



**City Council Questions and Answers for
Thursday, February 16, 2017**

These questions and answers are related to the
Austin City Council meeting that will convene at 10:00 AM on
Thursday, February 16, 2017 at Austin City Hall
301 W. Second Street, Austin, TX



Mayor Steve Adler
Mayor Pro Tem Kathie Tovo, District 9
Council Member Ora Houston, District 1
Council Member Delia Garza, District 2
Council Member Sabino ☐Pio☐ Renteria, District 3
Council Member Gregorio Casar, District 4
Council Member Ann Kitchen, District 5
Council Member Jimmy Flannigan, District 6
Council Member Leslie Pool, District 7
Council Member Ellen Troxclair, District 8
Council Member Alison Alter, District 10

The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.

QUESTIONS FROM COUNCIL

Agenda Item # 3: Authorize award and execution of a construction contract with AUSTIN TRAFFIC SIGNAL CONSTRUCTION COMPANY, INC., for the Traffic Signal and Pedestrian Hybrid Beacon Installation Indefinite Delivery/Indefinite Quantity 2016 Rebid project in the initial amount of \$2,000,000 for an initial 18-month term, with one 12-month optional extension of \$1,750,000, for a total contract amount not to exceed \$3,750,000.

QUESTION: Does a list exist to show which pedestrian hybrid beacons will be built under this contract? MAYOR PRO TEM TOVO'S OFFICE

ANSWER: Currently there are three PHBS that have been identified that would be constructed from this contract:

- 1) Lamar & Cooper
- 2) Johnny Morris and Daffan Lane (Reimbursed by Travis County)
- 3) Westbank at Campcraft Road (Reimbursed by Travis County)

A consultant is currently under contract to study additional PHBs. Results of these studies are expected this month. Once final results of the studies are reviewed by staff, the PHB request database will be updated so a list of funded and unfunded PHBs can be developed.

QUESTION: 1) Can staff provide a list of the prioritized PHBs and which districts each is in? 2) How many PHBs does the City anticipate to fund through this contract? 3) Aren't PHBs considered capital expenditures? Why is the City proposing to use operating funds for these improvements? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment.

QUESTION: 1) Approximately how many signals and how many hybrid beacon installations can be expected for this amount? 2) Please provide mapping/criteria being used to determine prioritization of installations. 3) Have all the signal/pedestrian hybrid beacon installations occurred that were funded by ¼ Cent Fund? If not, please provide an accounting of where we are in

implementation of those funds. COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER: 1) Up to 6 traffic signals and 6 PHBs.

2) Requested traffic signal and PHB locations are evaluated to determine which locations should be addressed first. These evaluations look at safety, land use (to determine pedestrian activity) and roadway conditions. Top locations are forwarded for a full engineering study to determine if a signal or PHB is appropriate for that location.

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4) Study recommendations are being finalized. Recommended locations will be bid this spring with construction to follow.

Agenda Item # 4: Authorize an amendment to the construction contract with DENUCCI CONSTRUCTORS, LLC for the Rio Grande: 24th Street to 29th Street Reconstruction and Utility Adjustments project to increase the contingency funding amount by \$162,313.70, for a total contract amount not to exceed \$7,037,489.10. (District 9)

QUESTION: 1) The original Council authorization included a 5% contingency. The delay in the project utilized approximately half of that 5% contingency. With project more than half complete (at 56%) and a remaining 2.5% balance in contingency funds, why does the contingency fund need to be replenished to its full funding amount? Are there identified additional expenses that are expected to impact the contingency budget beyond its current balance? 2) Is it regular practice to replenish a contingency fund as it is utilized through the course of a project's construction? 3) Do we track contingency funds? If so, how? Do we know what percent of project's contingency funds go over budget and what percent remain with balances? What happens to left over contingency funds? 4) How are contingency percentages set? COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER: See attachment.

Agenda Item # 6: Authorize negotiation and execution of a competitive sealed proposal agreement with GADBERRY CONSTRUCTION COMPANY, INC., for the construction improvements of a multi-purpose meeting space and associated tasting kitchen in the Convention Center in an amount not to exceed \$2,475,000. (District 1)

QUESTION: In light of a potential convention center expansion, would there be efficiencies and cost savings if this project were deferred and included in the expansion? Could this project be limited to repairing non-functional equipment or components and deferring the larger scope pending a decision on the expansion? MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

The Austin Convention Center Department has identified and planned for capital improvement projects for the existing convention center facility. These projects, including the InVision Studio project have been factored into the financing analysis for expansion and do not negatively impact any of the expansion financing concepts. Ongoing capital improvement projects in the current facility are required to maintain a competitive facility.

The project (InVision Studio) consists of creating a high-quality, multi-purpose event and studio area with a high-end commercial kitchen center that is very specific in scope. An existing space in the facility will be utilized and will require renovations to the mechanical, electrical and plumbing systems in the proposed area that economically would be cost prohibited if delayed given the current economic conditions. As part of the Food Catering Request For Proposal process in 2011, all proposers were asked to make a capital improvement investment during the term of the contract to support and fund certain business expansion goals planned for the ACC catering operation. Levy Restaurants made a \$1.5 million capital investment that is contractual earmarked for the purpose of expanding the food and beverage operation at the Austin Convention Center. Of the \$1.5 million received, approximately 500K has already been spent on other projects, leaving approximately \$1 million for the proposed project.

The renovated space will include a reception area, think tank, design studio, culinary studio and client tasting kitchen. In addition, the space will be a rentable space that utilizes innovation, technology and other high-end strategies that will generate additional revenue and pay for itself in 3-5 years. ACC Catering (Levy) is a \$15M dollar operation and growing business unit that does not have adequate space to customize tailored menus, beverage, linen and decorum selections that are needed and required as an industry standard. A decent and usable space will give the ACC an opportunity to showcase our brand, generate additional revenue and increase customer satisfaction.

QUESTION: Was this project envisioned as a part of the proposed expansion or was the Convention Center always planning to approve this construction contract separate from the expansion plans? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: The project was not envisioned as part of expansion, it was planned separate and apart from expansion. As part of the RFP proposal process in 2011, all proposers were asked to make a capital improvement investment during the term of the contract to support and fund certain business expansion goals planned for the ACC catering operation. Levy Restaurants made a \$1.5M capital investment that is contractual earmarked for the purpose of expanding the food and beverage operation at the Austin Convention Center. Of the \$1.5 million received, approximately 500K has already been spent on other projects,

leaving approximately \$1 million for the proposed project.

QUESTION: 1) Backup indicates Council approved expenditures for architectural services on June 2015 that reflected a project budget of \$1.5 million. Subsequently the project budget has increased by \$1.2 million as it is anticipated that the Contractor's Capital Investment Fund will have be able reimburse that amount for the project over the 10 year term of the project. 2) What changes to the original \$1.5 million design are being made with the resulting expanded budget of \$2.7 million? 3) Is it possible to maintain the original Council approved \$1.5 million budget, subtracting the \$1.2 million anticipated to reduce the amount of needed funds to \$.3 million? 4) Please provide criteria city staff uses to set contingency percentages for projects. This proposal sets contingency at 15% or \$405,000 of a \$2.7million budget. Backup indicates 15% is being requested due to hidden conditions under dishwashers, kitchen appliances, and counters. Does the convention center have MEP plans to reference for needed information which might potentially reduce the contingency amount? COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER: See attachment.

Agenda Item # 7: Approve a resolution to nominate YETI Coolers, LLC for designation by the Governor's Office of Economic Development and Tourism as a single Texas Enterprise Project in accordance with Chapter 2303 of the Texas Government Code.

QUESTION: 1) How many of its 9 Single Project Enterprise Fund Designations has the City of Austin given this biennium? 2) Page 2 of the Project Summary from the back up describes an expenditure for "New Enterprise Resource Planning System," please further describe what this means. 3) Does the Texas Enterprise Zone Program have a "but for" provision? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment.

QUESTION: Note 1 on the project summary indicates, "If YETI retains all employees for 1820 hours per year per job, there is no requirement to hire from either the disadvantaged group or enterprise zone residents." Does this notation mean that it is possible for YETI to just retain existing jobs and thus not trigger the requirement to hire disadvantaged or enterprise zone residents unless and until employees are terminated or leave? MAYOR PRO TEM TOVO'S OFFICE

ANSWER: No; the application YETI submitted combines an effort to both retain jobs and create new jobs (250 retained; 250 to be created). In order to be in compliance with the application as submitted, at least 25% of their new employees will meet economically disadvantaged, enterprise zone residence or veteran requirements. The language in the summary refers only to employees retained as a part of this application and is intended to clarify that retained

positions certified for benefit are not required to meet the hiring criteria from these specific groups as the jobs already existed. However, if there is turnover in any of the retained jobs, the new employees filling those positions must meet the 25% hiring requirement.

QUESTION FROM WORK SESSION: What are the wage levels and benefits related to YETI's Texas Enterprise Zone Application? (CM Kitchen). Please provide a map of the qualifying areas (CM Houston). Please confirm with YETI and/or Capital Metro transit options for employees (CM Houston)

ANSWER: See attachment.

Agenda Item # 9: Approve a resolution authorizing the issuance and sale, by Austin Convention Enterprises, Inc., of Convention Center Hotel Revenue Refunding Bonds in an aggregate amount not to exceed \$250,000,000 in accordance with the parameters set out in the resolution, authorizing related documents, approving related fees, and providing that the issuance and sale be accomplished by August 16, 2017.

QUESTION: 1) What was the total cost of the construction of the hotel? 2) Can staff provide a yearly report of all revenue generated by the Hilton, and include how that revenue was allocated between debt payment, the Hilton, and the City. 3) How much outstanding debt does the City have on the Hilton? 4) When does the City anticipate being able to pay off the hotel in full? 5) Has the City used any other form of revenue besides revenues from hotel sales to pay for any costs associated with the hotel? 6) Would paying off the debt for this project be an eligible expenditure of hotel occupancy taxes? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment

Agenda Item # 10: Authorize negotiation and execution of an interlocal agreement in the form of a Service Agreement with Travis County Emergency Service District # 4 (ESD 4) compensating the City of Austin for providing fire services within ESD 4, providing for the transition of current ESD 4 firefighters into the Austin Fire Department workforce, and providing for the disposition of ESD 4 property and equipment.

QUESTION: 1) What is the plan for existing ESD4 fire fighters who do not meet the standards described in the collective bargaining agreement? 2) What are the broader implications with respect to future annexations in this area, or others, of providing the fire service in this manner? COUNCIL MEMBER ALTER'S OFFICE

ANSWER: 1) Emergency Service District (ESD) 4 firefighters who are not selected to participate in AFD's academy, or do not pass AFD's training in the academy, will not be provided employment by AFD. Travis County and ESD 4 are exploring other options for their employment including working with the

surrounding ESD's to see if they are willing to hire them since they are fully trained ESD firefighters. 2) Overall, regionalization of fire services provides for a more effective fire-fighting force and better service to residents. It reduces response time and enhances the emergency response in terms of the numbers of firefighters, apparatus and equipment. Regionalization can be accomplished through agreements with County Fire Departments (ESDs) and/or annexation of territory making it part of the City of Austin. The ESD 4 contract for service will result in AFD being able to provide services utilizing the two ESD fire stations – one serving the west area (by Emma Long Park) and one serving the east area (FM 969 & SH 130). The expanded fire service provision would include answering calls from residents who live within COA's limited purpose and Extra Territorial Jurisdiction (ETJ). All annexations are reviewed by the Planning & Zoning Department. City staff makes a presentation to Council on the impact of an annexation prior to their taking action on whether or not to annex the property. When the City annexes territory that is located in an ESD, notices are sent to ESD residents informing them that the City intends to provide emergency services to the territory. The ESD is required to dis-annex and cease providing services to the area except as provided for by agreements between the City and the ESD. The ESD continues to operate with a reduced service area and its corresponding tax base. The City is required to compensate the ESD in an amount equal to the dis-annexed area's pro rata share of the ESD's total indebtedness, but all of the ESD's other assets and liabilities remain with the ESD. In the past, when a fire station was in the annexed area, the City made an offer to purchase the property and some of the related apparatus/equipment in order to facilitate providing a similar level of service. Payment for the property and assets is in addition to the compensation for the dis-annexed area's pro rata share of the ESD's total indebtedness.

QUESTION: 1) How many of the ESD 4 firefighters are close to retirement and will the funding for their retirement benefits be paid by ESD or the City of Austin? 2) Will their retirement with the City of Austin be based on overall years of service or just years with the City of Austin Fire Department? 3) What is the cost of retirement benefits for the ESD 4 firefighters? 4) Are the two chiefs retired? If so, will they be joining the Austin Fire Department as well, and at what rank? COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER: The responses to the following questions were provided by ESD4 Chief David Bailey.

1)

- a. Our most senior members have 16 years of service time. Normal retirement is 25 years or age 62.
- b. Our employee average is 7.6 years of service.
- c. We have 5 members over age 35 and 2 over age 40.
- d. The ESD4 pension system is less than 3 years old. The employee contributes 4% and ESD4 matches that 4%.
- e. At the point of turnover, ESD4 will pay 100% of any unfunded liability (~\$90K) and then all contributions cease. The members can cash out their plans or leave them in place.

2) As per the terms of the AFD Collective Bargaining Agreement, ESD4 members will not be allowed to buy service years or pay extra into their AFD pension. They will have two different pensions programs in place.

3) a. We have set aside \$90K to true up any outstanding pension obligations.

b. We have set aside \$122K to pay out the most-expensive case accrued sick and vacation leave.

c. We have earmarked \$400K of our reserve to pay the-most-expensive-case severance package. This severance package is based on years of service, times the monthly salary; with a 10 year service cap and 1 year minimum service. Quite generous considering there is absolutely no legal obligation for any severance package, and also that some who may not make the transfer, have less than one year of service to our organization. The Commissioners made this a priority early on.

d. We have also planned on job-placement assistance costs to assist those who will have to look elsewhere.

e. Also, I have personally visited with every Fire Chief in the county to solicit their assistance with finding new jobs.

4) The Fire Chief will not be pursuing the transfer into Austin Fire, although he would be eligible should he wish to.

The three Battalion Chiefs, are, as per the Collective Bargaining Agreement, all eligible to seek that transfer into AFD. All ESD4 employees will, as per the CBA, join Austin Fire as a 2-year firefighter. No rank, no seniority beyond the two years.

Agenda Item # 15: Approve a resolution acknowledging that the proposed affordable multi-family development to be called the Travis Flats, located at 5325-5335 Airport Boulevard, is located one mile or less from a development serving the same type of household and which received an allocation of Low Income Housing Tax Credits within the last three years. (District 4).

QUESTION: If the intent of the 10 TAC § 11.3(c) requirement is to get explicit Council support when a proposed tax credit development is to be within a linear mile of another tax credited development awarded within 3 years, is to caution against "clustering" tax credited developments. Has City staff considered the implications of "clustering" these developments, as appears to be cautioned by the existence of the rule? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment for additional information.

The Neighborhood Housing and Community Development (NHCD) Department brings forward resolutions to City Council to provide Council with an opportunity to support affordable housing developments to help address the City's significant affordable housing needs. These needs, including a gap of 48,000 affordable housing units in Austin, are outlined in the City's 2014

Comprehensive Housing Market Study, as well as in the draft Austin Strategic Housing Plan. The proposed Travis Flats development includes 122 affordable units, and is made possible, in part, due to it being built on public land, which is one of the recommendations in the draft Austin Strategic Housing Plan to help the City meet its affordable housing needs. NHCD serves as an administrative inlet for developers to seek the City Council's support.

As additional backup to the Recommendation for Council Action (RCA), NHCD provides analysis in an effort to inform the public and City Council of additional factors, implications and/or impacts of the development. These include: nearby amenities, schools, parks, transit information, etc. While proximity to other affordable housing is one factor for Council to consider in its decision about whether to support an application, Council should also consider other factors, such as access to transit and jobs.

Additional information about this development and the developer's record of providing high quality, affordable housing can be found here: <http://www.austintexas.gov/edims/document.cfm?id=271347> and here: <https://austintexas.gov/page/fy-16-17-funding-applications>.

Agenda Item # 19: Authorize negotiation and execution of a contract with MARSH USA, INC., or one of the other qualified offerors to Request for Proposals TLF0301, to provide administration services for the Rolling Owner Controlled Insurance Program (ROCIP) VII, in an estimated amount of \$650,000; and to authorize the administrator to negotiate and purchase workers' compensation, general liability, and excess liability insurance coverage for contractors of all tiers participating in construction projects included in the ROCIP VII program, in an estimated amount of \$5,739,720, for a total contract amount not to exceed \$6,389,720.

QUESTION: 1) What are the specific requirements or qualifications for this program? 2) For 2015 and 2016, can staff provide a list of contractors who were awarded these services and the total amount provided to each contractor? 3) How does the City calculate the savings outlined in the Recommendation for Council Action (RCA) of \$1.1 million? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment.

Agenda Item # 20: Authorize negotiation and execution of a contract with SAFETY SOLUTIONS, INC., or one of the other qualified offerors to Request for Proposals TLF0302, to provide construction safety management services associated with the Rolling Owner Controlled Insurance Program (ROCIP) VII, in an amount not to exceed \$256,600.

QUESTION: 1) How many construction projects per year will be reviewed under this contract? 2) What are the specific policies being monitored by the contractor? COUNCIL MEMBER TROXCLAR'S OFFICE

ANSWER: 1) The City has identified 27 upcoming construction projects that will be subject to the ROCIP VII program. Based on current project start date 14 projects are expected to begin in 2017, 9 projects will begin in 2018, and 4 projects are scheduled to begin in 2019. The contractor will provide construction safety management services for all 27 projects subject to the ROCIP VII program through early 2022. 2) The contractor will provide an assessment of each general contractor's written safety program. These assessments are conducted before work is started and the general contractor must resolve all deficiencies before construction begins. The contractor will also provide continuous site visits to all projects and provide ongoing reviews of specific high hazard jobsite safety plans while construction is ongoing. The contractor also monitors and inspects specific high hazard work for compliance with OSHA and ROCIP Safety Manual requirements such as: confined space, cranes, hoists and rigging, steel erection, energy control Lock Out/Tag Out, excavation and trenching, scaffolding, welding and cutting, fall protection and industrial hygiene.

Agenda Item # 21: Authorize negotiation and execution of a 12-month contract through the State of Texas Department of Information Resources with CDW GOVERNMENT, INC., to provide software maintenance services through Cisco SMARTnet Total Care Services, in an estimated amount of \$1,318,016, with four 12-month extension options in an estimated amount of \$1,318,016 per extension option, for a total contract amount not to exceed \$6,590,080.

QUESTION: What is an "annual inventory true up," as described in the backup? Was this a competitive bid? If so, how many bidders? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

1) The "annual inventory true up" as applied in this contract is a yearly review to determine how many software licenses were activated and deactivated/expired during the previous year. This periodic review is an automatic way to count the quantity of licenses the City has used. To perform this review the contractor provides the City with a separate application (Smart Assist Collection Tool) that the City installs within its network environment to search for and count the quantity of active Cisco licenses. The City and Cisco meet annually to review this count and to confirm the quantity of licenses the City will be charged for.

2) This contract is a Cooperative award through the State of Texas Department of Information Resources (DIR). Cooperative awards do not require a formal competitive process as this process has already been completed by the cooperative agency awarding the contract. In this case to ensure the best value for the City, the scope of this project was sent to 10 vendors who are part of DIR including four who are women/minority owned. Four of these vendors submitted a response and the City selected CDW Government as the best value based on their offered services as well as lowest pricing.

Agenda Item # 22: Authorize an amendment to the contracts with ELK ELECTRIC, INC., JMENGINEERING, LLC (WBE), and TRINI CONSTRUCTION BUILDER, LLC (MBE), to provide continued electrical, general building, and heating, ventilation, and air conditioning installation, maintenance and repair services, for an increase of \$1,300,000 to the original contract, and an increase of \$650,000 to each of the four 12-month extension options, for a total contract amount not to exceed \$19,500,000 each and combined.

QUESTION: CM wants to know how PARD was doing this work before joining this master agreement? Is there a cost savings associated with this? 2) Please help me understand a little more. This says it is adding an additional \$1.3M to the original contract, and then goes on to say \$650,000 to each of 4 contract extension options.\$1.3M/\$650,000 is 2, so I'm a little confused by the math. Furthermore, because you said that this increase is for carpentry repairs, does this mean that \$650,000 per year is the expected cost for carpentry repairs only? COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER: 1) PARD had a previous agreement with various companies for electrical, HVAC repairs, etc. This new master agreement will add carpentry repairs to list, as well as increase the number of service providers we can choose from; thus being more cost-effective for the Department.

2) It is 1.3 million for the first 24 months. The total that is being added to the overall contract is 3.9 million. Building Services is receiving 15.6 million and PARD is getting the additional 3.9 million. The 3.9 million is for electric, HVAC or Carpentry. This is ability to spend up to 3.9 based off an approved budget by Council. The initial not to exceed contract amount of \$15,600,000 for Building Services was approved by Council on August 18, 2016, this request is for an estimated \$3,900,000 in additional authorization for PARD's use.

Agenda Item # 25: Authorize an amendment to the contract with MIDWEST TAPE, LLC., to provide digital subscriptions that enable access to digital video, music and audiobook content for library patrons, for an increase of \$150,000 to the original contract, and an increase of \$150,000 to each of the three 12-month extension options, for a total contract amount not to exceed \$1,258,000.

QUESTION: What program or specific fund did the additional \$150,000 for this FY contract amendment come from? COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER: The additional contract authorization that is requested by this RCA is being funded from our current materials budget that was appropriated as part of the FY17 budget. The Collection & Cataloging Services library staff constantly review our planned spending from our approved materials budget every year and make decisions about how best to spend those funds among various material types based on customer demand. The Library has made an operational decision to purchase additional digital materials through this vendor from our existing materials budget.

Agenda Item # 27: Authorize negotiation and execution of a contract with SIGNATURE SCIENCE LLC, for forensic serological and DNA analysis of biological evidence, in an amount not to exceed \$2,000,000.

QUESTION: Can APD provide a chart of DNA cases, including the new cases per month, number currently being processed per month, number in backlog, etc. to give a sense of how long it will take to clear the backlog with current capacity and with added capacity with this contract? COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER: See attachment.

Agenda Item # 28: Authorize negotiation and execution of three contracts with CHAMPION NATIONAL SECURITY, INC., SECURITAS SECURITY SERVICES USA INC., and WHELAN SECURITY CO., or one of the other qualified offerors to Request For Proposals RWS0501, to provide security guard services, with an initial 24-month term in an estimated amount of \$8,348,063, with three 12-month extension options in an estimated amount of \$4,183,979 per extension option, for a total contract amount not to exceed \$20,900,000; each and combined.

QUESTION: Please explain why these security services are proposed to be handled through contracts rather than bringing on individuals as regular employees. Please provide estimated costs for bringing these services in house. Please describe the salary rates that workers will receive and health and other benefits offered by each of the responding offerors. MAYOR PRO TEM TOVO'S OFFICE

ANSWER: See attachment.

QUESTION: Why were the four bids which were deemed "non-responsive," non-responsive? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: See attachment.

Agenda Item # 29: Authorize negotiation and execution of a 36-month contract with REPUBLIC SERVICES, or one of the other qualified offerors to Request For Proposals SLW0514, to provide citywide refuse, recycling, organics and special waste collections for City facilities, in an amount not to exceed \$7,725,000, with three 12-month extension options in an amount not to exceed \$3,090,000 per extension option, for a total contract amount not to exceed \$16,995,000.

QUESTION: Please indicate whether this contract is new or replacing/renewing an existing contract. If replacing/renewing, who was the prior (current) vendor? If replacing/renewing, what was the amount of the prior contract for the same/similar service? COUNCIL MEMBER GALLO'S OFFICE (Asked for the December 15, 2016 Q&A Report)

ANSWER: The recommended offeror is the current provider for these services. Requested authorization amounts were determined using the departments estimated usage for current programs and locations as well as additional planned programs and locations. Also included is Class 2 waste from Austin Energy.

QUESTION: Is there an existing contract for this services? If so, who is it with and what are the terms/conditions of it? COUNCIL MEMBER ZIMMERMAN'S OFFICE (Asked for the December 15, 2016 Q&A Report)

ANSWER: Yes, there is an existing contract with Republic Services. It was a 36-month contract with three 12-month extension options.

QUESTION: 1) Is this a single-source contract and if so, why? 2) please identify by name, address and district the landfills and/or facilities that will receive the refuse, recycling, organics and special waste collections? 3) Are those facilities identified in the contract? If so where? 4) What did the City do in the past to manage biosolid waste? 5) What is the City currently doing to manage biosolids? 6) Does this contract require the qualified responder to produce Dillo Dirt to sell to the public? If not, please identify the locations where will the biosolids be reused? COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER: 1) No it is not a single source contract. As stated in the RCA, a Request for Proposals (RFP) solicitation was issued and two offers were received. 2) All Municipal Solid Waste will be disposed of at: Waste Management Austin Community Landfill (District 1) 9900 Giles Lane, Austin, TX 78754. All recycling materials will be disposed of at: Balcones Resources (District 1) 9301 Johnny Morris Road, Austin, TX 78724. All organic material will be disposed of at: Organics by Gosh 13602 FM 969, Austin, TX 78724. All Class 2 Special Waste will be disposed of at: Republic Services Tesson Road Landfill (San Antonio) 7000 IH-10 East, San Antonio, TX 78219. These locations will be included in the contract. The contract will include the vendor's proposal which includes the locations.

QUESTION: Is this a consolidation of contracts? If so, did the council direct staff to consolidate contracts? Did Republic Services bid for this contract on time? COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

1) Yes, this contract is a consolidation of several previous contracts. The current contract includes trash and recycling at City facilities, for emergencies, and special events. Class 2 waste is also included on an as-needed basis. The new scope includes compost at City facilities and special events, which is a new service, and ongoing Class 2 removal which was a separate contract for Austin Energy (AE) and is now consolidated in this contract. The new scope also includes a dedicated route and tonnage reporting for all services in order to track and calculate diversion rates as well as an increased presence and response

time from the vendor for special event dumpsters.

While Council has not directed staff to consolidate all of these services specifically, their consolidation was in-line with preferences made at the policy-development level.

As mentioned above, a separate contract for the disposal of Class 2 and non-hazardous waste from AE was brought to Council for their consideration at the December 10, 2015 Council meeting. At that time, Council voted not to extend a contract with Republic Services to manage AE's Class 2 non-hazardous waste. Instead, Council directed staff to develop a contract solicitation that would NOT be AE specific, but would be broader so as to include every City department. Council wanted to ensure that the City would not bring forward several department-specific contracts but instead bring a city-wide contract that would include diversion requirements and address pricing concerns. This is consistent with the Council direction from April 11, 2013 regarding folding in the AE contract into a city-wide contract for waste and recycling services provided to city facilities.

Additionally, the referenced item related to AE was discussed in a November 2015 Zero Waste Advisory Commission (ZWAC) meeting, which recommended that Council clarify that the City should use the consolidation of these types of waste disposal contracts as a means to achieve diversion. In addition to the feedback from Council and ZWAC described above, staff determined it was also more cost-effective to combine the disposal of the City's Class 2 and non-hazardous waste with other necessary dumpster disposal services for City facilities, emergencies, and co-sponsored special events. Overall, the goal of consolidating all of these services into one contract was to achieve the best possible pricing for these services, while also ensuring our waste diversion strategies are working uniformly across City departments.

2) Yes, Republic Services submitted their response to this solicitation on time. The solicitation closed on July 28, 2016 at 2:00PM. Republic's proposal was submitted on July 28, 2016 at 11:55AM.

QUESTION: Please explain the cost increase in this contract with regard to any change in services. COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER: The original contract was executed in 2010. The new contract establishes pricing for the increased scope, which are described in more detail below, as well as any economic factors that may have increased the vendor's cost of providing the service. This pricing level will stay intact for 12 months at which time the vendor can request a Consumer Price Index(CPI) level adjustment which is standard in most COA contracts. The most recent CPI increases have been an average of 2%. Also keep in mind that the amount requested is a contract authorization amount which includes contingency funding for unforeseen needs and allowances for larger than expected CPI pricing.

The new contract includes requirements for precise trash, recycling and compost tonnage reporting monthly by the vendor that are not required in the

current contract. This requirement will allow ARR to track the City facility diversion rate. This is an enhancement over the current contract because it will require the vendor to only pick up City facility materials and get weights which is a dedicated route and is less efficient and could be more expensive for the vendor.

There are also additional services that are included in the new scope including compost collection at City facilities and class 2 and non-hazardous waste material disposal to be utilized mainly by Austin Energy. ARR will start with introducing the compost service first at the 20 food permitted City facilities and then expand the service and training staff to the remaining City facilities over the first years of the contract term.

Special events requirements are enhanced over the previous contract by requiring a vendor contact to be available 24/7 during a special event as well as a 60 minute response time to correct any issues. Also, the vendor will be required to report precise trash, recycling and compost tonnages from the event and at a faster turnaround time than the rest of the contract reporting requirement (5 days versus 10 days following the month of service).

Agenda Items # 57, # 58 and # 59: 57) C14-2016-0050 – Plaza Saltillo Tract 1/2/3 – District 3 – Conduct a public hearing and approve second reading of an ordinance amending City Code Title 25 by rezoning property locally known as 901, 1011, and 1109 E. 5th Street (Waller Creek Watershed) from transit oriented development-neighborhood plan (TOD-NP) combining district zoning to transit oriented development-central urban redevelopment-neighborhood plan (TOD-CURE-NP) combining district zoning. First Reading approved on February 9, 2017 on an 8-3 vote. Owner: Capital Metro Transportation Authority (Shanea Davis). Applicant: Land Use Solutions, LLC (Michele Haussmann). 58) C14-2016-0049 – Plaza Saltillo Tract 4/5 – District 3 – Conduct a public hearing and approve second reading of an ordinance amending City Code Title 25 by rezoning property locally known as 1211 and 1301 E. 5th Street (Waller Creek Watershed; Lady Bird Lake Watershed) from transit oriented development-neighborhood plan (TOD-NP) combining district zoning to transit oriented development-central urban redevelopment-neighborhood plan (TOD-CURE-NP) combining district zoning. First Reading approved on February 9, 2017 on an 8-3 vote. Owner: Capital Metro Transportation Authority (Shanea Davis). Applicant: Land Use Solutions, LLC (Michele Haussmann). 59) C14-2016-0051 – Plaza Saltillo Tract 6 – District 3 – Conduct a public hearing and approve second reading of an ordinance amending City Code Title 25 by rezoning property locally known as 413 Navasota Street (Lady Bird Lake Watershed) from transit oriented development-neighborhood plan (TOD-NP) combining district zoning to transit oriented development-central urban redevelopment-neighborhood plan (TOD-CURE-NP) combining district zoning. First Reading approved on February 9, 2017 on an 8-3 vote. Owner: Capital Metro Transportation Authority (Shanea Davis). Applicant: Land Use Solutions, LLC (Michele Haussmann).

QUESTION: 1) What is the total bonus area calculation?

- 2) What is the Floor-to-Area-Ratio (FAR) for this project?
 - 3) Does the density bonus on this project include square footage plus FAR? If FAR is not being counted, why not?
 - 4) Is the fee in lieu rate set at the current \$11 /square foot?
 - 5) How many units will the fee in lieu amount buy down for the City of Austin at this site?
 - 6) How many affordable units would Endeavor otherwise be required to locate on site?
 - 7) What is the purpose of the CURE being utilized on this project?
 - 8) How is the CURE being employed here in terms of height and MFI on the on-site affordable housing units?
 - 9) The TOD regulating plan requires a property owner/developer to “demonstrate a compelling reason to not provide housing on-site.” (TOD 4.3.3 D 1)
 - 10) What is the compelling” reason”, and how has the developer “demonstrated” that compelling reason to city staff?
 - 11) What is the average size of a market rate residential unit on this project?
 - 12) What is the average size of an affordable housing unit within the tax credit project on Tract 6?
 - 13) Will senior affordable housing be provided on this project, as originally proposed by Endeavor?
 - 14) Will there be a senior activity center on this project, as originally proposed by Endeavor?
 - 15) Is there a requirement on the affordable units in terms of bedroom mix? If not, why not?
 - 16) Originally, Endeavor was at 50% MFI and below, are they now at 60%? Why the change?
 - 17) What is the residential mix in terms of rental and ownership?
 - 18) If the project is granted at 70’ feet for the portion of Tract 1 instead of 125’ feet as proposed, what is the difference in annual lease payments to Cap Metro?
- COUNCIL MEMBER POOL'S OFFICE

ANSWER: See attachment.

Agenda Item # 63: C814-2014-0120 - Austin Oaks PUD - District 10 - Conduct a public hearing and approve second reading of an ordinance amending Title 25 by rezoning property locally known as 3409, 3420, 3429, 3445, 3520, 3636, 3701, 3721, 3724, and 3737 Executive Center Drive and 7601, 7718 and 7719 Wood Hollow Drive (Shoal Creek Watershed) from community commercial (GR) district zoning, neighborhood commercial (LR) district zoning, limited office (LO) district zoning and family residence (SF-3) district zoning to planned unit development (PUD) district zoning. The ordinance may include waiver of fees, alternative funding methods, modifications of City regulations, and acquisition of property. City Council: Approved First Reading PUD zoning with conditions, December 15, 2016. Applicant: Graves Dougherty Hearon & Moody (Michael Whellan). Owner: Twelve Lakes LLC, Jon Ruff. City Staff: Andrew Moore, 512-974-7604. A valid petition has been filed in opposition to this rezoning request.

QUESTION: Staff recommended transportation improvements in their TIA memorandum that do not equal the total probable cost of all improvements listed in the TIA. If staff were to require additional improvements listed in the TIA to be funded by the applicant, which would they be? COUNCIL MEMBER ALTER'S OFFICE


ANSWER: See attachment.

QUESTION: Please provide any City of Austin ordinances that require the City of Austin to utilize the "pro-rata" method when calculating required transportation improvement costs in land use cases such as the Austin Oaks PUD. Please provide any City of Austin ordinances that prohibit the Austin City Council from utilizing the rough proportionality method when calculating the required transportation improvement costs in land use cases such as the Austin Oaks PUD. COUNCIL MEMBER ALTER'S OFFICE

ANSWER: Pending. A response will be distributed separately.

END OF REPORT - ATTACHMENTS TO FOLLOW

 *The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.*

 *For assistance, please call 512-974-2210 or TTY users route through 711.*



Council Question and Answer

Related To

Item #3

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) Can staff provide a list of the prioritized PHBs and which districts each is in? 2) How many PHBs does the City anticipate to fund through this contract? 3) Aren't PHBs considered capital expenditures? Why is the City proposing to use operating funds for these improvements?

ANSWER:

1) The following PHB have been identified for construction with the contract:

Lamar & Cooper
Johnny Morris & Daffan lane (Travis County to reimburse)
Westbank @ Camp craft (Travis County to reimburse)

Additional PHBs to be identified once Consultant PHB warrant studies are finalized in February

2) The number of PHBs to be constructed will be dependent on the final list, but it is expected that the initial 18 month contract would construct 6+ PHBs.

3) Aren't PHBs considered capital expenditures?
Yes that is correct. PHB's are capital expenditures.

Why is the City proposing to use operating funds for these improvements?

Funds must be fully available when a proposed expenditure occurs. Since the 2016 Mobility bond has not been fully appropriated, ATD is utilizing operating funds until the appropriation is available.



Council Question and Answer

Related To

Item #4

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) The original Council authorization included a 5% contingency. The delay in the project utilized approximately half of that 5% contingency. With project more than half complete (at 56%) and a remaining 2.5% balance in contingency funds, why does the contingency fund need to be replenished to its full funding amount? Are there identified additional expenses that are expected to impact the contingency budget beyond its current balance? 2) Is it regular practice to replenish a contingency fund as it is utilized through the course of a project's construction? 3) Do we track contingency funds? If so, how? Do we know what percent of project's contingency funds go over budget and what percent remain with balances? What happens to left over contingency funds? 4) How are contingency percentages set? COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER:

- 1)** The original Council authorization included a 5% contingency. The delay in the project utilized approximately half of that 5% contingency. With project more than half complete (at 56%) and a remaining 2.5% balance in contingency funds, why does the contingency fund need to be replenished to its full funding amount? Are there identified additional expenses that are expected to impact the contingency budget beyond its current balance?

We are requesting an additional 2.5% contingency for this project because there are outstanding quantity adjustments which are anticipated to exceed \$100k (for example adjustments to tree species). There are also outstanding proposals the contractor has yet to provide, most of them are for repairs to property or water/irrigation services outside the Right Of Way which are outside the scope of the original contract.

- 2)** Is it regular practice to replenish a contingency fund as it is utilized through the course of a project's construction?
Yes this is common practice because we can't change a contract amount without Council approval. The request for additional contingency is estimated based on the anticipated need due to unforeseen conditions or quantity adjustments that occur during the progression of construction.
- 3)** Do we track contingency funds? If so, how? Do we know what percent of project's contingency funds go over budget and what percent remain with balances? What happens to left over contingency funds?
Contingency is included in the initial budget estimated and tracked throughout the project by the project manager through the change management process. All funding allocated to a project, contingency or otherwise, remains with the project through the warranty phase. When a project completes the warranty phase, it is closed and all unused funds are returned to the program level. This allows any unused funds to be used as contingency for other projects within the specific program. In this case, any unused funding would return to the Street Reconstruction Program to be utilized on other street reconstruction projects.
- 4)** How are contingency percentages set?
Until recently, the typical rate for a road construction project of this size would be 5%. The current project budget form calculates contingency based on 1) the level of design, 2) risks, and 3) project escalation (inflation factor based on estimated years to build).



Council Question and Answer

Related To

Item #6

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) Backup indicates Council approved expenditures for architectural services on June 2015 that reflected a project budget of \$1.5 million. Subsequently the project budget has increased by \$1.2 million as it is anticipated that the Contractor's Capital Investment Fund will have be able reimburse that amount for the project over the 10 year term of the project. 2) What changes to the original \$1.5 million design are being made with the resulting expanded budget of \$2.7 million? 3) Is it possible to maintain the original Council approved \$1.5 million budget, subtracting the \$1.2 million anticipated to reduce the amount of needed funds to \$.3 million? 4) Please provide criteria city staff uses to set contingency percentages for projects. This proposal sets contingency at 15% or \$405,000 of a \$2.7million budget. Backup indicates 15% is being requested due to hidden conditions under dishwashers, kitchen appliances, and counters. Does the convention center have MEP plans to reference for needed information which might potentially reduce the contingency amount? COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER:

- 1) The budget for this project has always been \$2.7 million, comprised of the City's cost of \$1.5 million and the Contractor's cost of \$1.2 million. The budget amount reported in the previous Recommendation for Council Action included only the City's portion of the project, and was silent as to the Contractor's \$1.2 million contribution to the project.
- 2) None, the project has always been a \$2.7-million-dollar project.
- 3) The budget for this project has always been \$2.7 million, comprised of the City's cost of \$1.5 million and the Contractor's cost of \$1.2 million. The budget amount reported in the previous Recommendation for Council Action included only the City's portion of the project, and was silent as to the Contractor's \$1.2 million contribution to the project.
- 4) The proposed amount by the Contractor is \$1,980,000 plus \$170,000 for allowances. Due to the nature of renovation work and the likelihood of unforeseen and hidden conditions, 15% of the total proposed amount plus allowances is being proposed by City staff. The total Not-to-exceed (NTE) amount is rounded up. The 15% contingency rate is recommended due to City staff experience working with unreliable or inaccurate renderings of MEP infrastructure depicting the layout of the existing substructure elements in the building. Changes may need to happen to reflect existing conditions. Additionally, the proposed part of the facility was constructed in the early 1990s. Over the last 25+ years things may have broken, corroded, settled/shifted, or become unusable. Since this kitchen is not currently being used for production, it's hard to determine what condition the existing infrastructure is in. For these reasons, the 15% contingency is recommended.

Does the convention center have MEP plans to reference for needed information which might potentially reduce the contingency amount? Yes, there are MEP plans for the proposed project. However, past projects that utilized renderings of MEP infrastructure depicting the layout of the existing substructure elements in the building were not reliable and accurate. Changes may need to happen to reflect existing conditions. Additionally, the proposed part of the facility was constructed in the early 1990s. Over the last 25+ years things may have broken, corroded, settled/shifted, or become unusable. Since this kitchen is not currently being used for production, it's hard to determine what condition the existing infrastructure is in. We won't really be able to assess the situation until we start removing walls and trenching floors.



Council Question and Answer

Related To

Item #9

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) How many of its 9 Single Project Enterprise Fund Designations has the City of Austin given this biennium? 2) Page 2 of the Project Summary from the back up describes an expenditure for "New Enterprise Resource Planning System," please further describe what this means. 3) Does the Texas Enterprise Zone Program have a "but for" provision? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

- 1) The current biennium spans from September 2015 to September 2017. This biennium, the City of Austin approved two designations, Samsung and Freescale Semiconductor. Freescale was approved by the State; Samsung is still in review. If this action is approved by Council and the State of Texas it could leave the city with six (6) designations.
- 2) An Enterprise Resource Planning System (ERP) is business process management software that integrates different areas of business in order to manage and automate back office functions. For example, product planning, development, material purchasing, inventory handling, manufacturing, sales and marketing, accounting, finance, human resources and payroll can all work interchangeably. Each function area typically includes its own module. These modules are often different software providers and they are incorporated together to create one interactive system.
- 3) The Texas Enterprise Zone program is an economic development tool for local communities to partner with the State of Texas to encourage job creation and capital investment in economically distressed areas of the state and does not have "but for" provision. As requested, attached is a description of the program as well as a link to the program website.

<https://texaswideopenforbusiness.com/services/tax-incentives?view=texas%20enterprise%20zone%20program>



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

GREG ABBOTT
GOVERNOR

TEXAS ENTERPRISE ZONE PROGRAM
Eligibility and Requirements

Program Objective

The Texas Enterprise Zone program is an economic development tool for local communities to partner with the State of Texas to encourage job creation and capital investment in economically distressed areas of the state.

Participation

For a business to receive state tax incentives under the Texas Enterprise Zone Program, the local community must nominate it for enterprise project designation. Each local community has a limited number of projects allocated and the state has a maximum number of 105 that can be awarded per biennium. Applications are accepted quarterly with the deadlines on the first working day of March, June, September, and December. Applications received **after 5:00 p.m.** for each quarterly application deadline date **will not** be considered for that current round.

Quarterly Application Deadline	90-Day window	Designation Expiration
09/01/15	04/23/15	09/01/20
12/01/15	07/17/15	12/01/20
03/01/16	10/14/15	03/01/21
06/01/16	01/15/16	06/01/21
09/01/16	04/26/16	09/01/21
12/01/16	07/20/16	12/01/21
03/01/17	10/18/16	03/01/22
06/01/17	01/24/17	06/01/22

Participation Requirements

- Enterprise project designation is up to a five year period, in addition to a 90-day window prior to the quarterly deadline application/designation date as outlined above. Employment and capital investment commitments must be incurred and met within the 90-day window through the designation expiration date.
- Projects may be physically located inside or outside of an Enterprise Zone.
- If located within a zone, the company commits that 25% of their new employees will meet economically disadvantaged, enterprise zone residency, or veteran requirements.
- If located outside of a zone, the company commits that 35% of their new employees will meet economically disadvantaged, enterprise zone residency, or veteran requirements.
- Jobs must provide employment of at least 1,820 hours during a 12-month period.
- Jobs must exist through the end of the designation period, or at least three years after the date on which a state benefit is received, whichever is later.



Benefits to participation

Designated projects are eligible to apply for state sales and use tax refund on taxable items. The level and amount of refund is related to the capital investment and jobs created and/or retained at the qualified business site.

Level of Capital Investment	Maximum number of jobs allocated	Maximum potential refund	Maximum refund per job allocated
Half Enterprise Project			
\$40,000 to \$399,999	10	\$25,000	\$2,500
\$400,000 to \$999,999	25	\$62,500	\$2,500
\$1,000,000 to \$4,999,999	125	\$312,500	\$2,500
\$5,000,000 or more	250	\$625,000	\$2,500
Enterprise Project			
\$5,000,000 or more	500	\$1,250,000	\$2,500
Double Jumbo Project			
\$150,000,000 to \$249,999,999	500	\$2,500,000	\$5,000
Triple Jumbo Project			
\$250,000,000 or more	500	\$3,750,000	\$7,500

Double and Triple Jumbo Projects may not have retained jobs for benefit. A triple jumbo enterprise project must create at least 500 jobs.

Capital investment is money paid to purchase capital assets or fixed assets including but not limited to land, buildings, labor used to construct or renovate a capital asset, furniture, manufacturing machinery, computers and software, or other machinery and equipment. Property that is leased under a capitalized lease is considered a qualified capital investment but property that is leased under an operating lease is not considered a qualified capital investment.

NOTE: if using a contractor to construct the facility, a "separated contract" (a contract in which the agreed contract price is divided into separately states prices for materials and labor) must be executed. If a "lump sum" contract is executed, a claim for refund of taxes invoiced to, and paid by a third party, will not qualify for a refund under this Program. Please call the Comptroller of Public Accounts' Office at 1-800-531-5441 ext. 51083 if you have any questions regarding this issue.

Local communities may offer benefits to participants under the enterprise zone program as well. These may include tax abatement, tax increment financing, one-stop permitting and others.

Enterprise Zone

An enterprise zone is a census tract block group that has 20% or more poverty rate based upon the most recent decennial census federal poverty level information, a distressed county, a federally designated zone or renewal community.

Fee

There is a non-refundable application fee for consideration of an enterprise project designation. Enterprise projects will be assessed 3% on the amount of any refund benefit received under the state enterprise zone program.

Contact Information

For additional information on the Texas Enterprise Zone Program call (512) 936-0101.



Council Question and Answer

Related To

Item #7

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION from Work Session: What are the wage levels and benefits related to YETI's Texas Enterprise Zone Application? (CM Kitchen). Please provide a map of the qualifying areas (CM Houston). Please confirm with YETI and/or Capital Metro transit options for employees (CM Houston)

ANSWER:

Employee Wages

- Total Number of Full-Time Jobs at the site. 322
- Total Number of Full-Time Jobs to be Retained for Program Benefit 250
- Total Number of Full-Time Jobs to be Created for Program Benefit 250

Job Category	Number of Jobs (employed by company)	Number of Jobs (vendor or contract)	Average Annual Base Wages	Percent to be Locally Hired
Executive	18	0	\$170,190.00	100%
Manager	72	0	\$95,521.25	100%
Supervisor	93	0	\$96,900.00	100%
Staff	191	0	\$93,246.43	100%
Entry Level	200	0	\$57,082.68	100%
Total	574	0	\$512,940.36	100%

Employee Benefits

Employees benefits received are as follows: Health Insurance, Dental Insurance, Retirement Plan, 401(k), Paid Leave, Counseling, Life Insurance, Prescription Drug Plan, Vision, Flexible Spending Accounts, Disability and an Employee Assistance Program.

2) Pending- awaiting response from the State of Texas Governor's Office

3) According to YETI representatives, YETI's employees generally drive to the office. There is one bus line that stops very close to the new headquarters (HQ) location (the 970 route), which comes from downtown Austin. There is a lot of housing within a bike riding distance of the new HQ location, and there will be bike storage available. YETI also encourages employees to carpool. Many employees live near the office and near other employees.

Currently, Capital Metro has no plans to expand service in this area beyond the existing and previously mentioned reverse commute type service (Route 970) that provides limited peak hour service to some of the employers in the area. According to Capital Metro, this route has extremely low ridership and only serves an average of 10 people per day. This route is proposed for elimination as a part of their 5-10 year service plan (Connections2025 (<http://connections2025.org/draft-plan/>)).



Council Question and Answer

Related To

Item #9

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) What was the total cost of the construction of the hotel? 2) Can staff provide a yearly report of all revenue generated by the Hilton, and include how that revenue was allocated between debt payment, the Hilton, and the City. 3) How much outstanding debt does the City have on the Hilton? 4) When does the City anticipate being able to pay off the hotel in full? 5) Has the City used any other form of revenue besides revenues from hotel sales to pay for any costs associated with the hotel? 6) Would paying off the debt for this project be an eligible expenditure of hotel occupancy taxes?

ANSWER:

- 1) Total funding required for construction of the 800 room hotel, garage, and necessary reserves was \$276,206,271. This amount was funded by \$261,206,271 in debt and a \$15,000,000 equity payment from convention center funds.
- 2) See table below
- 3) Austin Convention Enterprises, Inc. ("ACE") has a total of \$223,580,000 in outstanding debt; \$139,950,000 2006A Bonds and \$83,630,000 2006B Bonds. This refunding item will be for an amount of \$207 million.
- 4) January 1, 2034.
- 5) Please see #1 above for breakdown on funding for the construction of the hotel. Since the hotel opened in 2003, there has been no City funding used for any costs associated with the hotel. Since 2007, Hilton has generated approximately \$37 million in Hotel Occupancy Taxes to the City.
- 6) Bond Counsel had previously consulted with the Attorney General's Office regarding this matter, with the determination that the debt service for these specific ACE bonds cannot be paid with hotel occupancy taxes (HOT). These bonds were originally issued in 2001 pursuant to authority granted under Chapter 1508 of the Government Code, which do not expressly permit the pledge of HOT.

Austin Convention Enterprises													
Historical Performance Data													
		<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
	Gross Revenues	39,185,000	49,900,000	56,100,000	62,000,000	62,900,000	55,600,000	58,400,000	63,900,000	67,700,000	72,900,000	75,000,000	81,100,000
	Operating Expenses	29,828,000	32,850,000	36,000,000	39,132,000	38,033,000	33,532,000	34,898,000	36,000,000	36,600,000	38,700,000	41,200,000	43,000,000
	Capital and Other Reserves	1,789,000	1,914,000	3,858,000	2,664,000	6,132,000	3,607,000	4,532,000	8,460,000	9,727,000	12,730,000	12,103,000	16,360,000
	Debt Service	7,568,000	15,136,000	16,242,000	18,184,000	16,410,000	18,461,000	18,970,000	19,170,000	19,338,000	19,520,000	19,697,000	18,240,000
	City Distributions	-	-	-	2,020,000	2,325,000	-	-	270,000	2,035,000	1,950,000	2,000,000	3,500,000



City of Austin

Neighborhood Housing and Community Development

Cost/Benefit Analysis

Travis Flats

5325 Airport Boulevard

AHFC Agenda Item #

N/A

Property Name
Property Address
Council District (Member)
Census Tract and Block Group
Units
Affordability Period/Period Ends
Estimated Total Project Cost
Requested Funding Amount
AHFC Funding Amount Per Unit

Travis Flats			
5325 Airport Boulevard			
#4 Casar			
21.05 & Block Group 3			
Affordable Units: 122		Total Units: 146	
		% Affordable: 84%	
30 Years			
Unknown			
\$0			
\$0			

Benefits/Qualitative Information

Walk Score ¹
Bike Score ¹
Transit Score ¹
Opportunity Index ²
School Rating (2014) ³

72 (Very Walkable)			
95 (Biker's Paradise)			
49 (Some Transit)			
Education: Very Low	Housing & Environment: Very Low	Economic & Mobility: Low	Comprehensive Index: Very Low
Elementary: Ridgetop Elementary School (Met Standard)		Middle: Lamar Middle School (Met Standard)	High: McCallum High School (Met Standard)

Information Below by Census Tract
Number of Jobs ⁴
Median Family Income (MFI) ⁵
Number of Moderate Income Households ⁵
Number of Low Income Households ⁵
Percentage of Moderate Income Households with Substandard Housing or Overcrowding ⁵
Percentage of Low Income Households with Substandard Housing or Overcrowding ⁵
Percentage of Severely Cost Burdened Moderate Income Households ⁵
Percentage of Severely Cost Burdened Low Income Households ⁵
Number of Owner Units ⁵
Number of Rental Units ⁵














2,481		
\$26,634		
1,590		
1,175		
21%		
17%		
39%		
53%		
0% affordable to 50% MFI	27% affordable to 80% MFI	37% affordable to 100% MFI
8% affordable to 30% MFI	36% affordable to 50% MFI	84% affordable to 80% MFI

Sources: ¹ Walkscore.com; ² Kirwan Institute, Central TX Opportunity Maps; ³ AISD; ⁴ US Census, On the Map (2013); ⁵ HUD CPD Maps (using 2007-2011 ACS data)



City of Austin
Neighborhood Housing and Community Development
Cost/Benefit Analysis

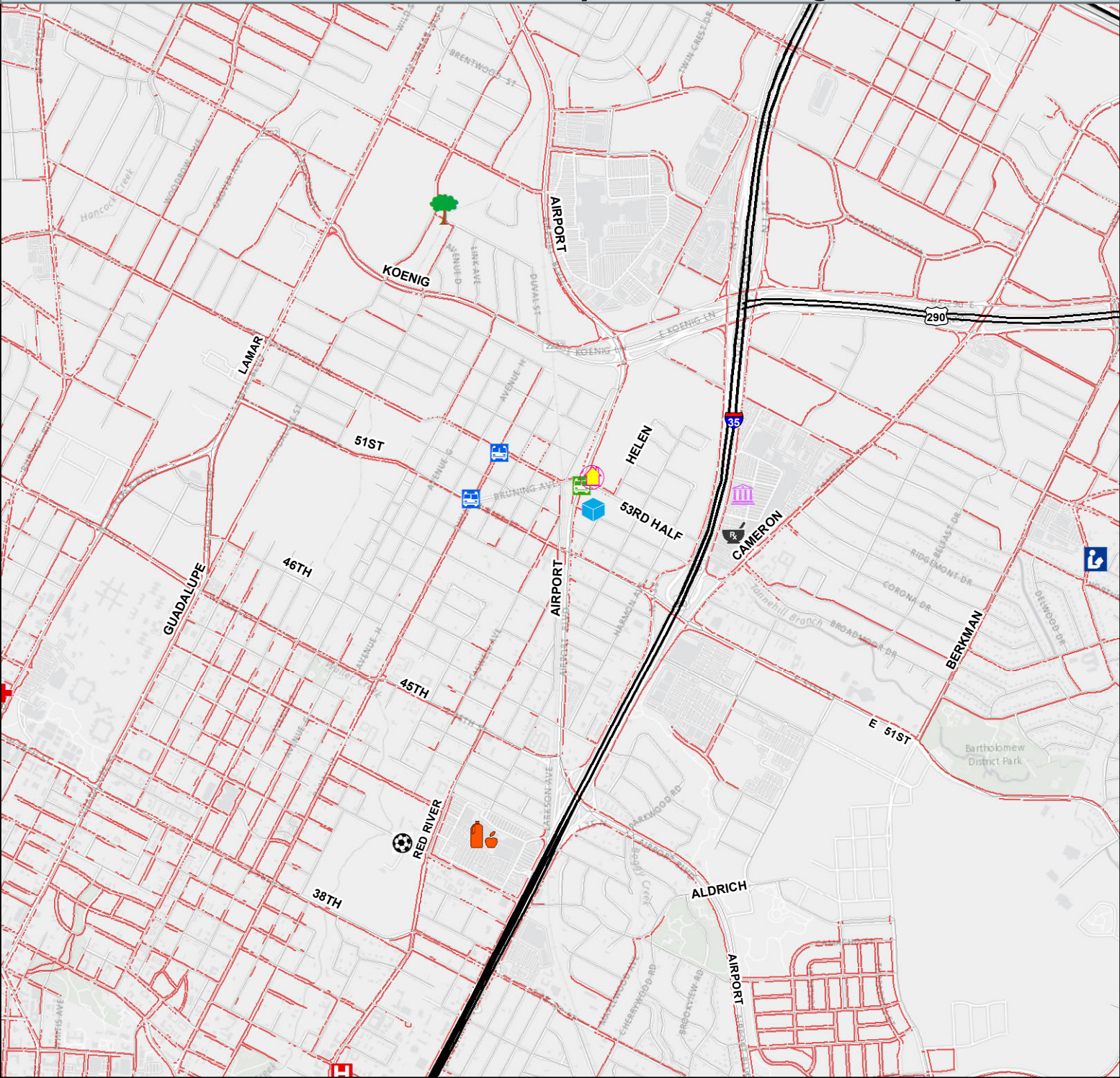
Name
Travis Flats
5325 Airport Boulevard


Healthcare		Clinic/Urgent Care: MedSpring
		Clinic/Urgent Care: FastMed
		Hospital: Saint David's Medical Center
		Pharmacy: Walgreens
Education		Day Care: Child Inc.
		Elementary School: Ridgetop
		Middle School: Lamar
		High School: McCallum
		Library: Windsor Park Branch
Transportation		Nearest Bus Stop
		Nearest High-Capacity/High-Frequency Transit Line
		Nearest High-Capacity/High-Frequency Transit Line
		Nearest Bike Share
		Nearest Train Station
Other Amenities		Bank: Chase Bank
		Grocery Store: HEB
		Park: Reilly School Park
		Community/Recreation Center: Hancock

Approx. Distance	Address	Transit Routes			
		Route	Estimated Trip Length	Transfers	Total Walking Distance (approx)
2.4 Miles	3906 N Lamar Boulevard	338	30mins	0	1 Mile
2.7 Miles	3311 N Lamar Boulevard	338	31mins	0	1 Mile
1.9 Miles	919 E 32nd Street	10	15mins	0	.5 Mile
1 Mile	5345 N Interstate 35 Frontage Road	-	19mins	0	1 Mile
.1 Mile	818 E 53rd Street	-	3mins	0	.1 Mile
.3 Mile	5005 Caswell Avenue	-	6mins	0	.3 Mile
2.7 Miles	6201 Wynona Avenue	320	24mins	0	.7 Mile
1.6 Miles	5600 Sunshine Drive	320	20mins	0	.8 Mile
2.3 Miles	5833 Westminster Drive	37	24mins	0	.9 Mile
174 Feet	5315 Airport Boulevard	-	1min	0	174 Feet
.5 Mile	5214 Duval Street	-	10min	0	.5 Mile
.5 Mile	E 51st Street	-	11min	0	.5 Mile
3.8 Miles	West Mall	10	32mins	0	.7 Mile
.3 Mile	CP Clarkson	-	5mins	0	.3 Mile
1.1 Miles	5407 N IH 35	320	19mins	0	.8 Mile
1.1 Miles	1000 E 41st Street	10	10mins	0	.1 Mile
1.3 Miles	6001 Guadalupe Street	10	15mins	0	.6 Mile
1.3 Miles	811 E 41st Street	10	14 mins	0	.3 Mile











Source: Google Maps

Amenities and Access Near Proposed Housing Development






 **Proposed Travis Flats Development**


Amenities

 Bank	 Library	 Pharmacy
 Day Care	 Park/Greenway	 Recreation Center
 Grocery Store	 Urgent Care	 Bike Share
		 Train Station

Access

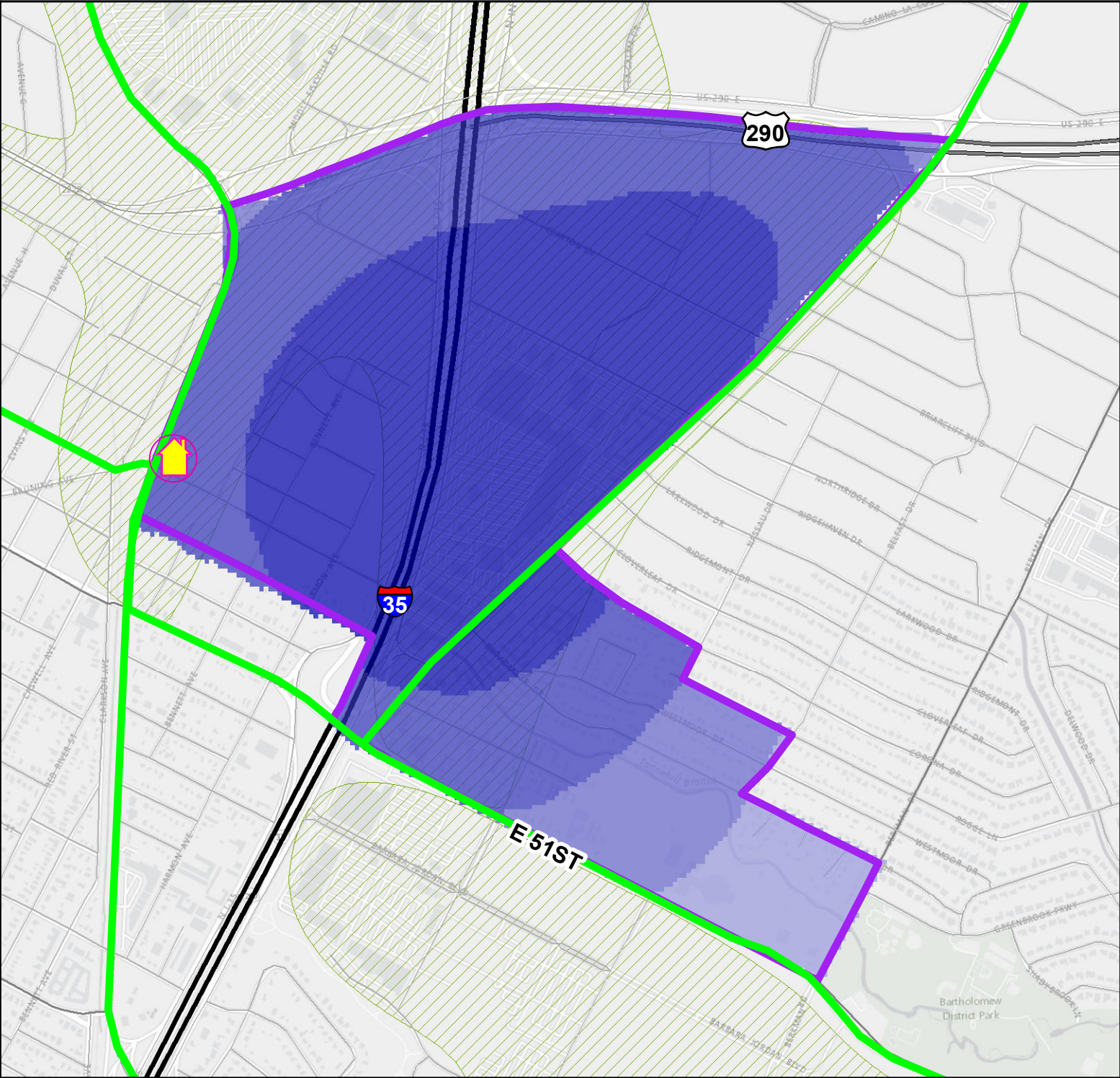
 Existing Sidewalks
 Nearest Bus Stop
 Nearest High-Frequency Bus Stop


0 0.1 0.2 Miles



Basemap Source: Esri, 2015
Sources: CMTA, 2012; Google Maps, 2017; Census 2014










Employment Near Proposed Housing Development




 **Proposed Travis Flats Development**

Jobs

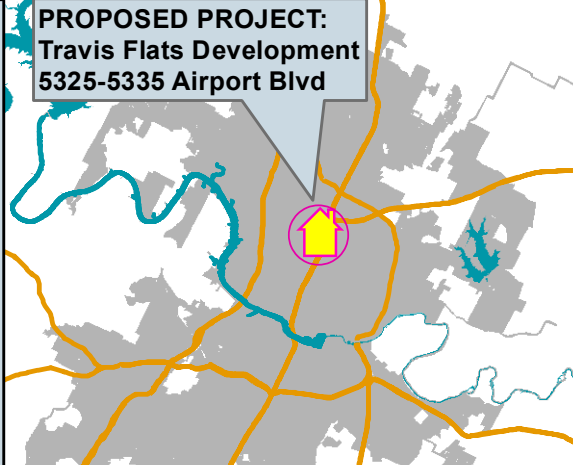
Census Tract Job Concentration

 5-21 jobs/sq mi	 Imagine Austin Corridors
 22-71 jobs/sq mi	 Imagine Austin Centers
 72-155 jobs/sq mi	 Census tract analyzed for jobs
 156-272 jobs/sq mi	 Austin City Limits
 273-423 jobs/sq mi	

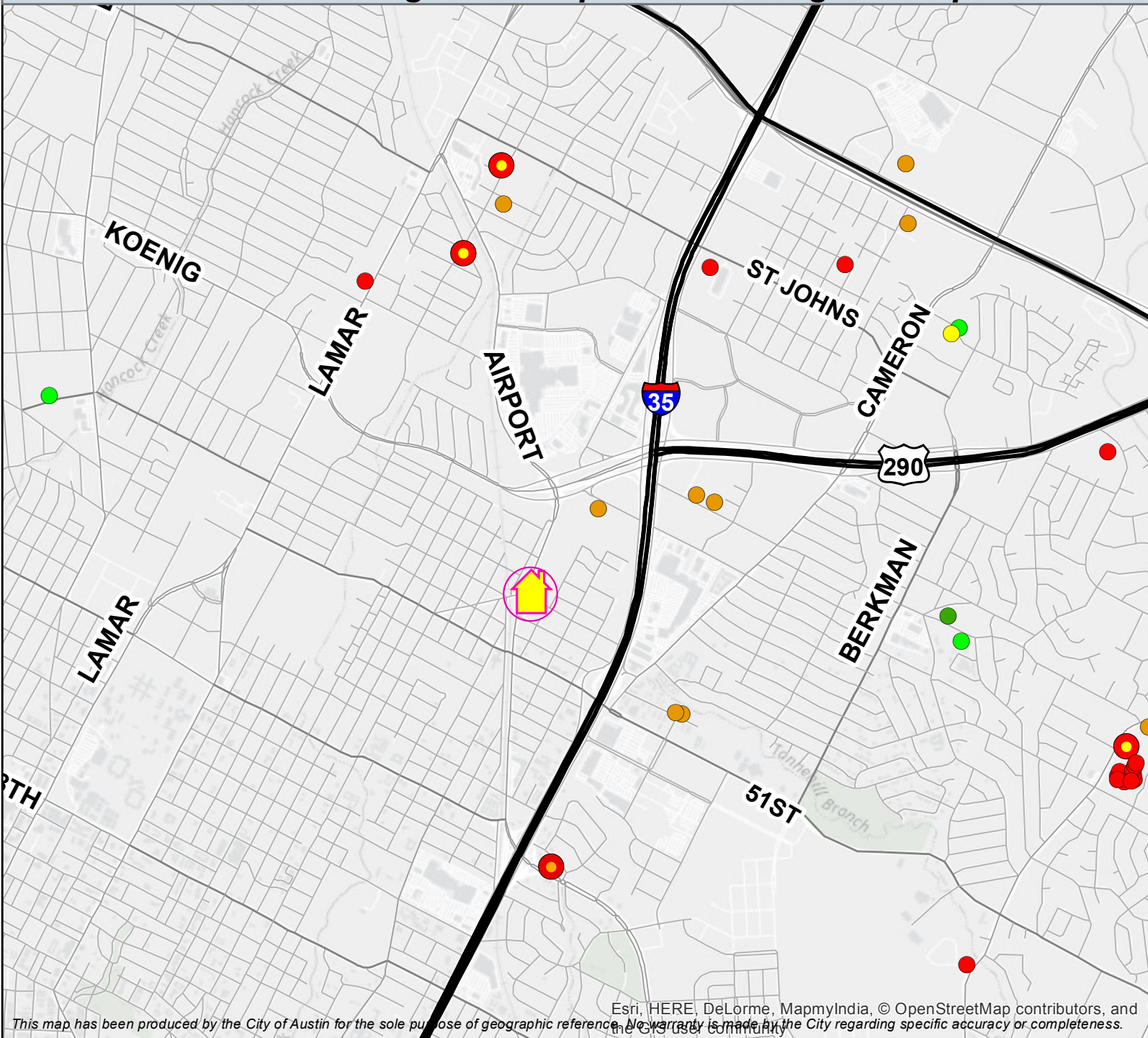
0 0.1 0.2 Miles



PROPOSED PROJECT:
Travis Flats Development
5325-5335 Airport Blvd



Subsidized Housing Near Proposed Housing Development



Proposed Travis Flats Development

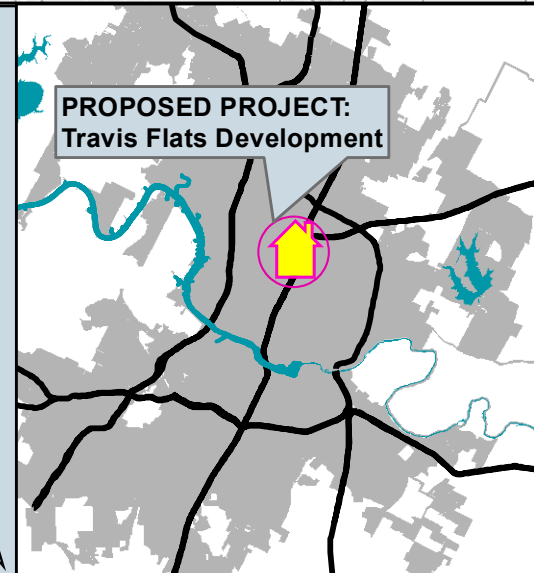
Subsidized Housing

- Density Bonus Program
- Austin Affordable Housing Corp (AAHC)
- Austin Housing Finance Corp (AHFC)
- Housing & Urban Development Dept (HUD)
- City of Austin Housing Authority (HACA)
- Travis County Housing Authority (HATC)
- TX Dept of Housing & Community Affairs (TDHCA)
- AHFC/AAHC
- AHFC/HUD
- AHFC/TDHCA
- HATC/TDHCA
- TDHCA/HUD
- AHFC/TDHCA/HATC
- AHFC/HUD/TDHCA

Sources: HUD, 2015; COA, 2015

Basemap Source: ESRI, 2015

0 0.2 0.4
Miles





Council Question and Answer

Related To

Item #19

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) What are the specific requirements or qualifications for this program? 2) For 2015 and 2016, can staff provide a list of contractors who were awarded these services and the total amount provided to each contractor? 3) How does the City calculate the savings outlined in the Recommendation for Council Action (RCA) of \$1.1 million? COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

1) What are the specific requirements or qualifications for this program?

Capital Improvement Projects (Construction Projects) are subject to the ROCIP program if the Construction Project meets the following criteria:

- Estimated Construction costs equal to or greater than \$2 million
- Labor intensive construction contract (Labor expenses are greater than 20% of total construction costs)
- Project is site specific
- Hazardous materials abatement and remediation are not primary scopes of work
- No street overlay or sidewalk construction

Once it is determined that a Construction Project is subject to the ROCIP program, all contractors and subcontractors working on the project must participate in the program.

2) For 2015 and 2016, can staff provide a list of contractors who were awarded these services and the total amount provided to each contractor?

When the City solicits for a Construction contract, and the Construction Project is subject to the ROCIP program the solicitation's instructions will direct bidders to remove their normal insurance costs from their bid as the City will provide the insurance coverage under any resulting contract. During the contract's performance, the City pays for the insurance coverage on behalf of the contractor.

Below is a list of ROCIP VI Construction Projects Awarded in 2015 and 2016:

SEE NEXT PAGE

ROCIP Project Name	Contractor	Construction Costs
Main to Capitol Complex / AISD Reclaimed Water	Peabody Construction	\$4,775,699
Terminal-Apron Expansion and Renovation	Hensel Phelps	\$261,561,223
Harris Branch Interceptor "Lower A"	SJ Louis Construction	\$5,163,689
SAR Tertiary Filter Improvements	Matous Construction	\$24,718,610
Main to Junction 420 (Downtown Area) - Reclaimed Waterline	Austin Underground	\$4,732,997
NW Brentwood/Karen/Payne Area Neighborhood Water System Upgrade	Santa Clara Construction	\$2,434,207
Waters Park Relief Main	M.A. Smith Contracting	\$5,185,725
Animal Center Kennel Addition & Campus Infrastructure Imp	SpawGlass Construction	\$4,808,399
Womens & Children Shelter Renovations	IE2 Construction	\$4,974,826

All total there were 149 subcontractors covered by ROCIP VI insurance on the nine (9) Projects listed above.

3) How does the City calculate the savings outlined in the Recommendation for Council Action (RCA) of \$1.1 million?

Because the City can secure the required for these projects at more favorable rates than the contractors can do individually, the Insurance Cost Avoidance (Savings) for ROCIP VII is estimated to be \$1.1 million. These savings are calculated as follows:

\$7,139,386 (Contractors' Traditional Insurance Premiums)*

–\$6,037,000 (ROCIP Insurance Premiums, Administration and Safety Fees, & Expected Losses)

\$1,102,386 Savings

*Includes estimated premiums for Workers Compensation, General Liability, and Excess Liability for General Contractors and all Subcontractors.



Council Question and Answer

Related To

Item #27

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: Can APD provide a chart of DNA cases, including the new cases per month, number currently being processed per month, number in backlog, etc. to give a sense of how long it will take to clear the backlog with current capacity and with added capacity with this contract?

ANSWER:

1) APD Forensics is currently working on pulling a report with comprehensive information on DNA case numbers. APD receives approximately 90 new cases per month that require testing. This contract will allow APD to process 60 cases per month, and APD is working on additional contracts/avenues that will be presented to Council to address the remaining 30 cases that are received monthly and the backlog.

In gathering these numbers, we have multiple databases and multiple overlap in reconciling. For example: one case may have multiple lab submission requests. Also, many cases are complete but cannot be closed until an analyst from an accredited lab reviews the final report. Other issues include a Burglary or Homicide that also had a sexual assault component or other overlapping crimes.

- Current Backlog DNA Cases: 4594
 - Sex Crimes Cases in above number: 3732
 - DANY-Funded Cases (Cases over 1 year old and which qualify to be covered under a grant received through the District Attorney of New York): 3077
 - Previously outsourced sexual assault kits—initial testing completed by Bode: 400
 - Remaining Sexual assault Backlog: 255
 - (Other) Investigative Backlog: 862 Total
 - Homicide: 45
 - Robbery: 89
 - Assault: 134
 - Burglary: 346
 - Theft: 52
 - Misc: 196

DANY grant cases are currently funded, and should be done processing by Sept. 2018.

Number of new DNA request per month: approximately 90

--Nearly half the requests are for non-violent offenses

Current Capacity for testing:

DPS: 20 Cases per month starting this month (9 month turnaround)

Signature Science: 60 Cases per month (30/mo for first two months, then 60)

University of North Texas: (approx. 20-40 cases/mo. with 4 month lead time to begin)

Future backlog reduction will be dependent on laboratory capacity. As these laboratories complete the DANY grant projects, their capacity will increase.



Council Question and Answer

Related To

Item #28

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: Please explain why these security services are proposed to be handled through contracts rather than bringing on individuals as regular employees. Please provide estimated costs for bringing these services in house. Please describe the salary rates that workers will receive and health **and** other benefits offered by each of the responding offerors. MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

1) Explain why these security services are proposed to be handled through contracts rather than bringing on individuals as regular employees.

Staff issued a memo concerning this item on Friday, February 10, 2017.

In 2012, Council approved Resolution No. 20120405-054 directing City Staff to research and justify using contractors to perform various non-professional services, versus those services being delivered by City Staff. The results of this research was captured in the document titled "City of Austin Report on Insourcing Select Service Contracts," dated October 1, 2012, jointly developed by the Purchasing Office and the Budget Office. For complete details please refer to the "City of Austin Report on Insourcing Select Service Contracts" that is attached to the current RCA. In summary, the report's research showed that, in a variety of categories including security guard services, engaging contractors for service delivery was far more economical than utilizing City Staff, in both the then-current fiscal year and across a five-year horizon.

2) Provide estimated costs for bringing these services in house.

Per the February 10 memo, the Purchasing Office compared the hourly rates proposed by each of the three Contractors to the City's current hourly rates for equivalent security guard titles (excluding higher grade airport security titles). The cost of City security guard titles was calculated based on the minimum rate of pay for each City title, plus the estimated cost of benefits per title. Even at the entry level, all of the City's titles reflected a higher hourly cost to the City than any of the Contractors' proposed rates. The table below provides a brief analysis by position titles and pay rates, for both the Contractor and the City:

SEE NEXT PAGE

Contract Titles	Champion (City's Cost)	Securitas (City's Cost)	Whelan (City's Cost)
Security Guard	\$19.81	\$18.83	\$18.58
Security Officer I	\$19.81	\$18.83	\$18.24
Security Officer II	\$20.53	\$19.17	\$18.64
Security Officer III	\$21.25	\$20.14	\$18.97
Supervisor/Lead Security Guard	\$23.41	\$22.09	\$19.93
Lead Officer	\$23.41	\$35.52	\$32.20

Comparable City Titles	Entry Level Pay (Employee Pay)	Entry Pay w/Load (City's Cost)
Security Guard	\$13.75	\$24.09
Security Guard Lead	\$15.12	\$25.82
Security Supervisor	\$17.93	\$29.35
Security Coordinator	\$22.83	\$35.50
Security Manager	\$34.40	\$50.04

3) Describe the salary rates that workers will receive and health and other benefits offered by each of the responding offerors.

The table below provides a summary of benefits offered to employees by each Contractor:

Contractor	Available Benefits
Champion National Security, Inc.	Health plan meets the minimum requirements defined by the Affordable Care Act. Employees may elect health, dental, vision, critical illness, term life and dependent life insurance coverage on a pre-tax basis. Additionally, vacation and sick leave benefits are available.
Securitas Security Services USA Inc.	Health plan meets the minimum requirements defined by the Affordable Care Act and applicable state/local laws. Access to regional HMOs is provided where required. Dental plans and full-service vision care are available. Other benefits offered include: 401(k) savings, life and accident insurance, employee assistance, holiday and vacation pay and free-of charge uniforms and equipment.
Whelan Security Co	Health plan includes multiple choices for coverage; each meets the current Affordable Care Act requirements. Additional coverage is available for dental, vision, disability, critical illness, life insurance and legal access. Additionally, 401(k) savings, paid vacations and holidays and an employee assistance program are available.



Council Question and Answer

Related To

Item #28

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) Why were the four bids which were deemed "non-responsive," non-responsive?

ANSWER:

1) Four proposals were deemed non-responsive because those Offerors did not submit specific financial information and other documentation required in the RFP. Please see below:

<u>Offeror</u>	<u>Documentation not Provided/Non-Conforming</u>
ADC Ltd. NM	Section 0602 (Purchasing Office Exceptions Form) - not provided Section 0605 (Local Business Presence Identification Form) - not provided Financial statements - not submitted
Blue Shield Security	Section 0602 (Purchasing Office Exceptions Form) - not provided Financial statements - not submitted Proposal did not include program-specific information
SRT	Section 0601 (Price Proposal Form) - not provided Section 0602 (Purchasing Office Exceptions Form) - not provided Section 0605 (Local Business Presence Identification Form) - not provided Section 0700 (Reference Sheet) - not provided Section 0815 (Living Wages Contractor Certification) - not provided Section 0835 (Nonresident Bidder Provisions) - not provided Section 0900 (MBE/WBE Procurement Program Package No Goals Form) - not provided Financial statements - not submitted Proposal did not include program-specific information
Texas Industrial Security	Section 0815 (Living Wages Contractor Certification) - incomplete Financial statements - not submitted Proposal did not include program-specific information



Council Question and Answer

Related To

Items #57, #58 and #59

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) What is the total bonus area calculation? 2) What is the Floor-to-Area-Ratio (FAR) for this project? 3) Does the density bonus on this project include square footage plus FAR? If FAR is not being counted, why not? 4) Is the fee in lieu rate set at the current \$11/square foot? 5) How many units will the fee in lieu amount buy down for the City of Austin at this site? 6) How many affordable units would Endeavor otherwise be required to locate on site? 7) What is the purpose of the CURE being utilized on this project? 8) How is the CURE being employed here in terms of height and MFI on the on-site affordable housing units? 9) The TOD regulating plan requires a property owner/developer to “demonstrate a compelling reason to not provide housing on-site.” (TOD 4.3.3 D 1) 10) What is the compelling” reason”, and how has the developer “demonstrated” that compelling reason to city staff? 11) What is the average size of a market rate residential unit on this project? 12) What is the average size of an affordable housing unit within the tax credit project on Tract 6? 13) Will senior affordable housing be provided on this project, as originally proposed by Endeavor? 14) Will there be a senior activity center on this project, as originally proposed by Endeavor? 15) Is there a requirement on the affordable units in terms of bedroom mix? If not, why not? 16) Originally, Endeavor was at 50% MFI and below, are they now at 60%? Why the change? 17) What is the residential mix in terms of rental and ownership? 18) If the project is granted at 70’ feet for the portion of Tract 1 instead of 125’ feet as proposed, what is the difference in annual lease payments to Cap Metro? COUNCIL MEMBER POOL'S OFFICE

ANSWER:

1) What is the total bonus area calculation?

60,000 sf of commercial space

2) What is the Floor-to-Area-Ratio (FAR) for this project?

2.33:1

3) Does the density bonus on this project include square footage plus FAR? If FAR is not being counted, why not?

The density bonus square feet is the same as the bonus area, which is 60,000 sf of commercial space. The bonus area is the commercial increase in the FAR from 2:1 to 2.33:1, which equals 60,000 sf.

4) Is the fee in lieu rate set at the current \$11/square foot?

No. The project’s site plan was submitted prior to the increase in October 2016 to the \$11; therefore, the fee-in-lieu rate is \$10/square foot.

5) How many units will the fee in lieu amount buy down for the City of Austin at this site?

Approximately Two 1-Bedroom units or One 2-Bedroom Unit

6) How many affordable units would Endeavor otherwise be required to locate on site?

If the fee-in-lieu request is not approved, Endeavor would be required to set aside 15% of the total square footage of the development for the affordable units, which would equate to approximately 84 units, instead of the 41 units currently being proposed.

7) What is the purpose of the CURE being utilized on this project?

How is the CURE being employed here in terms of height and MFI on the on-site affordable housing units?

CURE zoning is being used in two ways to modify the site development regulations applicable in the base district,

which in this case is TOD. First, the TOD density bonus program only allows building height to be increased from 40 feet to 60 feet. CURE is being used to achieve the requested building heights above 60 feet—68, 70, and 120 feet. Second, the TOD density bonus program only allows for affordable rental housing at or below 50% MFI. CURE is being used to achieve the requested average of 50% MFI with units at 30%/50%/60% MFI.

8) The TOD regulating plan requires a property owner/developer to “demonstrate a compelling reason to not provide housing on-site.” (TOD 4.3.3 D 1) What is the compelling” reason”, and how has the developer “demonstrated” that compelling reason to city staff?

Staff’s recommendation or support of the developer’s request to pay a fee in lieu applicable to the commercial square footage was informed by the following rationale:

- Unlike the Vertical Mixed Use (VMU) and the University Neighborhood Overlay (UNO) density bonus programs, which calculate the required percentage of affordable units based on the residential component of the development, the TOD regulating plan calculates the required percentage based upon the entire square footage of the development. The TOD regulating plan does not align with other density bonus programs, and may not contemplate developments that have a high square footage of commercial space in its overall square footage calculation.
- In addition to the fee-in-lieu payment on the commercial space bonus area, Endeavor is reserving 15% of the entire “residential square footage” for on-site affordable units.
- The fee-in-lieu could be reinvested into the project to buy down additional affordable units in Tracts 1-4.
- It is not feasible to locate residential units in the commercial space in this project.
- Overall, staff considered in its recommendation the large percentage of commercial space, >20% in this project.

9) What is the average size of a market rate residential unit on this project?

Approximately 800 sf, including the floating affordable units

10) What is the average size of an affordable housing unit within the tax credit project on Tract 6?

Approximately 800 sf. This project is just now commencing design.

11) Will senior affordable housing be provided on this project, as originally proposed by Endeavor?

The City cannot require units be restricted for seniors. The applicant may choose to limit a complex to housing for older persons if it complies with federal standards.

12) Will there be a senior activity center on this project, as originally proposed by Endeavor?

Per the developer, a senior activity center was not originally included in the proposed project.

13) Is there a requirement on the affordable units in terms of bedroom mix? If not, why not?

The Regulating Plan does not speak to a bedroom mix, however, to comply with the Fair Housing Act, a bedroom mix is required to avoid potential disparate impacts and discrimination based on familial status, i.e. people with children.

14) Originally, Endeavor was at 50% MFI and below, are they now at 60%? Why the change?

The 41 floating units are at 50% MFI. The 100 units on Tract 6 will be at an average of 50% MFI with units at 30% MFI/50% MFI/60% MFI and 4 market rate units. The developer for Tract 6 is submitting a tax credit application. In order to present a more competitive application the developer is targeting lower income households at 30%

MFI. In order to target the lower income households, the developer needs a higher range in MFI to ensure a projects financial viability. , the average MFI will comply with the TOD regulating plan requirement of 50% MFI or below.

15) What is the residential mix in terms of rental and ownership?

100% of the units will be rental.

16) If the project is granted at 70' feet for the portion of Tract 1 instead of 125' feet as proposed, what is the difference in annual lease payments to Cap Metro?

The request for 125' is only for the office building on a portion of Tract 1, which is adjacent to IH-35. The difference is 4 stories of office. The result is an 8 story building instead of a 4 story building on IH-35. The difference in the annual lease payments to Cap Metro are approximately:

In Year 1: \$120,000 / yr

Over 99 yr life of lease: \$36,600,000

Average annual revenue over 99 yr life of lease: \$370,000 / yr

CAPITAL METRO

Total \$s

Additional Revenue in Year 1	\$120,000
Additional Revenue over 99 Year Lease	\$36,615,565
Net Present Value / Today's Dollars	\$4,363,338

CITY OF AUSTIN - Tax Revenue

Additional Revenue in Year 1	\$70,688
Additional Revenue over 99 Year Lease	\$21,569,009
Net Present Value / Today's Dollars	\$2,570,297

Notes:

1. Grown at 2% per Year, every year over the term of the ground lease.
2. Using a 4.5% Discount Rate
3. Assumed Value per Square Foot of the Office Building of \$200 / sf
4. Incremental Office Building Value of \$16,000,000
5. Ground Lease Term of 99 years



Council Question and Answer

Related To

Item #63

Meeting Date

February 16, 2017

Additional Answer Information

QUESTION: 1) Staff recommended transportation improvements in their TIA memorandum that do not equal the total probable cost of all improvements listed in the TIA. If staff were to require additional improvements listed in the TIA to be funded by the applicant, which would they be? 2) What is the rough proportionality demand estimate for existing conditions, the Code-Compliant Plan, and the PUD Plan?

ANSWER:

Austin Transportation Department (ATD) maintains the transportation improvements included in the TIA memorandum are critical to mitigate the impact of vehicular trips added from the development. Should Mayor and Council decide to require additional transportation improvements, this response may be used to assist in this policy decision. It should be noted that ATD's standard practice is to require transportation improvements based on calculated pro-rata share of improvement costs. Pro-rata share is the fair contributed cost from the developer, calculated as the ratio of project trips to non-project trips on the transportation network.

ATD analyzed transportation improvements not funded by the applicant and selected nine additional improvements. These nine improvements total \$685,000, raising the cumulative probable cost of improvements to \$1,490,000 when including the \$805,000 cost of improvements that the applicant has already agreed to fund. This cumulative probable cost equates to 74% of the total \$2,015,000 cost of improvements identified in the TIA memorandum.

Background

ATD required the following four transportation improvements in its TIA memorandum based on analysis included in the TIA submitted by the applicant. Full costs of each improvement are included.

- Install a fully actuated traffic signal at Spicewood Springs Road and Hart Lane. (\$420,000)
- Construct a free eastbound right-turn movement from Spicewood Springs Road to Mo-Pac (Loop 1) southbound frontage road. (\$35,000)
- Construct a southbound right-turn deceleration lane on Mo-Pac (Loop 1) southbound frontage road (upstream of Executive Center Drive). (\$160,000)
- Construct a southbound acceleration lane on Mo-Pac (Loop 1) southbound frontage road (downstream of Executive Center Drive). (\$130,000)

These four improvements total \$745,000, which exceeds the pro-rata cost share of \$628,000. ATD determined that these improvements were necessary despite the total exceeding the pro-rate cost share; the applicant agreed to fully fund these improvements.

During the Zoning and Platting Commission meeting on November 1, 2016, the applicant agreed to fully fund the following two improvements that were included in the TIA memorandum as additional transportation improvements, raising the total cost of improvements to \$805,000.

- Extend westbound left-turn bay at Spicewood Springs Road and Wood Hollow Drive. (\$50,000)
- Provide a right-turn signal overlap operation at Spicewood Springs Road and Wood Hollow Drive. (\$10,000)

Analysis

The TIA memorandum lists 24 transportation improvements that help mitigate the impact of the development for a total of \$2,015,000. ATD analyzed the remaining 18 improvements that do not include the six that the applicant agreed to fund. ATD selected the following nine improvements, which are summarized in the following table, be implemented as possible additional mitigation should the Mayor and Council decide on this policy decision. Improvements that have a high percentage of site traffic and would be more difficult for the City of Austin to implement using its own resources, such as street widening and signal installation, were favored as improvements. Some improvements identified in the TIA memorandum would serve to reduce vehicular delay but could result in safety concerns when considering the holistic transportation network; therefore, they were not included in the following improvements.

Location	Improvements	Probable Cost (\$)	Site Traffic (%)
Spicewood Springs Road & Hart Lane (2018)	Widen Hart Lane	\$150,000	11.0%
Spicewood Springs Road & Loop 1 SBFR (2018)	Create channelized turn from Mo-Pac to Spicewood Springs	\$175,000	7.3%
Far West Blvd & Wood Hollow Drive (2018)	Provide a right-turn overlap signal operation	\$20,000	5.8%
Executive Center Drive & Wood Hollow Drive (2022)	Widen Executive Center Drive to a four-lane cross-section	\$20,000	52.6%
Executive Center Drive & Hart Lane (2024)	Restripe westbound approach of Executive Center Drive and Hart Lane	\$20,000	79.1%
Executive Center Drive & Hart Lane (2024)	Restripe Hart Lane	\$20,000	79.1%
Executive Center Drive & Wood Hollow Drive (2024)	Conduct traffic signal warrant analysis	\$10,000	52.6%
Executive Center Drive & Wood Hollow Drive (2024)	Install a fully actuated traffic signal	\$250,000	52.6%
Greystone Drive & Wood Hollow Drive (2024)	Restripe northbound approach	\$20,000	40.2%
Recommended Improvements Total		\$685,000	--

These nine improvements total \$685,000, raising the cumulative probable cost to \$1,490,000 when including the \$805,000 cost of improvements that the applicant has already agreed to fund. This cumulative probable cost equates to 74% of the

total \$2,015,000 cost of improvements identified in the TIA memorandum.

2) The Development Service Department (DSD) estimated impacts for these three scenarios based on estimated trips per the Institute of Transportation Engineers (ITE) *Trip Generation Manual* and the City's rough proportionality determination worksheet tool.

As shown in the following table, the demand estimates total \$1.87M (Existing), \$5.02M (Code-Compliant Plan), and \$5.56M (PUD Plan).

Land Use (ITE Code)	Existing (daily trips)	Code-Compliant Plan (daily trips)	PUD Plan (daily trips)
Apartment (220)	-	-	250 units (1663 vpd)
Hotel (310)	-	-	100 rooms (892 vpd)
General Office (710)	445.322 ksf (4085 vpd)	645.596 ksf (7121 vpd)	676.8 ksf (5634 vpd)
Medical Office (720)	-	215.199 ksf (8585 vpd)	169.2 ksf (6704 vpd)
Specialty Retail (826)	-	-	20 ksf (893 vpd)
Sit down (high-turnover) restaurant (932)	-	30 ksf (3815 vpd)	30 ksf (3815 vpd)
Total Daily Trips	4,085 vehicles	19,521 vehicles	19,601 vehicles
RP Worksheet Demand Estimate	\$1.87M	\$5.02M	\$5.56M