting on-boarded with Uber or Lyft. Are there any other specific concerns that you have as a driver with the process that we could -- we could help address?

[10:57:17 PM]

>> I don't have any concerns with the process.

>> Gallo: Okay. That's what I'm trying to get at, is specific things that we can help address.

>> Right. I specifically have no problems with the process. I'm just opposed to being forced to being fingerprinted. I think that fingerprinting could be an option, as worked out by the city of San Antonio, that would be a little bit more appropriate.

>> Gallo: All right. Thank you. I just wanted to make sure that we're covering all the concerns the drivers have so we can address those appropriately. Thank you.

>> Mayor Adler: Mr. Zimmerman?

>> Zimmerman: Before we go, could I ask, are you in one of the 10-1 council districts?

>> Yes. I am in your district.

[Applause]

>> Zimmerman: Well, I'm a candidate for district 6 city council, but based on your reply, I was going to ask you if you wanted to run for office, but that's a very insightful question. You have a future in politics, so thank you.

>> Thank you, don. I have one more question.

>> Mayor Adler: One more, please.

>> Troxclair: So you say you drive for Lyft?

>> Yes, I do.

>> Troxclair: So I understand the point that other councilmembers are making that the drivers may -- some people may be willing to get fingerprinted.

>> Right.

>> Troxclair: But the question is, because Lyft does not operate in any city that requires mandatory fingerprinting, how can you have the choice to work for Lyft if they don't exist in the city?

>> This is exactly why drivers are saying that they would be -- they would be willing to be fingerprinted, because they're scared of losing their jobs, so they're pushing to Lyft to stay in the city. That is the only reason the drivers are saying they're willing to be fingerprinted. That is it.

>> Troxclair: Right. Thanks.

>> Mayor Adler: Further questions? Ms. Kitchen. Hold on, please. I'm sorry. Ms. Heymond? I'm sorry.

>> I'm sorry.

>> Mayor Adler: I'm so sorry.

>> I'm playing the running game.

[10:59:21 PM]

>> Kitchen: So you don't drive for Uber.

>> I do not drive for Uber. I drive for Lyft.

>> Kitchen: Would you want to drive for Uber if they were here?

>> If Uber were here?

>> Kitchen: I mean why do you not drive for Uber?

>> I just believe in Lyft's business model a little bit more. I support Lyft. I have no offense against Uber, I love Uber, I believe we're a united front but I love my Lyft so I'm going to stay with them.

>> Kitchen: Okay. Thank you.

[Applause]

>> Mayor Adler: You know, again, I have another driver who comes up who says that she would get fingerprinted. I was in a room full of drivers on Tuesday at that -- it was an event that 99% of them said they would get fingerprinted. I just come down, again, to -- rather than playing a game of chicken, my hope is that we'll ultimately be able to construct something that takes advantage of the fact that it seems as if if we have a group that we can incentive to get to where it is we want to go. Yes, Mr. Renteria.

>> Renteria: I also attended a function there. I think I went there on Wednesday. And talked to drivers. They also expressed to me that they had no problems doing fingerprint checks at all, you know, but they was really concerned about, you know, being able to keep their jobs, especially with Christmas coming, and that the difficulty that a lot of these people were just part-time workers, I met my -- one of my competitor running for city council and he was working, going to -- working on his master's degree and he was working there just offend appear money so he could pay for his classes.

[11:01:32 PM]

So it's really a real difficult situation -- short -- decision that we have to make here, and I really -- I met a lot of people that live in my district that were there also to support. They were from Montopolis, which is a low-income area there in my district. So it's a -- really a difficult decision that I have to make, but, you know, I just hope that you understand that we're all having to make a difficult decision here tonight and we really don't want any of y'all -- any of these Lyft, Lyft or Uber to leave Austin because I know y'all provide a very valuable service, but at the same time we do have to address the issue of safety, you know, and so I just would ask -- with that statement I just want to let you know, you know, I really am leaning toward the fingerprint, but I wish that we could sit down and work something out, you know, if not rush right away into it tonight and maybe make a decision where we can sit down there and really work with these two organizations where, you know, they don't feel like they have to leave.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: We have some resource witnesses. I know we've reached the end of our witnesses.

>> Mayor Adler: We have one more witness before we get to resource witnesses.

>> Kitchen: Not according to the list that I have. We've gone through eight witnesses so far.

>> Mayor Adler: Right. I had a neutral witness we said we were going to call that was identified by --

>> Kitchen: Oh, I was considering that a resource witness. Yeah, you can -- yeah, whatever -- yes.

>> Zimmerman: We thought he was a resource case -- R street consultant and policy analyst.

[11:03:38 PM]

>> Mayor Adler: Do you want to call that person?

>> Zimmerman: We could. I don't know how you wanted to proceed, but, yeah, he was a resource.

>> Mayor Adler: I have a quick question for chief Acevedo who who has been standing as a resource.

>> Kitchen: The resource witness I want to call, there's been a lot of discussion about -- there was earlier discussion about get me being able to operate. I think we -- I think we should let them talk. And they are here and are available to testify. So at the appropriate time, I'd like to call them forward.

>> Mayor Adler: That would be good. Let me call chief Acevedo and then he can leave.

>> Zimmerman: Mr. Mayor, you presume he's not having fun here with all this.

[Laughter]

>> Mayor Adler: I said he can leave. He doesn't have to leave. He's more than welcome to stay.

>> It's a laugh a minute. I'm enjoying it very much.

[Laughter] Good evening, thank you, mayor, councilmembers.

>> Mayor Adler: Thank you. Chief Acevedo. With respect to dwis in the city, I just wanted to have your opinion of tnccs and whether or not, with respect to dwis, you think that they improve safety in the city or not.

>> I think the data around the country and discussing tnccs with my colleagues at the national level, that tnccs actually do help the dwi problem. We have a huge dwi problem here so the answer is absolutely yes. One of the things in terms of the data for our say that we're at a disadvantage is a couple of things have happened at the national level that will have impacted traffic safety. One of the things that's happening right now is that we're having an anomaly nationwide as it relates to traffic fatalities. They

are up in most metropolitan areas. Part of that is that the economy arguably on a national level is doing relatively well. We don't have eight, 10% unemployment. We're down to a national unemployment rate of 5%. If you look at the cost of fuel and what's happened to the cost of a barrel of oil, I'm starting to feel like I'm a teenager, lord okay, it's \$1.60.

[11:05:51 PM]

Not only do we have more people working, presumably spending more money in a hard-drinking city like ours on recreation which includes entertainment and alcohol, we have a lot more miles being driven which is impacting it. If we take away the tncs here and other cities it, definitely will impact dwi. There's no argument about it. I work patrol on a regular basis, am pretty visible in the city and I've had more people come up to me on this issue in the last year, thanking me for Uber and Lyft and the rideshares thanking us. Because in the past we've been accused because we're so tough on dwi that we try not to get more taxis, which is something we've talked about over the years, more permits, we try not to have tncs because somehow the conspiracy theories think we want to make more money. Is that's simply not true. I think the council too wants to give you safe options in terms of transportation.

>> Mayor Adler: Thank you.

[Applause]

>> Mayor Adler: Is there any more -- any other questions for chief Acevedo? Ms. Troxclair and then Ms. Tovo.

>> Troxclair: So just generally, from a public safety perspective, I mean, we deal -- we have to make decisions regarding -- and you have to make decisions regarding a broad range of public safety funding, tools, requirements, et cetera. Not -- I mean, in regards to tncs but also in regards to just general crime and the rest of the city. So when we're talking about fingerprinting, I understand when we have some public safety personnel saying, yeah, fingerprinting isn't a bad thing to do. Because it's an extra -- it's -- it's an extra requirement that could contribute to public safety.

[11:07:55 PM]

But you could also say, if we're talking about riders being fingerprinted -- or drivers being fingerprinted, we could also talk about the instances where there have been tnc drivers that have been attacked by riders. So if I asked you --

[applause] If I asked you from a public safety perspective, would it be safer if we fingerprinted every person before they ever got in a tnc car, you would say yes to that?

-- Would you say yes to that? Or if I said --

>> It's a hypothetical I'd rather not address.

>> Troxclair: Or from a broader perspective, if I said -- I know we had this -- I know we had this conversation during the budget, would our city being safer if we had a higher number of police officers per citizen or would I be safer if I never left my house because even getting in my car and driving myself presents a certain amount of risk. So I guess the point I'm trying to say is it's a continuum, right? It's a continuum. Do you disagree with any of that?

>> I think that's a hypothetical that this late at night I'm not sure I understand it.

[Laughter]

>> Troxclair: Okay.

>> And I haven't eaten. You know, one of thing when you get between a cop and a meal we're all in trouble.

[Laughter] I would just say this. That, you know, fingerprint, obviously, it provides another layer. You have biometrics. I think it's a misnomer to say without fingerprints there isn't a background. Both of them have their pros and cons. They're both good. You know, having both would be great, but I think the worst thing that could happen would be to lose 10,000 options for our citizens at 2:00 in the morning.

[Applause] And that would be my greatest concern. The other thing I can tell but downtown at bar closing, we have thousands of drunks coming out at 2:00 in the morning.

[11:10:01 PM]

The longer it takes to get these people that are intoxicated that I consider a very neutral population, both -- value neutral population, both men and women. Let me say real clearly because the media is saying I'm trying to blame victims. Absolutely not. There's absolutely no excuse for sexually assaulting a woman or robbing a person just because they may be intoxicated so let's just get that out in the open. The sooner we can get people out of the downtown area that come out and are in a vulnerable state, whether it's tncs or more taxis or more of both, the safer it's going to be for citizens and a background check is not a hundred percent guarantee but, again, both have their pros and, ultimately, I think both would be great. But I think the worst scenario would be to limit the opportunities for our people that are

vulnerable, in a vulnerable state, vulnerable time of night to leave the area and get home where they're really ultimately going to be the safest. Thank you.

[Applause]

>> Troxclair: So I want to -- I want --

>> Mayor Adler: Ms. Tovo -- sorry.

>> Troxclair: I want to ask about the few specific incidents.

>> I'm sorry, I couldn't hear the beginning.

>> Troxclair: I want to ask about a few specific incidents that councilmember kitchen has raised as kind of a reason why we should address the issue. The first one that was in the news was the lady who got in an unmarked -- who got in a car, I guess, leaving acl because she thought that driver was an Uber or Lyft driver. So -- but he wasn't an Uber or Lyft driver. So would putting a mandatory fingerprinting requirement in place for Uber and Lyft drivers or any tncs, would that have prevented or will that prevent someone -- a driver -- a driver who is not a tnc driver from committing an assault?

[11:12:03 PM]

>> No.

>> Troxclair: Okay.

>> Not under that circumstance. If in fact somebody meantime a car thinking they were getting into -- whether a taxi or a tnc vehicle, they mistakenly got into that car, the background doesn't come into play, especially if the investigation shows that they weren't in fact a tnc provider. The other piece is I asked my staff if we have determined whether -- out of the eight cases so far this year, I believe seven involve a tnc folks -- alleged tnc folks and one involves a taxi, alleged taxi because they're under investigation, whether we have determined if a -- either background approach would have made a difference, and we haven't identified any case yet. We're going to continue to look at that, to see if there's anything -- any of those cases with the background. Again, I want to be real clear that ultimately both would be good. That's the case. But the worst thing could happen would be to lose a lot of options for our citizens.

>> Troxclair: Can you finish the thought you were making? You were saying that of all of the allegations against both tnc drivers and taxis this year that you have not been able to determine that a fingerprint background check would have -- well, clearly it didn't prevent it in the cases of the taxi but you haven't been able to determine whether a fingerprint background check would have prevented the assaults, the tnc drivers?

>> No. The type of background that was conducted had an impact on the screening of the potential suspect, and one of the things I've asked my team is as we complete these investigations that we always keep y'all informed as to whether or not that was an issue.

>> Troxclair: Okay. I just have one more question for you.

[11:14:05 PM]

The -- can somebody put this up on the screen, if I give that to somebody? Thank you. There has been -- clearly, the rate of both do you -- wis and alcohol-related crashes went down after the entrance of tncs into the market in 2014. Is that right?

>> We did see a reduction, yes.

>> Troxclair: I've heard people say that could be from a lot of things. We can't say positively why each thing -- or -- in each instance the directly relate that to the entrance of tncs. But Austin safer streets recently did a poll of, I think, about 400 people, and I found the results pretty interesting. The question -- the first question says before tncs have you driven impaired within the last five years? As you can see, over 60%, over 60%, said yes. And then in the second question, they asked have you driven impaired since Austin's introduction of -- technologies? And 90 -- tncs. 90% of people said no. Using your judgment as well as the results of this poll, do you think the results of this poll are accurate and show a correlation? Here, let me be lawlerlily and state this in the right way. In your better judgment, in your best judgment, do you feel like tncs have positively contributed to the decrease in alcohol-related crashes?

>> Well, I can tell you I believe tncs do help with reducing death and injury on our roadways. As to that poll, I don't know anything the methodology or anything else or how scientific it was, but I can tell you anecdotally, just from being around for a lot of years, that there's a direct correlation between public transportation options and other options and drinking and driving crashes.

[11:16:15 PM]

And there's -- I think there's no debating that we are one of the hardest drinking cities in the country.

>> Troxclair: And I understand that we of course don't want to be placed in a position where we're choosing between one crime -- or one -- you know, choosing between sexual assaults or a decrease in drunk driving, but given that that is the position that we are faced with, if you had to choose one of those options, if you had to choose either keeping -- either having tnc drivers that are not fingerprinted

but have thorough background checks driving in Austin or having tncs not operating in Austin and risk the sure increase of alcohol-related crashes, which would you choose?

>> Well, I think that's -- to me, I want to save lives. We've had almost a hundred fatalities this year, almost a hundred fatalities and about 50% of those people have died on our roadways have been because of dui. And you contrast almost 50% of -- that's just fatalities, not injuries, serious injuries that I don't have off the top of my head, contrast that with seven instances where we have potential -- I don't know whether -- they may be legitimate or not. We don't know. We're not done with the investigations. I think that the probability of being killed in a drunk driving crash or being seriously injured really creates -- causes me great concern. Again, almost 100 fatalities, 50%. I think keep giving people safe options and ultimately I do believe that fingerprints are another metric that just makes it better, but it -- but it's very important to continue to have those options.

>> Troxclair: So would you encourage or discourage this council from making a decision that would cause tncs to leave Austin?

[11:18:20 PM]

>> I would encourage the council to be the creative people that you were -- that I believe as not only your police chief but as a resident of Austin that cares very deeply about the people we all collectively serve, to be creative and come up with a solution that's a win-win for the safety of all of our residents. And, again, we're talking about sexual assaults as being one of the concerns. A lot of sexual assaults happen in the city of Austin because we're not getting people that are a vulnerable population out of the downtown area as quickly as possible to their homes. And I can come back with some data that can show you that as is a huge concern that is add up to many more cases than the seven cases that we're talking about this year.

[Applause]

>> Troxclair: Hmm. That's an aspect that we really haven't heard about or considered yet. So you're saying if people are stranded downtown and don't have an accessible ride home, that they're likelihood of getting in a situation where they may be at risk for sexual assault is increased?

>> We have predators in this very safe city that -- that are looking to take advantage of the people of the city. Unfortunately, in the middle of the night, some of our robbery victims, I think a disproportionate amount of robbery victims are individuals targeted by these predators. People think I'm blame the victim. I am not. I don't think there's any excuse to take advantage of another mistake anyway, shape or form, regardless of their level of intoxication. I don't think that we demonize the victim. By the same token, I think it's important for me as a police chief to make people aware of the fact that there are predators amongst us in in this very safe city that absolutely are looking for people at bar closing to rob as they walk to their cars, when they see people that aren't completely in control of their faculties.

[11:20:27 PM]

>> Kitchen: Mr. Mayor, could someone else ask a question?

[Laughter]

>> Mayor Adler: Are you -- okay, Ms. Troxclair?

>> Troxclair: I wasn't finished but --

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: I have a couple quick questions. Chief, I appreciate your comments on this, but I really have to -
-

>> Yes, ma'am.

>> Tovo: I have to ask you, you're talking about the importance of having a safe ride. Would you regard a driver who has not had an adequate background check to be a safe driver?

>> No. But I think it's a misnomer to say that a system that -- that really queries many, many data sets and many, many repositories of information -- some of that information that would be uncovered under that automated system that fingerprints would not uncover, that's why I've said that to me ultimately the best win is to have both fingerprints, would be -- the absolute -- there's no hundred percent guarantee but both fingerprints and the automated check that some of the tncs are doing are in fact background checks.

>> Tovo: Well, that's in essence what's before us. To allow them to continue to conduct the background check they're doing, but also have a fingerprint component.

>> Yeah. I don't think I've spoken a single word against fingerprinting.

>> Tovo: So ideally, that is the best, most thorough?

>> Yes.

>> Tovo: Criminal background check. Part of the reason I asked you that question is, you know, we have a very -- I don't know if you've had an opportunity to read, but I know you probably heard the discussion from the Houston representative who talked about how within the first ten months -- no -- yeah, within the first ten months, their fingerprint FBI check determined that several of the applicants had passed a commercial criminal background check but had a prior criminal history that ranged from charges for murder, assault and battery to public intoxication, reckless driving, exactly the sort of events we hope to prevent with providing people with multiple options.

[11:22:32 PM]

To me that really strongly provides evidence that the commercial background checks were not sufficient. And that the fingerprint component is really critical if our concern is public safety and the safety of the passengers who are going to get in those cars, that we really -- it's our responsibility to have a fingerprint check.

>> I don't think I've said anything --

>> Tovo: So would you agree, then, the fingerprint component we're contemplating is important?

>> Ultimately, one is -- one alone is not ideal. I think both ultimately would be the best to do.

>> Tovo: But that is -- again, that's what's before us, both.

>> Yes.

>> Tovo: Both rather than just the commercial background check. So I just want to be clear and make sure that we're understanding your response.

>> Again, if you're going to rely on fingerprints, understand there are 50 states in this country with tens of thousands of jurisdictions, many that don't do a very good job of updating their dispositions on cases. So two things will happen. People will be disqualified potentially if we're not careful because nobody has taken the time or vice versa, you'll have people that nobody has taken the time to actually update the fingerprints. One of the things I'm very proud of the state of Texas is they actually tied funding, criminal justice funding to keeping up local entities having to keep up with their dispositions. Necessity encourage all counties to report their dispositions. When you have 50 states and so many jurisdictions around the country I just caution that, well, there's no silver bullet in terms of background checks. One of the things that the tnc app does provide, I think, is a very good tool that's relatively new, is the actual application itself with the opportunity for people to actually be able to send their eta to a loved one and things of that nature, where you can actually monitor them live on -- as they go on their ride.

[11:24:42 PM]

So there's pros and cons to everything. I know it's a tough decision. I know everybody up here is very caring and I want to commend all of you for being so thoughtful in your deliberations.

>> Tovo: I agree that's a very good safety feature. I applaud the companies for adopting that and some of the other features, the sending of the photos back and forth I think is a good safety feature but I'm not clearly understanding the cons from your perspective what the cons are for fingerprinting.

>> Well, the fingerprint -- in and of itself, just by itself I don't want the council to think that fingerprints are automatically you're going to get everything because you're simply not. Too many jurisdictions do not update information, don't update disposition of cases and so the queries that the -- the automated system, they're going to be cases on both approaches where you're going to have people fall through the cracks. And that's why I think that the app itself, with some of the safety features, is something that is really important to consider as well. That actually provides a certain level of safety, and investigative tools for the department as we investigate, I think the case -- one of the cases that sergeant was talking about, a taxi case, one of them, where the driver is actually in Brazil that was a sex assault. So you have to look comprehensively at everything and what each approach -- there's pros and cons and neither one of them are a hundred percent ultimately.

>> Tovo: Sure.

>> There are some benefits to both.

>> Tovo: Okay, I appreciate that additional information. Then back to those seven cases, in your responses to councilmember troxclair, wasn't clear to me whether you've determined that a criminal background check would not have turned up anything on the accused perpetrators or whether you just haven't been able to assess whether or not it would have made a difference?

>> Well, so far, in those cases, I've asked my violent crimes unit if we've determined whether the -- whether the type of check where the taxi -- whether -- either one of the systems would have caught and flagged the person.

[11:26:54 PM]

And so far they haven't found that. But, you know, these investigations are pretty comprehensible, they take a while. So my commitment is that in all these cases that we will always -- moving forward, no matter what decision you make because, you know, decisions, whatever decision you take, the policy can change over the years based upon as we continue further into this type of platform, that that's one of the things I want my -- keep my people -- I want them to make that part of the determination for either system, whether you use one, the other or both.

>> Tovo: I think that would be helpful to know once you've determined in those seven cases whether the background check would have flagged those individuals. That would be helpful to know it. But it does -- I think I'm right in summarizing your comment to say that that -- at this point we don't know.

>> We can't rule it out one way or the other some.

>> Tovo: I'm sorry.

>> So far we haven't found any case where the background, either one would have -- has played into it but I'm not going to say a hundred percent until we're done with the investigation. It is something I want my people to keep an eye on in all these cases.

>> Tovo: Thank you.

>> Mayor Adler: Ms. Houston and then mistake.

>> Houston: Mayor, I'm going to depend on if you I've asked this question before, please stop me. Chief, thank you for being here so long. Do we perform fingerprint background checks on pedicab drivers?

>> I don't know. You'd have to ask.

>> Houston: Does anybody know.

>> Gordon Derr again, all of our vehicles for hire, currently limousines, taxis, pedicabs, all require the same process which includes background fingerprints.

>> Houston: If we require fingerprint background checks for pedicab drivers, then I think by inference, my feeling is that we -- anybody that moves people from place to place for hire, it should be across the board.

[11:29:04 PM]

Otherwise we're saying that if we don't require it for one we just disregard it for everybody. Is that what we're saying?

[Applause] I really am asking the question. Is that what we're saying? That we require them for chauffeurs, taxis, pedicab drivers on bicycles, for god's sake, and yet you're saying that other people who drive, not y'all personally, but other people who move people from place to place for hire, oh, okay, well, it doesn't matter? I think we need to be consistent as a city. And anybody that is paid to move people from place to place ought to have the same kind of requirements.

>> That's right.

>> Councilmember, I think that is the policy question that you're debating now. I can tell you that it is true that all ground transportation are required to have the background checks that we're contemplating here. But that is not currently required of tncs.

>> Mayor Adler: Thank you. Ms. Kitchen.

>> Kitchen: I have a question for our chief. Thank you for being here. I just want to make sure I understood a few things. So, you know, we've had a lot of testimony about fingerprints, and I want to read you a quote and see if you agree with it because I think you said did you, but I'm not certain. And this is -- comes from Mike Lesco, deputy assistant director of the Texas department of public safety in charge of the crime records services. You may know him. But he testified to us that fingerprint-based background checks are considered a best practice, law enforcement tool, to tie the person checked to the person driving. Do you agree with that statement?

>> Yes.

>> Kitchen: Okay and my other question that I wanted to clarify to make sure I heard what you said, is I think I heard you say that if you had to choose, you would choose the risk of DUI over the risk of sexual assault.

[11:31:19 PM]

>> No, that's not what I said.

>> Kitchen: Okay. Let me tell you what I heard you say. Again, you can clarify and I apologize if I heard you wrong. The question was asked whether you would choose -- whether we were better off with tncs or without tncs, in terms of the risk to the public of Saul the various kinds of risk. And the reason I jump to that conclusion and apparently I may be wrong, was that -- you would -- I mean, I would think in terms of -- if -- you know, if someone -- if a woman is getting into a car and there is some risk, whether that person is fingerprinted or not, there is some risk of assault. You would not say? You would not agree there's some risk?

>> Yes, absolutely.

>> Kitchen: So we've got multiple risks. We've got risk getting into a car. We've got risk not getting into a car. As you described. We have risk driving while under intoxicated. So we've a lot of risk here. And it's -- it's a policy judgment to -- to weigh those risks, and I really appreciate and value your expertise as a public safety official, but you would not agree that -- that weighing all these risks is a policy is really what's making this hard for us, as well as the fact that we're trying to find a solution where we're not weighing risk. I don't want to be in a position where I am choosing someone's risk of sexual assault over their risk of DUI, over their risk of not getting a ride home. So I think I heard you give us your policy opinion, and that's fine. If you'd like to do that. But I just think it's a policy decision, the weighing of the risk, as opposed to a public safety statement, particularly since you -- as you mentioned you're working with anecdotal evidence and not -- not -- not evidence that's based on particular studies or data or anything like that.

[11:33:44 PM]

So. . .

>> Mayor Adler: Okay.

>> Kitchen: So did I hear you -- so are you saying that I didn't hear you correctly? So I didn't hear you correctly?

>> You know what? You just explained to me I'm negative on policy. I didn't ask to weigh in on the policy. I'm just answering the questions as posed by my political leadership to the best of my ability.

[Applause]

>> Kitchen: Okay. But I want to make sure -- I want to make sure -- so you're not saying that this council should choose the risk of one kind of terrible outcome against another kind of terrible outcome? In other words, you're not saying that you would choose -- you would choose the risk of DUI over the risk of sexual assault? Is that what you were saying you would choose or did I hear you wrong?

>> I was asked -- the question was asked -- was posed by somebody up here that, do we want to lose tncs, and my response was no. And I would choose having a policy decision that would protect all of our vulnerable populations. And I've also said that best case scenario for us, in terms of background -- here's a misnomer. We keep calling fingerprints background checks and everything else we're acting like that's not a background check. That's totally not true. They're both approaches have some strengths, and they both have weaknesses. My testimony has been that ultimately both would be a best practice. Now, if somehow the hypothetical is given, we lose 10,000 safe rides for our citizens, my response still will be that I'd rather keep those 10,000 rides because I know, as a police chief, that we have people that are being victimized in this city, both sexual assault, robbery and physical assault because they don't have an opportunity to quickly get into a Uber or a taxi, both that have been vetted to some level, and a reasonable level, and they're stuck in a downtown area late at night, vulnerable.

[11:35:45 PM]

And that includes people that are being sexually assaulted and are being robbed. So I'm not going to make that decision. That's your policy decision.

>> Kitchen: Well, but -- we're -- I'm going to let this go but I just wanted to clarify. Those are risks that we agree with but there's also a risk when you get in a car and you haven't done everything you possibly can from a public safety perspective.

>> Correct. I agree.

>> Mayor Adler: Okay. Ms. Gallo.

>> Gallo: Thank you so much for being here and we're keeping you longer and longer away from your dinner.

>> Yeah.

>> Gallo: It's going to be breakfast before you know it.

>> You'll be hearing from my wife in the morning and I need a note from the mayor so she knows I'm here.

>> She's meaner than everybody in this room put together. Trust me.

>> Gallo: I don't believe that. I don't believe that. I think we have a real opportunity -- part of our struggle and our discussion has been the benefits of a background check that include fingerprinting.

>> Yeah.

>> Gallo: My guess is that your police department employees are probably -- probably go through a background check.

>> Yes.

>> Gallo: Could you share with us what it is they go through and why the decision was made to take them through that process?

>> Well, their background check absolutely is much more comprehensive than any background check that -- completely total purpose. We look at -- many -- we do fingerprints, just like we do with taxi drivers, and we utilize a federated system of data. Depositories of data. What we find is that either one - - neither one of them is perfect, but we put them together, you get a much better result. The other thing we do okay, we do a lot of in-person investigation, where we go to residences and places of employment. So it's much more comprehensive. We put about 40 hours of investigative effort into every background of every one of our police officers.

[11:37:50 PM]

>> Gallo: Thank you. But it does include fingerprinting.

>> Yes, ma'am.

>> Gallo: Okay, thank you.

>> Zimmerman: Thank you, Mr. Mayor. I have a quick question. My chief of staff is headed down here wabash cue sandwich for you.

>> Really.

>> Zimmerman: Seriously. By the time we get done he'll probably be down here with something to eat.

>> That's really sweet of you.

>> Mayor Adler: Does he have enough for everyone?

>> Zimmerman: Just for the chief. Sorry. Just for the chief. Quick question. I'm a little concerned about what we heard from safe place, advocate about some of the sexual assaults that have been, I think, listed as proof that the Uber and Lyft background checks are not good enough because we have reported crimes. So help me understand how these cannot be immediately reported? I mean, sexual assault is an incredibly serious crime, and then I guess the evidence of that also, right, needs to be collected very quickly. And so if somebody says I was sexually assaulted and they report that, you know, a week or so later, it puts us in a terrible position, right? To try to investigate it and solve it because some of the evidence may be gone and we -- we're in an awkward position. You know, this is a very, very serious crime. Why wasn't it reported sooner. If it's not reported very quickly, how can we even investigate it carefully?

>> Well, first of all, my heart goes out to every single woman and child and man that's ever been assaulted by a predator. It is one of the most underreported crimes in society, and I can just tell you that I'm not gonna ever second guess a victim because it -- because after experiencing one of the most traumatic events that somebody can experience, it took them time to gather their thoughts and to have the courage to step forward, and I just hope that anybody that is a victim will know this police department stands with them, believes them, and really wants them to step forward.

[11:40:00 PM]

Having said that, like any other crime, the longer that -- time that elapses from the commission of that crime, regardless of the crime and the time that law enforcement receives the report and starts investigating it, it is -- it impacts our ability to successfully investigate. Is it impossible? No. But I encourage any victim of any crime to step forward. One of the things that safe place talked about is the fact that we join together to create a safe place for women to be able to come to their facilities, still sitting at a hospital with strangers and people around shortly after they have been victimized and victimized a second time by being placed in a public place like that instead of a safe place. So I would say that regardless of when it's reported, I don't care if it's a day, month, year, ten years, we're here to take the report and to investigate.

>> Mayor Adler: Chief, thank you. You have a sandwich over there. I think you're done.

>> Thank you. That's the first time I've ever had that happen. Thanks.

>> Mayor Adler: Thank you. Ms. Kitchen, did you want to call a resource witness.

>> Kitchen: I just wanted to get maybe the opportunity to speak. I thought it was appropriate if they wanted to say anything because there was a lot of speculation earlier about whether they could do this or that point I think they're the best able to so to speak to that. I don't know if they're still here. Yes, it's Jonathan. I'll just ask you one question, if you choose to speak to it. There's been a lot -- there was a lot of speculation earlier actually by your competitors, about whether or not you could scale or get up to speed. So I just wanted to give you an opportunity to speak to that if you want to. You don't have to. Since they were all speculating that you weren't going to be able to operate here.

[11:42:03 PM]

>> First of all, thank you, guys, for letting us come into the city with our -- adding the ridesharing portion.

>> Zimmerman: Sorry, could you get closer to the mic.

>> I'm not good at this. Just cameras. So basically thank you. I've spoken to you, met with some of new person, reached out to every single one of you, have tried to do everything I can to meet people. We're moving our headquarters here. Austin is vibrant. We wanted to launch here but our private investment group is in Dallas. So to your question, the other folks, which we really hope they say. We've made that publicly, tweeted that, said that on the news. The more competition, the more people, I mean, 5 million drivers in the on-demand economy and 10,000 are added every month. So they don't work for the other companies. They don't work for us. They're their own person. They can do favors, post mates, anybody out there from the on-demand economy. We encompass that in our apps. It's all right there. We want them to choose what they can do to make the most money in and out. From a scale-up perspective, if the question that was asked earlier about -- ah, I really don't want to open this up, but if this happens or if this happens, that's kind of an open-ended question because there's, I think, one of the competitors said there's 10,000 drivers on their platform. I'm not sure if the other one had -- how many there are, but they are their own independent contractors.

>> Mayor Adler: Stand closer.

>> Sorry, I walk around a lot. They're their own independent contractors. So we have a platform that they can come on very, very fast. We already have a plan in place to ramp that up. But we are really, really hoping that everybody stays. I mean, it would be a shame for us -- we don't understand how hard it's not to sit around a table with all the companies that are doing this to find the safest way.

[11:44:07 PM]

Because there's bad apples out there. We know that. But if we can put the most protections in place, and if we leave Randall that as ride -- leverage that as rideshare companies, we can lower the cost and could it all. Working with you, the city, they all elected. You guys are very smart, great people and we love Austin and all that good stuff. I mean, I think we have an opportunity, real opportunity here, as this on-demand economy, which we love Uber that paved the way for this, rideshare perspective, lift came in later as well but, again, if we can all work together to make it as safe as possible for the citizens, for the drivers, for the people walking up and down the street, with everything -- we could lower the cost and combine all the fingerprinting, background check, the programs, everything that you're talking about, so we completely support your ordinance 100%.

>> Kitchen: Okay.

>> Mayor Adler: How long do you think it would take you to get to scale in this city? By scale, I mean, you know, roughly --

>> 10,000 drivers?

>> Mayor Adler: Yeah, 10,000.

>> So I'm moving up.

[Laughter] So how fast could we do that? We got through four cities in 84 days with five people. We've been in start-ups pretty much our whole career so we understand that you work 25 hours a day. But because this is so important to the city of Austin and us because we believe in safety because before we built the app, the idea of combination all these different services, it's a multipurpose app, if the city of Austin is scared about somebody pull out, which, again, we hope they don't do that and rest assured every one of those independent contractors have a place with us --

[11:46:12 PM]

>> Mayor Adler: Do you have a feel for how long it will take you to --

>> Speaker7: How many people can you line up with stations in locations with computers to help us get them on? Because the more you do that, we can cramping through that very fast. As you've heard everybody in here say -- I do fingerprinting in Houston, I did it in Dallas, I did it in Las Vegas so I get mine back in 24 hours.

>> Mayor Adler: How many --

>> In other words that on-boarding process --

>> Mayor Adler: What cities are you in now?

>> I'm sorry?

>> Mayor Adler: What cities are you in now?

>> We are in Dallas. We went -- we launched in Dallas on October 20. Went to Austin on October 1. Went to Houston October 15. And they were -- and that transition was a phenomenal transition because working with them amazing.

>> Mayor Adler: And it could be that you don't have a feel for this number, what the ramp time is but based on the experience? Houston there was 70 drivers waiting for us and we had over a thousand on in less than 50 days.

>> Mayor Adler: Okay.

>> So my point is that if two companies leave and these people are counting on this money to feed their family and you guys -- we can work together collaborative to put a program in place that talked them less than 48 hours to go through the process, we have a rigorous process already in place, you, being city council, support that, let's do it. I'll call my wife right now and tell her I can't make the plane tomorrow at 5:45 and cancel Christmas to make sure that's -- that's how committed I am to come down here.

>> Mayor Adler: If they stay in the market how long do you think it will take you to ramp up, to get to 10,000 drivers? It might be an answer you don't know the answer.

>> Yeah, I don't know the answer. If you said I'll give you a hundred people with this many locations to help out, if you said you gave me zero there would be two different answers. Does that make sense?

>> Mayor Adler: What if you did it on your own in this market.

>> If we did it on our own in marketplace?

[11:48:18 PM]

We can probably get -- that's a tough one to answer. But I'll go ahead and say between one and 3,000 in the first six weeks.

>> Mayor Adler: Okay. Thank you. Mr. Zimmerman.

>> Zimmerman: Thank you.

>> That's conservative.

>> Zimmerman: By the way, thank you.

>> Mayor Adler: That's conservative? You said that's conservative?

>> A company like us, having an opportunity, which we don't want to have to have because we want Uber and Lyft, want them to stay.

>> Mayor Adler: I'm assuming coming into the market with them here, do you think you could get up to that 3,000 in six weeks?

>> If you guys put into ordinance what we support and they don't do anything and then leave --

>> Mayor Adler: No, no. If they stay, if you came -- you're coming into this market new.

>> Right.

>> Mayor Adler: If everybody stays, nobody leaves.

>> Okay.

>> Mayor Adler: Everybody stays. You have an app, great concept, we want you to be successful, we want lots of tncs to be successful.

>> Absolutely.

>> Mayor Adler: You came into our market, do you think you could get to 3,000 people in six weeks?

>> That would be a guesstimate.

>> Mayor Adler: Okay. No that would be your guesstimate?

>> That would be my guesstimate. Again, I'm not saying this right or wrong but we were able to put over a thousand drivers on in 50 days with two people in Houston.

>> Mayor Adler: Got it. Mr. Zimmerman.

>> Zimmerman: Thank you. By the way, thank you for coming by our local district 6 office. We really enjoyed that visit.

>> Thank you for taking our phone call and setting up a meeting.

>> Zimmerman: You bet. I'm a free market guy. Love competition. I have one quick question and hopefully you can answer it in a minute or two. How did you manage to get the legal authorization to be a new tnc company here in Austin?

>> How did we get the legal authorization?

>> Zimmerman: Because I guess you're legally --

>> I believe it was through the city's legal department.

>> Zimmerman: Whenwell, I'm a councilmember and I don't know. How did you do it?

>> Went over and met -- to back up a little bit --

[11:50:21 PM]

>> Kitchen: I think that's a question for our staff, for our transportation department staff.

>> Zimmerman: I'd like to ask the entrepreneur his personal experience.

>> So I think we have a pilot program and we had Uber and Lyft in at some point and a third entity came in fairly recently.

>> Yes, that's correct. Based on the advice we received, we formed an agreement with the third company just like we did with the first two, councilmember.

>> Zimmerman: Could you be a little more specific? Because I've heard that there are other companies that were trying to get access and they got absolutely nowhere, but --

>> One of them was us initially. We were with the wrong department. The other two left so. . .

>> Mayor Adler: But in any event, let's keep the debate going here on the issues we have. Any further questions for -- thank you, sir.

>> Zimmerman: Thanks.

>> You guys done?

>> Mayor Adler: Thank you. There was another resource witness. Did you want to have

[indiscernible] Come up or is that just available, Mr. Zimmerman, in case we needed?

>> Zimmerman: Well --

>> Mayor Adler: Because at this point I think we have gone through the people who are identified to speak publicly. Do you want to -- does anybody want to call resource or staff witness?

>> Zimmerman: I have one quick question for him, if we could, very quick.

>> Mayor Adler: Yeah. Okay.

>> Josia, we're a nonprofit research organization that works on a number of issues, including the sharing economy, privacy and also criminal justice.

>> Zimmerman: I think the question we had was on the security of fingerprints in this kind of crazy time we're in right now. Did you have -- you gave your fingerprints up was it for a background check? Tell us what happened with that.

>> Well, I went through a FBI background check about ten years ago when I was applying to work at the U.S. Attorney's office.

[11:52:32 PM]

And a couple months ago I deposit a letter from -- I got a letter from the office of personnel management saying my information had been stolen by the Chinese along with millions of other people. It wasn't just me. The retention policies of course are different for people who undergo that sort of -- you know, who are, like, U.S. Attorney hires or whatnot but there is always a risk of a data breach. Of course, you know, as has been mentioned before, the FBI database is a fundamentally an arrest-based database. That's when the fingerprinting is typically -- occurs and I think it's about one half of all the records that the FBI has in that database lack a final disposition, you know, they don't say what the outcome of the case was. And 30% of arrests don't result in convictions, so that's a significant break between what might be in the database and what people are actually convicted of.

>> Zimmerman: Okay. So my point is one of the things that hasn't been mentioned of why people could be reluctant to give up their biometric identifiers is because they might be stolen. If your biometric identifiers like your fingerprints are stolen, what's to stop them from if they go to the Chinese, they could be transferred by some criminal organization, they could end up in the middle east? Why not, right? I mean, there's no way to control this data once you provide that electronic fingerprint data and it gets stolen, you lost control of it.

>> The fingerprint system is all digital now. I don't know what the Chinese intend to do with my fingerprints, but they have them.

[Laughter]

>> Zimmerman: It's up to them what they do with them. Not you, anymore.

>> Mayor Adler: They're going to come to Austin and drive.

[Laughter]

[11:54:33 PM]

Do we have anymore questions?

>> Speaker2: Yes, I do.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: So there's been a lot of talk about Houston tonight and kind of using that city as a best practice, even though, you know, the other 300 or so cities in the U.S. That have tncs operating in them don't have fingerprinting and, I guess, we've made the decision that those cities aren't to be used as best practices. But our street -- did y'all do a report on kind of comparing different cities' regulations?

>> Yes. In fact we do a yearly report that looks at vehicle for hire regulation in the top 50 cities in America, and this year's report came out today.

>> Troxclair: Oh.

>> Coincidentally.

>> Troxclair: Can you tell me what grade Austin got on your report?

>> Austin on tnc regulation currently has an a grade.

>> Troxclair: Okay, great.

[Cheers & applause]

>> Troxclair: And can you tell me what grade the city of Houston, which has been used as a best practice here tonight, what grade did they get?

>> On tnc regulation, they have a D plus.

>> Ooh.

[Applause]

>> Oh, my gosh.

>> Mayor Adler: All right. Any further questions of this witness? Thank you very much.

[Applause] That gets us back to the dais.

>> I'm sorry, what?

>> Mayor Adler: That gets us back to the dais.

>> Casar: I had --

>> Kitchen: I had -- I think I laid it out and moved and seconded so I guess we're open for discussion then.

>> Mayor Adler: I have a question, Ms. Kitchen. I want to see if I understand the language and the text.

>> Kitchen: Okay.

>> Mayor Adler: There was originally a draft of this at some point in the process that, by the terms of the draft ordinance, would have required a tnc company to use fingerprinting as part of the background check, and in the absence of doing that, or the failure to do that it, the repercussion was that the operating permit or license would be suspended.

[11:57:08 PM]

Such that a company, if it was staying here, needed to agree and needed to do that or they couldn't operate. And I came to you and I said that I wasn't prepared to agree to that yet, that I shared the desire for the community to get to a place where drivers were fingerprinted, that I wanted to avoid, if we could, the self-imposed drinkmanship associate -- Brinkman ship associated with adopting something that Uber and Lyft had indicated that if it were adopted they would leave. We don't know whether they would in fact leave or not but there was a risk associated with that. I would hope in that situation they wouldn't leave. That would be their choice. But I also recognize that there's some risk, I felt, for me, as a councilmember, voting for that, that if that was the outcome of my vote, then it was something, then, that I had to assume responsibility for to some degree to my constituents. So I asked if there was a way for us not to get to the place where we would get to what the ramification or repercussion would be of somebody not -- a tnc not agreeing to

[indiscernible], suggesting that instead we take some time, little time, between now and the end of January, to see if we could come up with -- well, to see what we would come up with if we looked at the full spectrum of penalties associated for some tnc that didn't comply with the goal that we had as well as coming up with incentives.

[11:59:18 PM]

I'm more convinced now than I was at the beginning of the hearing that our ability to be able to, as a community, get our drivers to -- I think our drivers are predosed to doing that and it might be a way if we can encourage or get to that result, we might be able to avoid, my perspective, that moment of

brinkmanship. Some would say that it, you know, puts off that decision for four, five weeks, and I don't disagree with that. It would get us closer to the time to see what other tncs might be able to do coming into the market. We went back through the language that we had. You and I in looking at that language reaffirmed the goal that we both have to get our drivers fingerprinted. It also provided that in our city we set a goal or a time line that we wanted to be able to ramp up to ever greater percentages of driver hours or driver miles being driven by folks with fingerprinting. Leaves what the ramification or the penalty or the whatever it would be, as well as the incentives to be decided in the future. For me it was a way, as we've talked about on the dais here, not to have to choose at this point to choose between one safety hazard and another safety hazard and it also did not put me in a position where I was voting for something where you've been and Lyft, the current taxicabs in a market had indicated would cause them to leave.

[12:01:36 AM]

And I think that the language that you have presented here and offered here achieves the result you described. Is that true?

>> Kitchen: What this language does -- and let me first say that, yes, the original version that we posted a week ago did have a February 1 date by which all tncs were required to have fingerprints. That has been removed. The original ordinance -- proposed ordinance also contemplated that it would take some time to work towards a goal of fingerprinting for all drivers. So this ordinance keeps that framework and adds some more clarity to it. So what this ordinance does, it sets benchmarks that work towards a goal of fingerprinting for all drivers and penalties for not reaching those goals. It does not set what those consequences, as you said, might be. It defers the discussion about what those consequences might be until January. It also sets up a system which I think is perhaps the more exciting part of the system, and that is to put in place some strong incentives for drivers along the lines of what we've talked about. For example, the example that a gave around geofencing and festivals and some incentives for drivers to be fingerprinted. So the framework envisions strong safety incentives for companies for drivers and passengers. For drivers to become fingerprinted. So that is the -- with regard to fingerprints, those are the main -- that's -- you know, that's sort of the guts of the approach.

[12:03:47 AM]

It establishes our goal. It sets -- getting towards all drivers being fingerprinted. It sets benchmarks for that, says there will be penalties. It doesn't say what those are. It says we'll address those in January and makes the statement that we really want to work with all tncs that will work with us towards incentives and best practices. So I think that's what it does right now. I would say that, from my perspective -- and

this may be something that we view perhaps a little differently, but from my perspective, it's not a matter of basing our decision on the risk of a company leaving, particularly in an environment when that company will not tell us what they would need in order to stay. They won't tell us how they could work with us on fingerprints. But be that as it may, I think our responsibility is public safety. But be that as it may, I do think it's a responsible approach to set up a system of benchmarks and then to work with our community on a set of incentives that will get us there.

>> Mayor Adler: Then just to clarify, because there are some things that we agree on and a lot of things - most things, I think, but some things that we give different weight to. The threat or the possibility, rather, that Uber or Lyft, our existing tnc infrastructure, would leave, that possibility may weigh more heavily on me than it does on you with respect to the decisions that are made. And I link that to passing an ordinance that would have as one of its existing elements the sanction that if a tnc did not participate in this program, that they would not be able to operate.

[12:05:56 AM]

>> Kitchen: Mm-hmm.

>> Mayor Adler: I recognize that that concern is one I give greater to than you do. As far as moving this measure forward and the consideration of whether to vote to adopt this, my understanding is that -- that part of the compromise or the discussion that you and I had is that you were -- we set up language that would allow me to vote for that, given my concern that I know you didn't share, because I can properly say that I voted for this without doing that.

>> Kitchen: Mm-hmm.

>> Mayor Adler: Pending the conversation that we would have in January. Is that accurate?

>> Kitchen: Yes, that's accurate. This sets up a framework, like I said before, that sets benchmarks that moves us toward that goal of fingerprinting and the -- states that there will be penalties but does not state what those are. That's a later discussion.

>> Mayor Adler: Okay. Thank you. Further discussion on the dais? Ms. Tovo.

>> Tovo: I indicated before that I had some questions, and I still do, and would like to go through them. I guess I would say in terms of -- I appreciate the dialogue that's gone on. Clearly, this is a really challenging issue. None of us want to see our transportation network companies leave town and we all want to assure public safety. And I believe the discussion where -- we've been having is challenging, but I think the -- as I said earlier, I believe the mobility committee's original recommendations are more closely aligned with what the research would suggest is a best practice, in terms of a criminal background check. As I look at the ordinance that has -- for quarter there's a motion and a second -- for

which there's a motion and a second it, seems like there are a couple very significant changes. One is -- one is that the timetable now appears to be one year and it reaches 99% versus 100% but we're also no longer measuring the number of drivers.

[12:08:01 AM]

We're looking at the percentage of hours and miles. And I would suggest and will, maybe right now, move that we, one, move up that time frame from 13 -- in 132527 -- that we change that time frame so that three and four drop off in B and one and two become 50% compliance by may 1 and 100% compliance by August 1. I'm also going to suggest that we remove the sentence above that that talks about benchmarks being calculated as the percentage of hours or miles driven by compliant drivers of the total miles and hours or hours -- I got that backwards, total miles or hours driven by other drivers for the tnc during the benchmark time period. I'd certainly like to hear why the shift from the number of drivers to the number of miles and hours, but it seems to me that it's gonna be wildly complicated given what we've heard from many of the speakers or several of the speakers here today and in other discussions about the fact that some drivers may be full-time drivers some may be part-time. If 78% of Lyft's drivers drive 15 hours or fewer then we're going to have quite a few drivers who will not be fingerprinted, necessarily, if we're only looking at the miles and hours. And if you leave your app on for 24 hours but aren't actually driving I think that could also skew the Numbers. I guess based on what we've heard as the business model for both Uber and Lyft, I believe we should talk about a percentage of drivers versus a percentage of miles and hours. So my first amendment would be -- I can take these up together or separate but I would change those percentage as I've indicated, remove the miles and hours, and then in a bit I'd like to talk about the inspection section, which, as I understand the change here, the original inspection -- original ordinance talked about the points of the inspection.

[12:10:06 AM]

This ordinance says that it should be equivalent inspections but we'll kind of figure it out later. So, again, I feel like we're at a point to make some decisions on these issues and I was very comfortable with the mobility committee's original recommendations, and I -- the amendments that I've just laid out I think bring us a little closer back. So that's what I propose.

>> Mayor Adler: Okay map was the first amendment that you wanted to make?

>> Tovo: Okay. 132527.

>> Mayor Adler: Okay.

>> Tovo: On page 8 of 15. Under B. I would remove the sentence beginning "Benchmarks are calculated as a percentage of hours or miles driven by compliant drivers of the total hours or miles" continuing on through that sentence. And then I would change the 25% in one to 50, the 50% in two to 100, and then drop off three and four. So this is a little bit more equivalent to what Houston did --

>> Mayor Adler: Just so I make sure.

>> Tovo: Yeah.

>> Mayor Adler: I'm not sure I'm following. Hang on. You're proposing to drop the sentence, complete sentence that begins "Benchmarks.

-- It could go straight to tncs failed to meet the benchmarks shall be subject to penalties and you're changing the percentages in one to 50 and number 2 to 100.

>> Tovo: Correct. Again, I think that's closer to what Houston did.

>> Mayor Adler: Is there a second to that change? Ms. Pool seconds that. Is there a discussion?

>> Tovo: Mayor, I would offer, again, I think this is closer to what Houston did in terms of allowing the companies some time to do that but if we agree that fingerprints are a good tool to have, to measure the background -- to consider the background of the folks who are going to be driving, then I think we ought to move toward getting all those drivers through that more thorough analysis sooner rather than later.

[12:12:19 AM]

>> Mayor Adler: Okay. Ms. Garza?

>> Garza: I'm going to support those amendments and, you know, after the discussion today I feel like we can -- this -- and I am concerned about the process that brought the different iterations. I too was supportive of what came from the mobility committee. But I believe these amendments to be another good-faith attempt by the people on this council to try to address all of the issues that we've heard from the tncs. And now, after all the comment that's been had, it seems like it's pretty clear that we can either continue this dance or we can, you know, just pull the band-aid off at once. And, I mean, I'm even -- and the comments that were made were we can't -- we can't -- you know, we don't know what 50% of our drivers are at this very moment because it changes. And I understand that. So I could see where that's not even doable for them, and I understand that. So, I mean, I would even move to say just 100% compliant by August 1 and one of the tncs has already said it doesn't matter what you do, physics you require any level of fingerprinting we're gone. That's already been made clear, and the other one seemed to say pretty much the same statement. So I would support just 100% by August 1, 2016.

>> Tovo: Mayor?

>> Mayor Adler: Ms. Tovo.

>> Tovo: I'd like to accept that -- I think, that actually makes better sense. That really is more in line with what the mobility committee's original recommendation and more in line with what Houston did and creates less data collection.

>> Mayor Adler: Ms. Tovo would like to change her --

>> Tovo: If the second is fine with it, I would adopt that change that councilmember Garza said.

[12:14:23 AM]

>> Mayor Adler: It taking more than just a second once -- takes more than a second, once it's on the floor it has to be something that happens without objection. Does anybody have an objection to changing the amendment so that it just has one point and it's 100% by August 1? Does anybody object to that? Ms. Troxclair objects to that. So we'll stay with the amendment that we have until there's a vote on it. I'm going to vote against amendments that do that. Part of the structure here, I think, is designed to try to get us to the place that we want to get to without having to play the brinkmanship and, again, I'm concerned, as I explained earlier, that the ramification of our decisions can't be ignored. They -- if -- I guess, if you believe that, if Uber and Lyft are going to stay, then it's easy. If you think that Uber and Lyft are going to leave but you think that another tnc will be able to come in and scale in that period of time, then I guess it's okay. Or if you don't think that having a tnc system to scale is okay, then that would be a reason to vote for these. I don't believe any of those. And I think that if we can incentivize the market and work with the drivers and we saw how many people in this room are already fingerprinted, we will reach a tipping point because the drivers who are fingerprinted are going to be the ones that get asked to give all the rides. And the customers faced with a sufficient pool of drivers that provide fingerprints will pick drivers that have fingerprints. And I think the scale-up system that we have here is one that is designed to let the market forces and our creativity get us to a good place and I'm concerned if we do something like this we'll never know whether we could have done that because we will have guessed wrong on one of those four options.

[12:16:34 AM]

So I'll be voting against the amendment, and I would vote against a hundred percent by August as well. Ms. Kitchen.

>> Kitchen: From my perspective, I think this amendment stays with the framework that this -- that this proposal puts out there. It's within that framework and in some ways it's actually -- in in some ways it's actually provided more flexibility for us to work with the tncs because it doesn't have that first benchmark. It has the second benchmark. Now, it does move it back from a year to six months, but it doesn't -- it doesn't put that may 1 benchmark. So that actually allows for greater flexibility in in terms of the application of the incentives and it keeps -- I mean, it doesn't change anything about incentives. It also doesn't change anything about kicking -- yeah, anything about -- you know, about -- it keeps the language about establishing by separate ordinance. It keeps our opportunity to discuss in January what might happen if we don't reach the goals. So -- so because of that, I made a commitment to -- and I believe in this framework, but I think this keeps us within this framework so I'm going to go ahead and support the amendment.

>> Mayor Adler: Any further discussion on the amendment? Ms. Gallo.

>> Gallo: I want to first say thank you to all the drivers that are sitting here tonight, both the taxi drivers and tnc drivers because you have been with us through this long, long night into discussion, and I know you're not making any money when you're not driving your cars. So I just want to say thank you for taking the interest and being invested in part of this process.

[12:18:41 AM]

I'm not going to vote for this amendment either because the -- the part of what councilmember kitchen and the mayor have produced in the document that we're looking at does a lot of things that I think are really positive and really creative. The first thing is that it allows the companies that are here currently the time to be able to work through the process with us. And I think that a year is an appropriate amount of time for that process to work. I'm really excited to have heard tonight that Uber actually operates in Houston, under regulations that include fingerprinting and actually are even more strict because I believe I heard that there's a drug test and also a physical test that's included in theirs that's not in ours. So I hope -- I really hope that Uber will give Austin's concerns about our public safety the same respect that they've given Houston's concerns and that they will continue to work with us. And I certainly hope that Lyft would do that also. But I do think it's important to give those two companies the time. I'm really excited about the incentives that we're addressing that we will address this next month because I think as we reward good behavior and compliant behavior with the regulations that the other transportation companies have to comply with now, I think it's better to do that with incentives. And I think that that process in itself will be very creative and I think it will be something that we will see more and more compliance with the requirements that we're looking at right now. So I am fully supporting of the original ordinance that came out that we're looking at, but I'm unfortunately going to not vote for the amendment because I'm a little concerned with the time constraints in it.

>> Mayor Adler: Further discussion on the mayor pro tem's amendment?

[12:20:42 AM]

>> Casar: I think I have a question for the makers of the amendment and supporters of it. For me, it's hard for me to judge -- looking at the time line, it seems sort of like a strawman for now since we have not decided upon the penalties and incentives. So it's hard for me to know whether the time line is too aggressive or slow because I don't want to say putting the cart before the horse because I know that's touchy on this subject.

[Laughter] But for everyone. But, you know, what I mean? Puts the buggy somewhere where -- something about that. So I'm just having trouble knowing how to vote on setting up time lines when I don't know what the time line is for. So I just would ask, perhaps, that we -- at least leave consideration open for the time line as we talk about the penalties and incentives because that seems logical to me. And that's -- it just -- it's just hard for me to know how to vote on this. If I could have clarity as to why this time line makes folks feel more comfortable, I could be inclined to vote for it.

>> Mayor Adler: Ms. Kitchen and then Mr. Zimmerman.

>> Kitchen: I'll say and then let the maker of the motion, mayor pro tem, speak to it. But, you know, it's a judgment call on -- I think, the basic framework is we've got a goal that we're working towards and it's how much time is a reasonable amount of time is really the question. And we're operating a lot of unknowns that we're just not going to know. We don't know if the -- if Uber and Lyft will stay or not because they're -- they don't tell us. And we know there's a ramp-up time required. So that's what I would say. I'm sure that mayor pro tem has some thoughts on why she thinks six months is more appropriate, and I'll let her speak to that.

[12:22:48 AM]

>> Mayor Adler: Mayor pro tem, do you want to respond.

>> Tovo: I'd be glad to. So the recommendation as it came to us from the mobility commission talked about the six-month transition period and the ways in which the city would work with the transportation network companies to make sure that those drivers were able to move through the requirements and so that -- I assume that was based on -- and certainly all of the testimony we heard testimony about processes and how long it takes and how long it takes to get fingerprinted suggests that that is an extremely reasonable time frame of six months. You know, it is true that we have no penalties. Again, those were taken out and we're passing an ordinance with consequences that haven't been outlined, which concerns me a bit, but, again, with regard to this change, I think that we've heard a lot

of testimony about why fingerprints are important and if they're important to do in a year, I would say we ought to do it in six months. We ought to go back to that original recommendation and, again, looking at Houston, they had a four-month ramp-up period so I believe if they can do it in four months we can certainly get people through the process in six.

>> Mayor Adler: Mr. Zimmerman and then we can come back to -- Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. So I'd like to directly answer councilmember Casar's question. To answer my colleague and maybe others, based on a couple of decades of experience in politics, if you do not know, then you should vote no.

[Laughter]

[Applause]

>> Casar: I'd like to make a suggestion that I could be supportive so long as we could revisit a time line while we're debating the penalties and incentives in January. I think that would make me feel more comfortable, just knowing that we're placing the mobility committee's recommendation of six months in.

[12:24:55 AM]

But that we're open to taking a look at it as we figure out where the appropriate vote is on -- where the appropriate decision is on the seemingly to me more important question. But. . .

>> Mayor Adler: Ms. Garza.

>> Garza: And I guess I'll just reiterate what I said earlier, in that they've made it clear -- they've made it clear that they're gonna -- they've said we do not operate in jurisdictions that fingerprint. So I don't understand why we're prolonging something when this could be -- we could take a vote and it could be over and we can see what happens. Do they leave?

[Applause] Do they leave? Do -- does the other tnc, is it able to ramp up? And I want to comment, the mayor made -- said, you know, if you like this, this, this, and this, I can see why you vote this way. I don't like any of those either but for me, like I said, I really appreciate the strong leadership that Houston had and put their foot down, and that's what matters most to me. As a former firefighter public safety matters most to me. I'm not going to be bullied.

[Applause]

>> Mayor Adler: Any further discussion? Ms. Troxclair.

>> Troxclair: I just want to point out that San Antonio, the more relevant city to our discussion today, not only is it closer but they just went through this same discussion.

[Applause] They, quote-unquote, put their foot down too. And both Lyft and Uber left the city. So if public safety is important to you, then I would suggest that you listen to the advice of our sheriff and our police chief, who are telling us that we should not make a decision that would cause us to lose safe rides home via tncs.

[12:27:03 AM]

[Cheers & applause]

>> Mayor Adler: Any further discussion? Ms. Garza.

>> Garza: I have to reply that San Antonio caved to political pressure and that's why they have voluntary. It wasn't.

>> Troxclair: It wasn't political pressure. It was an outcry from the public who was so us that they didn't have the option.

[Cheers & applause]

>> Mayor Adler: Hey, hey. So before us we have the amendment from the mayor pro tem to strike the sentence and to take out one, two, three -- take out two, three, four, take out one, three and four and make two number 1 and make it 100%. Is there any further discussion?

>> Tovo: Just to be clear, mayor, I wish that were the amendment we had before us but I believe there was an objection to councilmember troxclair to making number 1 so it's 25.

>> Mayor Adler: You're right.

>> Tovo: It's 50 and 100 and maybe we can come back to it and change it.

>> Mayor Adler: It says 50 and 100. It's been moved and seconded. Those in favor please raise your hand. Tovo, pool, Garza, kitchen. Those opposed? One, two, three, four, five, six. Is there an abstention? Are you -- how are you voting? Abstaining? Abstaining. So the vote is -- what was it? 4-6-1. It does is not pass. Is there another amendment? Mr. Zimmerman.

>> Zimmerman: Mr. Mayor, thank you. I prepared a list. We went through the document --

>> Mayor Adler: By the way, I didn't say who was on that vote, and I've been asked to do that.

>> Zimmerman: Okay.

>> Mayor Adler: Those were in favor please raise your hand again. It was mayor pro tem, pool, Garza, kitchen.

[12:29:05 AM]

The others voted no, with exception of Houston, who voted to abstain. Next item. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I want to be recognized for a set of amendments. I have a second on it but maybe I don't have a third.

>> Mayor Adler: Okay.

>> Zimmerman: If we can put that up, the backside of it. We prepared eight amendments. I'll go through them very quickly. The first amendment just in principle, it struck the fingerprint background check and goes back to what we had on the original tnc ordinance. So that's the first one. We strike the fingerprints. The second one would strike the inspections and driver requirements. The third amendment to strike data reporting requirements. The fourth amendment to modify the fees so the annual fee would be \$1 per year. The fifth amendment would strike accessible vehicle service. The sixth amendment to strike a vehicle used as tnc vehicles has unpaid taxes assessed may not operate on city streets, strike that. The seventh, to strike parts under application. And the eighth would be to strike the termination of service. And is there a second to that?

>> Mayor Adler: Ms. Troxclair seconds these amendments. Is there any discussion? A vote? Those in favor of the eight amendments please raise your hand. Zimmerman and troxclair. Those opposed please raise your hand.

[Applause] The balance of the dais. Excuse me. Continuing on.

>> Zimmerman: One other question, point of information.

>> Mayor Adler: Okay.

>> Zimmerman: So did we -- are we contemplating second and third reading or is there a process where we could consider second reading only? I'm just asking a point of inquiry here.

[12:31:06 AM]

>> Kitchen: My motion was for second and third.

>> Zimmerman: Second and third.

>> Kitchen: Mm-hmm.

>> Zimmerman: Okay.

>> Mayor Adler: Yes, Ms. Tovo.

>> Tovo: So I'd like to ask a question about the removal of the inspection requirements. I'm looking for the page. Ah. It is 132, 521, inspections, and it's section B -- I'm sorry, it it looks like our city attorney, if she wants to talk, I can hold off for a minute. Sorry.

>> [Off mic]

>> Mayor Adler: Yes.

>> Angela Rodriguez, city law department. I wanted to clarify a misunderstanding. This is the first reading of this ordinance. What y'all did before was pass a resolution.

>> Kitchen: Sorry. I said it wrong.

>> Yeah, it's come up a few times but I didn't -- now I think I need to say something. So, yes, ma'am.

>> Kitchen: I said second and third. My mistake. It's all free readings.

>> Mayor Adler: Thank you.

>> Thank you. That requires seven votes of the council.

>> Kitchen: Right.

>> Mayor Adler: Is that correct?

>> Kitchen: That's right.

>> Mayor Adler: Okay.

>> Kitchen: Did you want me to speak to your question or did you ask your question.

>> Tovo: I hadn't asked it yet. I'm happy to finish. So item B on 13-2, 521, inspections, B listed out the certification that tnc vehicle inspection should include certification of the following excitement listed about 20 items -- items and listed 20 items. From our earlier conversation about a year and a half ago, the same issue came up and, as I recall at that point, I believe these were recommendations from our staff. But, in any case, I'm wondering -- I'm wondering why these had been removed and replaced with instead the safety inspections will certify a list of items established by separate ordinance and shall be equitable as between tncs and other vehicles for hire.

[12:33:18 AM]

Just based on my memory of that, I thought these were items that are currently inspections for other vehicles of hire. Could you speak to go whether that is accurate and also why the removal and placing that in a different ordinance?

>> Kitchen: I'll speak to it, and then if the mayor, if you would like to add anything. I think this is one of the sections that there was a desire to have a little more time to address, which items. So what it does, is it keeps the language that there would be a list that would be equitable between tncs and other vehicles for hire. So it keeps the -- it keeps the concept, which we began with that -- when we looked at any of these items, including these inspections, that they be set in a way that's comparable -- actually not comparable, equitable, which generally means the same, as other vehicles for hire. And I think there was a desire to have a little more time to think about it.

>> Tovo: When the committee looked at it, did you look at the requirements for other vehicles of hire and how does this compare? I guess, maybe that's a question for transportation staff, how these compare. When you initially included it in the ordinance, was it -- did you have an opportunity as a committee to look at the requirements?

>> Kitchen: It was included based on the recommendation of our transportation department and it's -- it's not the area that I suggested taken out. So if the mayor would like to sew speak to this, that's fine.

>> Mayor Adler: Those were the areas I asked be taken out. I think the recommendations made by our transportation department went to what they thought was safest without regard to whether or not the tncs would leave or with a belief, as they indicated, that if they did leave, the tnc that's starting up that has five employees, which I desperately hope will come into our market, along with many others and be able to complete.

[12:35:31 AM]

Without a real basis indicated for their belief that they would be able to come in and compete, my sense from the transportation department was this was a best practice without regard to the -- from my perspective, the risk that the tncs that are here might leave. And since the purpose of what what I was looking for was to have something that I could vote on here that would not push us to that brink in a game of chicken at this point, pending additional discussions in January that this would be something that we could pick back up at that time or a future time but would not be part of it today.

>> Tovo: I guess I would like our transportation staff to weigh in on this, but as you all know, I mean, when the council took up the initial ordinance, it talked about all of these same issues. And it just -- I'm not sure how much is going to be gained. We've had our committee looking at this and making recommendations and they've looked at it over a period of months. It's just a curious thing to have an

ordinance that we're considering passing on three readings that leaves the penalties for a different phase, leaves the actual points of the -- says there must be an inspection but leaves the details for another phase. I mean, it sounds like the controversy is being delayed to other phases but we're going to have to have that conversation and there may still not be agreement with those -- with the relevant stakeholders. And that was one of the things we were depending on our mobility economics to make some recommendations on, and they did. So while I appreciate that we're all trying to accommodate -- we're trying to keep the tncs in Austin, if we're going to make changes to these ordinances, I think we just need to go ahead and make those changes. Anyway, I would ask Mr. Spillar, could you explain why the transportation staff recommended now and I believe the first time through that there be particular items articulated as part of that inspection?

[12:37:45 AM]

>> Councilmember, Robert Spillar, director of transportation. I can confirm these are the same 20 items we ask of other tncs -- not tncs but other vehicles for hire to have in their vehicles and it does go beyond the state requirements of a vehicle inspection. And that's what I can confirm for you.

>> Tovo: And, Mr. Spillar, I know Mr. Thomas is the one who spoke to this when the previous council was considering the ordinance. But do you know whether these were -- whether this recommendation has remained constant from the earlier discussion we had in 2014? I see Mr. Derr nodding his head.

>> Yes, councilmember, that is correct. You know, in seeking to have the same safety requirements with regards to the vehicle we've been consistent.

>> Mayor Adler: Before you leave, I have a question. Do you think that there is a detrimental impact on safety in in this community if we don't have tncs operating at scale in Austin?

>> You know, you're asking me to make a comprehensive sort of decision there, and so I happen to believe the tncs will stay here so --

>> Mayor Adler: I'm not asking -- well, the question that I asked said without tncs saying here so you can't answer the question by saying assuming tncs are going to stay here.

>> Right.

>> Mayor Adler: And you don't have to assume any of the comprehensive stuff. It's really a simple question that I asked.

>> Sure.

>> Mayor Adler: Do you think that the city would be less safe if tncs were not operating here?

>> Mr. Mayor, I'm sorry, you got me caught between a rock and a hard place. I believe tncs will continue to operate here in Austin.

>> Mayor Adler: Again, that wasn't my question to you. I'll try one more time.

[Laughter]

>> Mayor Adler: If you don't want to answer the question, just say you don't want to answer.

[12:39:47 AM]

>> I can't answer that question because I don't think tncs are going to leave. I think tncs are part of the market. We have currently agreements with five tncs.

>> Mayor Adler: You understand that was not the question.

>> I understand, sir.

>> Mayor Adler: I asked. If you can't answer the question as to whether or not this city would be more or less safe if tncs were not here, I'll accept that answer.

>> I don't know how to answer that. That's absolutely correct. I'm not trying to dodge the question. I simply don't know how to answer that question because I think tncs are part of the future here.

>> Mayor Adler: Right.

>> Troxclair: Mayor, I have a couple questions for staff as well.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I had a couple of questions for you as well. This isn't --

>> Certainly.

>> Troxclair: Just kind of collected my questions over the discussion. We had an exchange earlier where I said that the first time that I had seen a recommendation from our city staff regarding fingerprint -- regarding a mandatory fingerprinting requirement was last Friday. Did you get a chance to go back through the memo and confirm that that was accurate.

>> Councilmember, you were referring to two earlier memos, one in March and one in August that doctor you are correct, we do not say fingerprints in those two items. But I think you have to understand the context. Those reports -- the August report was a repeat of the March report, which was a result of a study that was done in 2014 when this previous council was contemplating a pilot. The previous council preempted our ability to give that report and actually activated a pilot before we completed our efforts

as part of the analysis. And so those early studies were the results of a stakeholder meeting where we were talking to riders, taxi drivers and tnc drivers. Throughout that process, we maintained that we should seek the safest and most thorough background checks that we could find within the industry.

[12:41:54 AM]

This fall, we were asked specifically to report back to council by this council, we were directed to report on what the state of the art was, and in the time intervening between the original work that we did here and that report back, of course Houston did do their work on background checks. We did have the opportunity to talk to safety professionals so that's why we came with the recommendation open what the state of the art would be. I don't think we ever suggested that fingerprinting would replace the background checks that the companies would do because the companies are still responsible for making those connections, and so I would think that the companies would still want to rely on their own background checks. What we were simply asking is that to drive in the city, that those drivers are, in addition, the fingerprinting.

>> Troxclair: So how long -- when was the resolution that you're referring to that the previous council passed, asking you to look at the best practices?

>> No, no, not the previous council. This council asked us to look at best practice this is fall.

>> Troxclair: No. I'm asking you, when you began the --

>> Our analysis?

>> Troxclair: The analysis that led to the report that was released in May and repeated in August.

>> March and August. It was actually in 2014, Sam Alexer was our key person on that discussion.

>> Troxclair: So like a year?

>> Yeah, it was back --

>> Troxclair: So you studied this issue for a year, year and a half, pretty extensively with stakeholder input and you developed a 15 -- an extensive report. I mean, it's 15 pages and it covers everything from insurance to the definition of tncs to accessibility to state legislation to geofence to go pilot versus permanent regulations. I mean, it is an extensive report that is titled "AtD staff recommendations" and that report was released in March and then repeated to the council in August.

[12:44:01 AM]

So a person, like myself or like any other member of the public, who was paying attention to this process and looking, paying close attention to the recommendations that our transportation staff is releasing, would have reasonably assumed, because nowhere in here is there any discussion of a mandatory fingerprint requirement, fingerprinting is not even mentioned, so a reasonable person would assume that that was not a part of the city staff's recommendation until last Friday, less than a week ago?

>> Councilmember, again, I would tell you that that March and August report were a recommendation on how to improve a pilot program, and our opinion has matured over the entire process. And so between when we did that research, which we were sort of early in the market, we believed, with regarding tnccs. In fact I would argue we helped develop the acronym tnccs, transportation network companies.

>> Troxclair: I understand you think you reached out to --

>> We learned more as we went through, yes.

>> Troxclair: Okay. So I understand that you reached out to Houston. Did you also reach out to one of the other 300 cities that have full range of -- tnccs, including Lyft like San Antonio, Nashville, Portland or any of the other cities we're consistently comparing ourselves to?

>> Actually, I would tell you, yes, we were in close communications with San Antonio, Seattle, and a number of other cities. All of those cities informed us, including San Antonio staff was actually here in council when y'all were debating it and eager to recommend the same recommendations we were making with regards to more strict fingerprinting and so forth, but they found that they could not sustain that. We know that Seattle also would prefer more strict fingerprinting background in addition to the security checks that the tnccs do.

[12:46:08 AM]

So I think that there is certainly a lot of policy debate across the country and when we're requested to come back with a specific recommendation on what the state of the practice is, we did rely on Houston's latest research, which we thought was pretty thorough.

>> Troxclair: Okay. Are you aware that cap metro does not require a fingerprint in order for their bus drivers to be hired?

>> You know, I can't comment on what cap metro does or doesn't do with regards to their drivers so I don't know.

>> Troxclair: Well, I reached out to cap metro and they confirmed that they do not require fingerprint when screening their drivers.

[Applause]

>> Troxclair: So I think it's interesting that the largest public transportation provider in the city of Austin in a was responsible for 26 million rides in 2014 feels like the comprehensive background checks that the tnccs are already doing is -- provides adequate public safety assurances for austinians. So --

>> Councilmember, I would also point out, though, one of the recommendations also was to -- that through this process was to increase the requirements on the taxis as well. As you've heard through that discussion, we do not do a nationwide check right now on our taxis but one of the recommendations coming out of this study is to also increase that same requirement of the taxi system so --

>> Troxclair: This is my last question. I want to better understand. When we were having the discussion earlier with the new transportation networking you said something -- and I think it was councilmember Zimmerman who was asking how that company went through the process of getting permitted with the city.

>> Mm-hmm.

>> Troxclair: You said something -- you said based on advice that we received we gave them a permit. What advice were you talking about?

>> I was referring to legal advice, with regards to whether we had authority to give a permit so it was determined, had been they applied the second time, that be we actually did have the authority to grant -- grant them a permit, I'm using the wrong terminology, but form an operating agreement with them.

[12:48:13 AM]

As I said, we actually have five companies that we have operating agreements with. Two have decided not to activate their systems.

>> Troxclair: What does that mean?

>> They got operating agreements but have not started or tried to start operations.

>> Troxclair: What are the names of the other two companies?

>> Side car and Z trip.

>> Troxclair: Okay. Did you also receive interest from Austin ultimate -- sedans?

>> Not that I know of but I can certainly check our records.

>> Troxclair: I have information that they tried to apply not once but twice with the city and is that they were told in person that time limit had expired and they would not be permitted to operate as a tnc and this email was just sent to me -- well, actually it was sent to me today. So I would be interested -- it seems uncanny as we're having this important discussion about fingerprint and public safety and ethics our city that a new company that appears to be willing to do everything that's on the table is all of a sudden permitted when I have other companies telling me that they were denied the same benefit.

>> I can appreciate that, and the other company may in fact have gotten two negative pushbacks from rust. I would tell them that if they would apply again we would certainly consider their application. I'm also under the belief that side car would also be willing to operate under the current regulations, but you would need to ask them for that information directly.

>> Houston: Mayor, I'd really like to get back to -- on page 6 of 17 and we were -- six of 15 and we were talking about inspections of -- and so the current iteration says the safety inspections will certify a list of items established by separate ordinance and shall be equitable between tncs and other vehicles for hire.

[12:50:26 AM]

Could we just say that a current safety inspection? Because I'm looking at all of these 20 items, and who would ride in a car that looked like this for hire?

[Laughter] If you didn't have a rearview mirror or you didn't have a door that opened or turn indicators? So it seems simple you have no say everybody should have a current safety inspection, period, and then that -- then that would be for all -- all vehicles for hire. I'm not sure why we have to have a listing of that and maybe staff can tell me why we're listing them.

>> Councilmember, Robert spillar, again, as I said, this is the same list that we require our other vehicles for hire to have an inspection. And I will tell you we reject cars routinely.

>> Houston: Really.

>> Whether it be a missing fire extinguisher or seat belt that's not working. You would be surprised. They're minor issues but, again, if we're asking people to get in these cars --

>> Houston: So a safety inspection that I go through with my car would not pick up these things?

>> Many of these things are not checked by the state's inspection. That is correct.

>> Houston: Okay.

>> Mayor Adler: Ms. Tovo.

>> Tovo: We had a discussion a little while ago as part of my amendment about the benchmarks, and, Mr. Spillar, I wondered if you could comment as laid out in this draft, as you know, it's not about the benchmarks are no longer tied to the number -- they're no longer tied to percentage of drivers. They're tied to miles and hours of drivers. And I wondered if you could just speak to whether that's going to be an effective way to measure compliance with this over the now one-year period of time. And are there - given the nature of their business model, as I indicated before, that going to create problems where you've got people leaving their apps on around the clock and potentially skewing the percentages?

[12:52:28 AM]

>> So, councilmember, my understanding is from the tnc companies is that they have the ability to track individual drivers, how much time they are on the road and, therefore, how many miles they're driving based on their applications. So I would assume that this is a measure that they could calculate and generate. Similarly, I would think that, you know, again, if somebody is just sitting with their app on that has been the subject of debate whether they are actually at that point a tnc or not a tnc, and I think this council previously has suggested that, well, you're a tnc driver if you've got your app on. And so I haven't had time to think if you could gain the system. I think if a large number of drivers, it would be hard to gain the system. And so if the intent of this, which is the same as, I believe, the intent of your proposed amendment previously is to reduce the risk of harm to vulnerable populations, I would argue that this is just another way to measure that.

>> Tovo: Okay. So it doesn't make much of a difference.

>> I don't know that it does.

>> Tovo: If you've got a lot of drivers driving small numbers you're going to capture fewer drivers, potentially. I would at least suggest we get number 4 on that list to 100% compliance, the -- to 100% compliance, the ordinance as it is before us would bring -- would bring them to 99% compliance by February 1, 2017 rather than 100 and I think it would be hard to measure. That would strike me as a difficult benchmark to have because you could start -- I would think you could start to get arguments as you found folks who had not been fingerprinted, that they were within that 1% and if the -- if the pool of drivers is constantly shifting then, you know, at some point we ought to know all of the drivers need to be finished being fingerprinted so I'm going to be making the motion right now to change b4 to 100% compliance so at least within a year we'll get to 100% with surety.

[12:54:49 AM]

>> Mayor Adler: Ms. Tovo moves to change b4 to be 100% compliance floodplain a second to that?

-- Is there a second to that? Ms. Garza seconds that. I think the reason it was 99%, mayor pro tem, was to recognize that under this business model people get on-boarded and this was to allow that process to take place, recognizing that as people were moving in to tncs under that system, there might be some small component that at any point in time, as they were on-boarding might not be compliant. And, again, I think that was the basis for that.

>> Tovo: Well, mayor, couldn't that be handled through some kind of 30-day grace period, like, I believe, Houston does? I think there might have been a provision one of the various previous ordinances that had some kind of allowable on-boarding time specified but I'll like to the committee to fill me in on where that might have been.

>> Mayor Adler: I think there might be other changes we can make like that that I think makes sense. You know, as I look at this I'm not sure this is ready for those kinds of -- for those kinds of reasons. But the intent of this was as I just explained. But I think that there should be an on-boarding period like that and maybe there are other practices that we should also include and incorporate.

>> Mr. Mayor.

>> Mayor Adler: Yes.

>> Kitchen: At this point, I think that the framework that's in the proposed ordinance is a good framework. I'm not going to support an amendment because I think the framework gets us where we want to go, which is a goal of all drivers. I don't think there's a practical enough difference between 99% and 100%, and I think that the -- it's important to move forward with this entire ordinance and I'd like to move forward with it on third reading today.

[12:56:59 AM]

And I think the way it's set up gets us there.

>> Mayor Adler: It's been moved and seconded to change to 100% the number in number 4. Is there any further discussion? Those in favor of the amendment please raise your hand. Garza and tovo. Those opposed please raise your hand. It's the balance of the dais. Ms. Tovo.

>> Tovo: I understand this is an interest in moving forward on this on three readings but there are quite a few pieces that I believe require discussion or additional -- additional work and we're delaying some of -- some of the detail to January anyway. So I guess -- I guess I'm still not really clear on why we would want to pass this on three readings when some of the key elements are being deferred.

>> Mayor Adler: Do you want to amend it to make it first reading only.

>> Tovo: I would, yes.

>> Mayor Adler: There's been a motion to make it first reading only floodplain a second. Seconded by Mr. -- Is there a second? Seconded by Mr. Zimmerman. Any discussion? Ms. Kitchen.

>> Kitchen: I think it's absolutely critical to make some progress on this issue. And to me, by adopting the framework on third reading, we're making huge progress, making a statement, as I said earlier, we're setting a framework that sets the benchmarks that work us toward a goal of fingerprinting for all drivers. Frankly, I think we're past the point of continuing to have discussions about whether or not that's our goal. That's why I think it is absolutely critical that we -- that we make some decisions on at least part of this issue, and that's what this does for us on third reading. I cannot support passing this only on first reading. >> Mayor Adler: Ms.

[12:59:07 AM]

Tovo.

>> Tovo: Councilmember Kitchen, can you just help me? If what is before us makes some progress, I'm willing to listen. But I -- we keep ending up at places where there will be penalties, but we don't know what they are. There will be did you understand, it's just -- there are a lot of places that are just -- help me understand. Look, I've -- I mean I've been thinking about tncs for a long time, and I would love to see some stronger regulations in places. So if there are some stronger regulations that we're going to be passing here today, I would love to know what those are. Maybe it is, as you said that we're at least putting in place some kind of framework for fingerprinting that we won't get there as soon as I would like, but anyway, I would -- I welcome your comments.

>> Kitchen: I think the -- there's two aspects as I mentioned before that are the key guts of this proposal, and that I think get us to the goal we're working for, 13-2-127 B. What it states is the framework, the framework and the benchmarks that get us towards the goal of fingerprinting in all practical respects, all drivers. That is a huge step forward, and I think it's important for our council to make that statement today, and then we can move beyond that because what it says I guess that -- then we can move to the next step. It says there's a framework, it says they'll be subject to penalties if it's not met. I think it gets us there.

>> Tovo: Mayor, I'm happy to withdraw my motion for hearing it on first reading. Again, I wish we were making more progress because I know a lot of work has been done at the mobility commission. But if there's some progress reflected in this, that is meaningful, and I would agree that having some expectation, stating an expectation that there will be fingerprinting is worth doing today.

[1:01:15 AM]

So I'll support that.

>> Mayor Adler: Is there any objection to the withdrawal of the amendment?

>> Zimmerman: Mr. Mayor, I seconded the motion, and I do have an objection. I don't want the motion withdrawn.

>> Mayor Adler: Okay. Still pending is the motion to change this to first reading only.

>> [Off mic]

>> Mayor Adler: Once you make the motion and it's been seconded, it belongs to the dais. It no longer belongs to you. The motion pending is to approve on first reading only. Is there any further discussion?

>> Troxclair: I just have a question.

>> Mayor Adler: Yes, Ms. Troxclair.

>> Troxclair: What are there, certain number of votes other than six in order to pass this on all three readings? What is the threshold?

>> Mayor Adler: It takes seven to pass on all three readings. The motion that we consider could be a motion to pass on first reading only, in which case it could be passed by unanimous vote, and it's still first reading only. But you can't pass a motion today that includes third reading without having seven votes. Is there any further discussion on the motion to have the first reading only?

>> Zimmerman: Mr. Mayor, I'd be happy to call the question on, you know, the vote, to have it on first reading or not.

>> Mayor Adler: Is there any further debate on the question to have it on first reading only? Okay. Then let's take a vote. Those in favor of the amendment to pass this on first reading only, please raise your hand. Houston, Zimmerman, troxclair. Three. Those that vote against that amendment please raise your hand. The mayor pro tem, pool, me, Garza, Renteria, Casar, and kitchen, and Gallo. The motion does not pass. We're considering this as drawn, first, second, and third readings. Is there further discussion on this item?

[1:03:17 AM]

Let's take -- I'm sorry, Mr. Zimmerman?

>> Zimmerman: I was going to suggest one more very straightforward amendment that might settle the question of how quickly we do this. On page 15 of 15, on the date that the ordinance takes effect, I'd like to move that we change February 1st to may 15th of 2016, and then adjust any other dates accordingly. We have some other dates, I believe, referenced, but if those would be pushed out also by six months.

>> Mayor Adler: Okay. It's been moved that the dates in this ordinance be pushed out by six months, including the effective date of part 4. Is there a second to that motion? Ms. Troxclair seconds that motion. Any debate?

>> Zimmerman: Let me speak briefly to the reasoning here. As we know, we have south by southwest coming up, which is our busiest time of the year. I believe when we get to the middle of may, UT, you know, is gone, so we lose about 40,000 people there, and then our public schools are about to get out, so it kind of -- some of our activity settled down, and we don't have as many trips being demanded. And I think also by the middle of may, some of the other questions that keep coming up about the details on inspections and details about other issues have plenty of time to get adjusted or resolved, so ...

>> Mayor Adler: Okay. Any further discussion on this? Ms. Kitchen?

>> Kitchen: Just so people can understand, the effect of that would be to put back until may all of the requirement in here, including the address, which is identification of the vehicle, including data reporting requirements, including the insurance requirements, so for all those reasons, I can't support this.

>> Zimmerman: Thank you, you are correct. It would push all those dates back, yes.

[1:05:19 AM]

>> Mayor Adler: Further discussion? Those in favor of the amendment to push the dates back six months, raise your hand. Zimmerman and troxclair. Those opposed, please raise your hand. Balance of the dais. Any further discussion before we take a vote in Ms. Troxclair.

>> Troxclair: I would like to make an amendment to change the ordinance in order to reflect what the city of San Antonio has recently passed, which allows the customer, it allows the rider to make the decision about how important a fingerprint is or is not to them. San Antonio, after passing mandatory fingerprinting and having the tncs leave, came back after public outcry and said, you know, the best thing to do --

>> Zimmerman: Let me second that before we start debating, I'll second that.

>> Troxclair: Decided to let the consumer decide and provided a broad range of options that would allow all of the tncs, including all of the new start-ups, operate and allow the drivers the option to go get

fingerprinted in order to be -- to gather -- to gain the business from the riders who think that a fingerprint requirement is important. I think this is the best of both worlds. I think it is a reasonable, reasonable compromise, and I just ask for your support. And I think that this would be the one way to do what we have all talked about this whole evening.

[Applause]

>> Mayor Adler: For what it's worth, Ms. Kitchen -- excuse me, sir -- Ms. Troxclair, I like this. And we know that Uber and Lyft probably have the technical capacity, we know they have the technical capacity to do this, and I hope and trust that this is the kind of thing, including this, that becomes part of the section H incentives that we might be -- that this is the kind of thing that should be considered in that because I think that kind of activity is part of incentivizing this matter.

[1:07:37 AM]

>> Kitchen: I don't think that's the amendment in front of us, the one you're looking. It's not the one -- it's not the one she handed out, it's the one she talked about -- if I understand correctly, councilmember troxclair, it's not the one you handed out. Right?

>> Troxclair: No. I can talk about this one, too, but I really think that based on the conversations we had tonight, it's important to bring up a solution that accomplishes all of the things that we've been talking about, protects public safety, protects the demand of the free market, allows the customer to choose what is best for them, allows the driver to choose what kind of business that they want to attract, and allows the city of Austin to maintain a broad range of tncs in Austin.

[Applause]

>> Mayor Adler: What I understand, San Antonio -- San Antonio has a system whereby a person -- if I understand what you're talking about, and I might be wrong, Ms. Troxclair, San Antonio has a system where someone can click through or be actively involved in affirmatively choose ago driver that's fingerprinted. Is that what you're talking about?

>> Troxclair: That a driver can go get fingerprinted above and beyond the existing restrictions, do something in their profile or picture or on their car, that lets potential customers know that they have been fingerprinted, and then the customer can see whether or not they're choosing a driver that has had that extra --

>> Mayor Adler: And that's your motion now.

>> Troxclair: That is my motion.

>> Mayor Adler: I'm going to vote against the motion now, but I -- but I would hope that this is the kind of thing that we consider as part of H, and including in H, so that consumers have the ability to be able to choose drivers who are fingerprinted and drivers who got fingerprinted are able to advertise themselves or get a competitive advantage somehow if they're willing to provide that security.

[1:09:42 AM]

>> Troxclair: And the only distinction that I would make between what I think you have proposed and what I am proposing is that it does not involve any penalties or mandates or disincentives for the Uber or Lyft drivers who don't choose to get fingerprinted and the customers who don't choose to use a driver who has been fingerprinted. That's great if you want to provide an extra incentive, but some of the things that have been described here are fines and penalties and disincentives.

>> Mayor Adler: And I hear you. I want to vote against that because I don't want to change the structure that we have. But, again, I think that when we're doing H, and I think that mayor pro tem was accurate in her description of what this is, and councilmember kitchen, this is a framework that needs the substance added to it with respect to penalties and incentives, and we're not there yet. But I hope that when we get -- as we're having that conversation, that we consider the kind of thing that's happening in San Antonio, and as I said this morning, I would like us to consider what's happening in San Antonio and put that stuff on steroids and do a much better job of that than San Antonio did.

>> Troxclair: Well, and, mayor, I guess I need to understand your statement because it's very different than what was printed in the statesman this morning, was that you don't support what San Antonio has done. So, I mean, it's important for my expectation going forward, are we working towards the same goal, supporting the free market and giving people choice, or are you saying that what you have in mind is something completely different?

>> Mayor Adler: San Antonio -- San Antonio took the -- had an innovative idea, which was to let drivers communicate to passengers and let passengers have some control over whether they waited for a driver who did that, took the fingerprinting. I would like us to incorporate into our city the aspect of San Antonio that had drivers letting people know that they took fingerprinting and have customers -- having passengers have the ability to be able to solicit those folks.

[1:11:54 AM]

I want to do a better job of that than San Antonio has because I don't think that that is driving drivers to do that, the Numbers that we can achieve in this city if we were creative and clever and innovative, and I

would like to see us try to do that. So the answer to your question is, would I be in favor of doing only what it is that San Antonio did? The answer to that is no. Do I think that San Antonio has a component of what would be good here? The answer to that is yes. But not by itself.

>> Renteria: Mayor, I'd like to call the question.

>> Mayor Adler: Thank you. Any further discussion? Those in favor of Ms. Troxclair's amendment, please raise your hand. Ms. Troxclair and Mr. Zimmerman. Those opposed, please raise your hand. It's the balance of the dais, with Mr. Casar. Any further discussion of this item?

>> Troxclair: One last quick amendment. This is exactly what we talked about earlier, and we actually voted to support this when we originally passed the resolution, so I'm not sure what happened to it, but the amendment that was passed out just says that in order to make sure that we have the most comprehensive public safety requirements in place, that there -- that taxis would be required to implement a zero tolerance policy on the use of drugs and alcohol, that if they use an app in order to request a ride, they have to display a picture of the driver, have a picture or description of the type of vehicle, display the license plate, have an electronic receipt, have gps, have pickup notifications, and have immediate feedback for the drivers and passengers, have a rating system, and allow passengers to get back an item that has been -- has been left in it, in a taxi.

[1:13:57 AM]

So these are all the things that tncs are doing right now that I'm not sure if taxis are doing, but from our earlier conversations, it sounded like everyone was interested in making sure that these things were implemented across the board.

>> Mayor Adler: Ms. Troxclair moves the amendment that was handed out. Is there a second? No second. We'll move on. Any further amendments to this item? Ms. Kitchen?

>> Kitchen: If it's appropriate, I'd like to call the question.

>> Mayor Adler: Is there any further debates? Hearing none, we'll just move to a vote. We'll take a vote now on this item. It's been moved and seconded. Those in favor of the matter as proposed by Ms. Kitchen on all three readings, please raise your hands. Tovo, Houston, pool, Adler, Garza, Renteria, Gallo, Casar, and kitchen. That's nine. Those opposed? Troxclair and Zimmerman. This matter passes on all three readings. We're done with this item.

[Applause] We have one last item, it's item number 99. Does someone want to move passage of item number 99? Mr. Renteria moves passage of 99. If everybody would be quiet, please, we'd appreciate it.

[1:16:02 AM]

We have some speakers that are on this. Mr. Hirsch, do you want to address number 99? Mr. Hirsch?

>> Mr. Mayor, I just want to know if Mr. Hirsch is still renting.

>> Yes, sir.

>> Zimmerman: Thank you.

>> Mayor Adler: Okay. Number 99.

>> Mayor, and members of the council, my name is still Stewart Harry Hirsch and I am still renting. Earlier today when you took up item 74, we talked about the issue of gentrification pressures and whatnot, and I wanted to highlight for you, as you considered your last item of the year, that the issue of gentrification, in appropriate policy framework, was provided to prior councils in the form of the bookings institution document dealing with neighborhood change on gentrification and policy choices. And as a former staffer and as somebody who worked with planning commissioners and community development commissioners and historic landmark commissioners on the gentrification reports at the turn of the century, I want to point out that Brookings came up with the best definition we've seen on what our goals should be. And that definition is equitable development. We define equitable development as the creation and maintenance of economically and socially diverse communities that are stable over the long-term through means that generate a minimum of transition costs that fall unfairly on lower income residents. What is before you tonight is to take the last of a series of steps that you've already taken earlier today, or yesterday, actually, to begin dealing with the equity issues that we have faced as a community for a long time, formerly in the form of formal racial segregation, currently in the form of leading the nation in economic segregation, and combining that with driving lower and middle income people out of neighborhoods where their families have lived historically.

[1:18:20 AM]

And I'm hoping we embrace in the new year the goal of remain and return for some of those neighborhoods because there are people in Austin who want to stay, who are being pressured out, and there are people who have already been pressured out who want to return, and this action tonight, along with some of the things you've done earlier, and hopefully some of the things you'll do next year, will make that easier rather than harder. So I urge you to approve this item.

>> Mayor Adler: Thank you. Is Lee Sherman here? Lee Sherman? Is Francie Ferguson here? Thank you for staying this late as well.

>> Well, thank you all for your remarkable service. I just have two things to say. First of all, Stewart Hirsch and I agree. We would both like to see you support this and advance this. And housing works agrees. And secondly, I really just, as this is your closing item, want to thank you. You guys have been a remarkable council, and have done a remarkable job of keeping your mind on the whole city, and particularly in the area of housing, which is the area that I pay attention to. I can't thank you enough for the many advances you've taken this year. So thank you. But we really urge this passing as Stewart said.

>> Mayor Adler: Ms. Houston.

>> Houston: No, no, it was for Mr. Hirsch, but I sat down too quickly.

>> Mayor Adler: Okay. Mr. Hirsch, we have a question for you. Ms. Houston.

>> Houston: I admire your stamina and fortitude. I would like to postpone this item because I am pretty goofy by this time, but I have a couple of questions for you. When district a was established, that was before we had so much gentrification in that area. And so now I'm concerned about whether or not it meets the guidelines.

[1:20:21 AM]

It's not blighted, it's not underdeveloped, and so what are we really going to do to that district, which is already so gentrified now that I'm not sure what the advantages are, and if you could help me understand that, I would appreciate it.

>> The big policy issues that you face in that district relate to the redevelopment of some of the public housing sites that were built in the 1930s and the Rebecca Baynes Johnson site that was built in the late 1960s, where you have an opportunity to talk about, as I know the Cesar Chavez neighborhood planning contacting talked about, should our goal be to just retain the number of low income peoples that are there on those large housing developments, or should it be to increase it, should it be to add a mixed income component and/or a mixed use component? Those are the -- and saltillo plaza is another example of that sort of thing. So you have a series of opportunities based on aged housing stock that is currently housing some of the poorest people among us to set goals related to rental or home ownership affordability on those sites, or let the market do what it wants to do. And so this tool allows you, if you decide to be more aggressive, to have some potential funding sources to achieve those outcomes. Absent this tool, it would be more challenging for the owners of those properties, whether it be the housing authority or the folks who -- rbj or any of the other locations, to try and get to more aggressive goals because one of the potential tools in their box is not available to them. So that's my hope as to how that would affect what is a very gentrified area.

[1:22:23 AM]

>> Houston: And I appreciate that. I appreciate you focusing in on those particular properties. As we think about how this city is moving eastward, what I would be hopeful for is that we could find a way to put these Zones in areas that have not been so gentrified, where the development is going to occur, because there's no place else to build, and that would put more money into the pot. But I think that's probably too late for that to happen.

>> I don't believe that's true. I mean, I work west of Lamar, and we built, with a not for profit, over a hundred units, and most of them are 30% or below the rent for 350 a month. So if you're strategic and aggressive and collaborative there are some opportunities some people may not recognize exist, but those of us who do this every day can tell you how to make that work. And one of the conversations we had in the geographic dispersion task force was about taking every library site in this town and creating a small number of units on those parking lots that are generally underparked to begin to match the red Rick about geographic dispersion and making it possible for at least seniors who are close to public transportation to be able to live in some of the neighborhoods where, absent that strategy, it would never occur. So those are the kinds of things I think about when you talk about west of mopac, west of -- west of congress, west of I-35.

>> Houston: So talk with me just a moment about what are some of the disadvantages for the people who live there?

>> Well, there are relatively few opportunities for people who would want to live in a library in areas west of I-35 to do so because our zoning currently says that P zoning doesn't allow housing on those sites. So unless you change the code to create an entitlement, if you meet certain housing affordability goals and certain deep affordability and rent to the poorest among us to make it possible to do things that currently our land use regulations don't do, then you don't ever get the geographic dispersion that most of you have said you wanted.

[1:24:40 AM]

So I think we have some chances to do some things in the areas that you talked about earlier today if we're willing to be creative in the way we utilized our various resources.

>> Houston: Thank you.

>> Casar: Mayor, I'd like the address some of those concerns and points. First of all, as I mentioned during work session, I think it's very important that we get this done today because we want to take advantage of this year's tax values for the tif in the upcoming budget, so it does maximize our potential

if we do this before the turn of the year. Second, I did pass down a list of -- a potential future homestead preservation districts that we'll be discussing in January, which include far east and far northeast parts of district 1, portions of district 2, and further north, portions of district 4 that have not faced this kind of gentrification yet, so I think we do have the opportunity of investing in those areas, and we funded those potential areas with our vote yesterday. And councilmember Gallo has to run, so I'll keep it short. The last -- and I think my third and last point, I've kind of forgotten it, but homestead preservation district a, also some parts of it are now qualifying as a much higher opportunity area because of some of that gentrification. So investing dollars in affordable housing there makes sense for geographic dispersion and for -- and for creating a mixed income community there. This is money that we think we're going to get over the next ten years, and what we're voting on today is just committing that ten percent of the money that's generated from that homestead preservation district is going back into affordable housing.

>> Houston: And, mayor, I'd like to thank councilmember Casar, but I have the same question that I had in the previous votes that we took. How much communication has been given to the people who live in district a about this opportunity for them?

>> I can tell you that.

[1:26:41 AM]

It's been over ten years. That's how long we've been working. We've had meetings at the holly neighborhood, the Cesar Chavez neighborhood. The govalle neighborhood. We've had the Guadalupe neighborhood. We have had meeting and meeting, discussing -- I have spent here at city hall over -- weeks and weeks, sitting here, convincing the last city council and the previous council to endorse our -- our homestead preservation district, and they did, but they never took any action after that. They did -- I mean -- let me tell you, we had a big discussion. There was a misinformation going out there. A lot of -- we -- if we had done this ten years ago, those low income people that had lived there on 12th street, 11th street, manor road, all in between there, they would have had an opportunity to still be there, instead of being gentrified out of the area.

>> Houston: And councilmember Renteria, I appreciate that and your hard work, but 78702, that only includes all of those that you name, but it includes a lot of my district, and again, there has been misrepresentation, and there was that one meeting at the millennium center where there was still -- hold on just a minute.

>> Renteria: That's not true. That is not true.

>> Houston: I just want to be clear, we had one meeting, I was there.

>> Renteria: I tell you what, we had presentations between the county commissioner with Ron Davis, we had long discussions on it. I beg your pardon, but I was there. I mean, I worked this thing ten years, and I went to all these meetings that we've had because I pushed it. I pushed it, and that was -- that was something that me and my state rep, Eddie Rodriguez, worked on for years. We had a lot of discussions.

>> Houston: I understand that and I appreciate that. All I'm saying is, in those ten years, that part of my district has changed significantly, and I don't know that people know.

[1:28:44 AM]

That's all I'm saying. And so I'm -- I'm okay. I got it. I got it.

>> Zimmerman: Thank you. I hate to break up this passionate exchange at 1:30 in the morning. It's kind of impressive, to tell you the truth, guys. But I have a very quick technical question on page 11 of the backup for staff if I could. There's a statement that says tax rate would automatically increase to make up for reduction in general fund revenue. So I guess we're talking about what happens when we have the next economic down turn and our general fund revenue decreases because the economy decreases. What tax rate are we talking about? Can you explain this to me?

>> Certainly. Greg Canally, CFO, financial services. The tax rate and TIFs are related and really are dictated by state law. When we have a tax increment finance put in place, the way it works is the increment that is captured, in this case 10%, because we do our annual calculation of the tax rate, it allows for kind of -- to make up for that revenue. In this case, at a 10% value, really the impact on the tax rate is -- is -- certainly, there is an impact, I will say that, but it's about \$100,000 the first year. And so it just becomes part of our calculation. The revenue backup in the -- the revenue -- the backup in the -- in the item -- excuse me, I'm just kind of getting a little -- it's a little late here -- the backup does indicate over time we expect it to start off about \$100,000 a year that would be captured in this increment. And I think part of the discussion in the committee, as we discussed with the committee the overall concept of tax increment financing, how it's been used in the past and where it's been used in the past and kind of landing on this 10%, really does -- the impact on the tax rate is really what I would call negligible.

[1:30:45 AM]

But there is an impact. And then it also preserves your ability to do other tax increment financing for other projects that might be in the pipeline and have been discussed over the last year.

>> Zimmerman: Thank you for that generous delivery of words, but I'm sorry, I did not hear an answer in that. So is it based on a certain dollar amount that is expected, and that's why the tax rate has to go up?

>> Tax rate -- the calculation of the tax rate is dictated by state law, and when we put a tax rate together for the proposed budget, we will account for the calculation, we will take all the tifs that we have in the city, and if this one is adopted, we will add this one into the calculation. The calculation allows for a -- an allowance for the revenue captured in a tif, and the tax rate is automatically adjusted so the tax rate is held harmless, so revenue that comes in will continue to come into the city.

>> Zimmerman: Mr. Mayor, because councilmember Gallo has to leave, I'd like to call the question.

>> Mayor Adler: Let's take a vote. Those in favor of 99, please raise your hand. Those opposed? Zimmerman and troxclair voting no, the others voting aye.

>> Casar: That's three readings; right?

>> Mayor Adler: I wanted to say -- I'll go first, the heavy lifting that went today and things that happened as we went today was pretty incredible. Long meeting, everybody is tired. We're going to be back here on the 28th. I hope everybody has a really happy and wonderful holiday, and please, please be safe.

>> Gallo: And I would just say -- I'm sorry. You go first.

>> I just wanted to recognize our staff that are still with us here tonight and the members of the community that are also here. Thank you for helping us make our way through this first 12-month cycle with this -- with all our new learning and everything.

[1:32:50 AM]

You've been real strong mainstays for all of us, and I thank you. I thank you all. And I hope you have a great holiday season and get some rest, and think about other things than what happens here.

>> Mayor Adler: Ms. Kitchen?

>> Renteria: Mayor, I want to say Feliz navidad.

>> Casar: Mayor, I wanted to make sure it's on all three readings, just to be clear.

>> Yes.

>> Mayor Adler: Yes. It was on all three readings. And we closed the public hearing on that.

>> Kitchen: I just wanted to say eat your candy. Yeah, that was from me.

>> Mayor Adler: See, I thought maybe some of this came from some of the citizen communication people and I wasn't sure whether to eat it or not. So, the meeting now stands adjourned.