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>> Mayor Adler: All right. We are at city council work session codenext, we'll go from 1:00 to 3:00. It's 1:14. We are in the boards and commissions room here at city hall, June 21st. We're going to hear first about the proposal for the yield bonus program. You say density bonus program. I have not gotten to the place where every time I see density now I push back because I don't know what density is to the person that I mention that to. You mention density to some people and they think that it means scale of the house or bulk of the house or vibe of the house. I mention density to somebody else and they think yield, the number of units. Because you could triple the yield density and cut the mass density in half. So they don't even correlate with one another. So I would urge you at some point at best you could from density, unless -- to something that actually is a word that might have real meaning to people. But that said, we're now going to discuss the yield or density, scale, bonus plan. And when we're done with that then we'll talk about the scheduling issue where we're trying to accommodate an additional draft, as we said earlier. And then we can get to the next thing. Yes. >> Tovo: Can we just outline the plan for getting to those other topics today? Are we intending to spend -- we've got three hours. Are we intending --, no we only have two hours. Gosh darn it. I really wanted to have two hours. Are we going to spend 45 minutes on this and move on to the other subjects? I think we've also not neighborhood plans and imagine Austin on today's

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possibly. >> Mayor Adler: We do. And so we have 105 minutes until 3:00. And we have basically -- we have the bonus plan, we have the scheduling issue, we have like maybe four things. So let's see if we can move it a half an hour each and maybe we can bleed over just a little bit. >> Tovo: That would be good.

The neighborhood plans and the imagine Austin were especially important because of the mapping deadline -- the deadline for the mapping on July seventh. >> Mayor Adler: So everybody should make their comments like really short and quick to the degree that they can. >> Kitchen: Just for information purposes, the mobility committee meeting is in this room at 3:00. So obviously I don't think the four of us are going to stand up and kick you all out. With that said I wouldn't want to start our mobility committee meeting too late. So I'm just giving you that kind of head's up. >> Mayor Adler: G.O.P. Which. Let's move -- gotcha. Let's move fast. >> Houston: Mayor, we have a 3:00 meeting. >> Mayor Adler: Ms. Houston is going to stand up and make us all leave. [Laughter]. All right. Let's go. Take us through the density bonus program. >> Afternoon, mayor and council, planning and zoning department. We're going to walk you through the density bonus tool that came out last Friday. There seemed to be a lot of interest in that and I wanted to walk you through that today. >> Excellent, Ian Carlton, echo northwest. We'll walk you through a brief slide presentation and have time for questions. This is with regards to the

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statewide affordable housing bonus program. Starting off, this proposal focuses on providing density bonuses within the codenext Zones. That is our focus, and the codenext Zones are both the conventional Zones and T Zones. This is targeting 60 to 80 percent of mfi households when we talk about affordability and that's per the mousing blueprint. And downtown density bonus and U.N.O. Are to be retained and integrated into this proposal. And lastly, the future of other bonuses in the tod's, Riverside, north burnet, are also under contemplation for some form of integration. So the housing blueprint laid out the need for housing and affordable housing in particular in the city of Austin. And you can see here on the chart from the blueprint that density bonus program is identified under two key mfi or depths of affordability. So for households, making between 30 and 60 and 60 and 80% of median family income. And as you can see, the overall need and how you're going to get there, this is a stacked bar chart of all the tools considered within the housing blueprint. And the sliver here identifies the expected density bonus program yield of affordable units into the future. So this is one piece of a broader program. And the reason that we would pursue an affordable housing bonus is that it can leverage higher end markets where development is already happening, the entitlements to developers can offset the cost of affordable units without direct city funding. And these units inside of market rate buildings promotes mixed income building and communities. And the density bonus program can provide a limited number of the total need of affordable

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housing units. Also, density bonus programs offer an opportunity to discuss affordable housing options with developers as they pursue the density bonus. And that's critical. In many other cities this is a foot in the door for conversations around other tools that might be available to promote affordable housing. So we've looked at numerous other tools and density bonuses falls as one of the tools in the overall potential toolkit for the city of Austin to pursue income-restricted housing. And as an example of the need to have more than just a bonus program, the south central waterfront plan and that toolkit for the south central waterfront contemplates a suite of tools. As you can see here the affordable housing tools are more extensive than just increases in entitlements on properties. So the proposed codenext bonus program, I'll run through some of the details of that policy, but first an overview of where it applies and how it applies. So where are density bonuses available? They're available in residential, commercial and mixed use Zones. They are offered in T Zones and the traditional Zones. They are offered across more land area than the current bonus areas. And the bonuses that have been proposed will complement existing bonus programs in every location that has a bonus today will continue to have a bonus program under this proposal. Now, the bonuses are defined by zone, and this is a list of all of the Zones which have bonuses and those where bonuses have not been proposed. You can see that the majority of Zones do offer some form of bonus option for developers seeking to develop in that location. And there are different types of bonus levers. And these are the offerings. This is the incremental

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entitlement max units within the main building. An increase is offered in the transect Zones. Also max dwelling units per acre. A bonus would be offered in the traditional Zones. Max F.A.R. Also a bonus offered in some of the traditional Zones. And then height both in feet and in stories is offered in the different Zones. To break this down a bit further into the different types of Zones, this table shows you which Zones, zoning groups, t4, t5, T 6 have the different bonus programs. In there that particular zone already had a control within its entitlements within the zoning where an additional incremental bonus could be offered. As an example, under the commercial core Zones they have limits on F.A.R. In height and already there's a density bonus program for the core, which offers additional F.A.R. And height. So that's what defines the bonus for Zones in that area. So where are they applicable? We have a map here of all the existing bonus areas. This includes vmu, U.N.O. The proposed bonus program would expand the area where density bonuses would be offered considerably. This is the incremental area which would fall under the bonus program. And let me clarify that. These are areas zoned with Zones that include a density bonus. In the proposal. Now, when we look at the

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types of bonuses that are being offered we're breaking this down into the different types. So this is the land area where the proposed bonuses would offer more units in the same form. This is more units poured into the same scale of building that you could build under the base entitlements. So your bonus in these areas is not necessarily to build a larger building, but it is to be able to pour more units into that same height structure, same F.A.R. Structure, et cetera. You can see that this covers quite a bit of the area where new bonuses are being proposed. And if I go to the next map -- here's an example. Transect zone t4, deep set back, the multiplex medium, has a density bonus offering in the proposal. That would allow a developer to go from building a maximum of four units within the structure to building eight units within the structure. Of those incremental units that were built inside that structure, a percentage of them would have to be made affordable or the developer would have to address affordability another way. Another example with a traditional zone, ndr in this case, the maximum allowed on the site is 12 dwelling units per acre. And under the bonus program the developer would be able to build a building that contained more units per acre. Again, they're constrained by the height, F.A.R., setbacks, lot coverage, parking requirements, building coverage, impervious cover, all of those would still apply it to both of these buildings the same way. So another form of bonus that's been contemplated by the proposal is a

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height bonus and this map shows you locations that have been zoned with Zones that incorporate a height bonus. You can clearly tell that this is a much smaller land area than the area where additional units would be offered. In this case the height bonus, an example of a t5 urban mid-rise building type, the base, allowed base would be four stories, so a developer could come and build a four-story building. If they wanted to build more than four stories, a building up to seven stories tall, they could, so long as a percentage of the units built in that incremental space were made affordable or the developer addressed affordability in another way. And again, in both of these cases the base and the bonus, these buildings must conform to all of the other standards within the code, the same exact standards, be it parking, impervious cover, everything else, step back, setbacks. And we have proposed something slightly different than what was in the draft code released earlier this year. We have said rather than a maximum stories of six, we have said a maximum stories of seven in the t5 Zones. Without an increase in actual height in terms of feet. So this is allowing more stories within the same height. We suggest this change because already in Austin buildings are being built under newer international building code that allows you to build seven story buildings. So on a case-by-case basis these buildings are being built already in Austin and we foresee seven-story buildings becoming more common as the new building codes are updated. There's another form of bonus, which is a bulk bonus. This is an F.A.R. Bonus. And these are the areas where F.A.R. Bonuses

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would apply going forward. As you can see again this is a very limited area of the city as opposed to areas where more units could be in the same building. And overall again this is a significant increase in the land area where bonuses would be available and it's an increase of about 50% more land area within the imagine Austin corridors and centers would be eligible for density bonuses. And when you combine it with the existing density bonus programs, this is the citywide coverage of bonuses as proposed. So when we talk about an affordable unit what does that mean? A developer, when they go above the base entitlements and they build bonus space, units, et cetera, a residential developer would be required to provide rental units at 60% of mfi for 40 years. Or provide ownership units at 85% of mfi for 99 years. Or provide an equal or greater number of units off site within a maximum prescribed distance of the subject property of the development. Or pay the housing trust fund a fee-in-lieu of providing those units or dedicate a certain amount of land valued at least as much as the fee-in-lieu that would be developable for affordable housing in the future. And lastly, commercial developers, utilizing bonus base would be required to pay a fee into the housing trust fund. How affordable is 60% of mfi? And here on this slide I have Ami, area median

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income. This is a schedule from 2017 of approximately the maximum annual income and monthly rent for different sizes of units in the city of Austin. So you can see the max monthly rent would be capped for any unit that meets the affordability requirement thunder program. As far as ownership units, again that was at 80% of mfi and here are the incomes and an estimate of the maximum purchase price assuming some first-time buyer mortgage financing terms. And you can see the difference between a studio and three-bedroom price for various sized households under this proposed depth of affordability. And the percentage of units within the bonus, that would be required to be made affordable varies. This proposal differentiates between ownership and rental units. It also differentiates between different types of Zones. And furthermore it differentiates geographically between inner neighborhood and outer neighborhoods. And than table describes those differences in general, somewhere between five and 20% of the units within the bonus would be required to be affordable at either the 60 or 80% mfi level. And the fee. In lieu fee is an option for developers. Those fees would be defined on a per square foot basis. That square foot cost would be lied to the entire -- would be applied to the entire bonus area and the developer would pay those fees in lieu of providing the units in the building. The fees would be defined deferential for residential areas within the bonus buildings and

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the fees would be defined by geography based on market factors to allow for the fee to work and function. There are other alternatives to on-site production that I mentioned earlier. Off site housing units and land dedication. In both of these cases we're talking about approval of and certification of these options where the land would need to be suitable according to the director. The off site housing units would also have to be suitable and provide a greater community benefit than the alternative of providing it on-site or a fee. So that's the overview of the policy. And I think now we can discuss this further. I would also point you to this document which has much greater detail on all of this. This document was made available online a Friday on the codenext website. You have it in front of you and it's the overview for the entire policy. And we can refer to this as we ask questions and talk further. >> Mayor Adler: Any questions about this? It's new enough that I haven't had a chance really to go through it. But I appreciate you laying it out here. Mr. Flannigan and then Ms. Pool. >> Flannigan: The required proportion of affordable units looks like the only place that it's difference inner versus outer is t4 and there are no t4 in outer. >> At this time this was the distinction that was made and the idea is that the boundary of both inner and outer may change over time as the opportunity presents itself. And that these definitions could change over time. >> Flannigan: Is there

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a reason why that is only different under t4 and not the other Zones? >> Under t4 we saw an opportunity in the analysis that suggested that it would be more up take, more potential up take of those in the inner areas. There was significant enough price premium to cover the cost of providing more units in the inner areas, but not in the outer areas. >> Flannigan: I think about it kind of the other way where it's cheaper to build in the outer areas and therefore you might be able to afford more affordable units. You look at the chart that talks about max monthly rent. Is there a difference between mfi and Ami. Normally we say mfi. So in my district I already have one bedroom units at 977 market rate. It's the first time I ever referred to that as 60% of mfi. So it seems like if you're going to build affordable units that are income restricted over time, which is really where the benefit would come, you could do a lot more of them outer than you could inner. So the bonus might be -- we might want to have higher restrictions where it's cheaper for the developers to implement long-term affordability. >> Are those units existing or new? >> No. They're in 10-year-old multi-family buildings. >> I don't know the particular circumstances there, but our analysis is based on today's construction costs and today's prices. And I would guess that the conditions under which those were built are different and the depreciation of those assets over time has allowed for lower rents than what we have observed. That's a guess. I don't know your particular situation and geography. What we've seen in the data is that there are very limited areas where this pencils for developers. And we've identified this level with depth of

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affordability and level of affordability to make sure that developers could actually deliver the affordable units and would not consistently choose to pay fees instead. >> We'll keep looking at that then. >> Mayor Adler: Ms. Pool? >> Pool: Thanks. And I want to emphasize what Mr. Flannigan said about protecting affordability in the city. And I think we want to see about peripheral of the city. It might be more attractive for a developer to site a new office or a developer than to build. We want to make sure that we're not inadvertently keeping the additional units out. So if you could, I challenge y'all to kind of try to look at the city as an entirety without separating us because we're trying to do that here on the dais as well. I have a couple of questions on your slide, slide 18, the setback, multiplex in example. How does this maximum help achieve housing for families? We're essentially sitting the size of the units in half in order to get more in there. So if another one of our aims is to make sure we have sufficient housing for families who may rent or own. And this looks like a rental. So in this multiplex how does this help achieve housing for families? >> One clarification is that it wouldn't precisely cut it in half necessarily. Because of the additional half story. So the units would not be just half as large with the developer delivered the maximum building in both cases.

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As far as family size units, one would presume that with smaller units they would be less attractive to families seeking larger units so therefore this would not address that. >> Pool: So the question is how does this achieve housing for families. So that's what my question is. And I agree with you that it doesn't. >> So this building diagram may not, but in broader citywide spectrum if we look across the demand, if we look at all the housing units in the city, there is a certain demand for smaller units and a certain demand for larger units. And I would venture to say that in your city right now some demand for smaller units is being met through larger units. So you have individuals, couples, smaller households living in larger units that might be willing to live in [lapse in audio] And that would free up a larger unit for them to occupy. So this diagram presents one single instance but doesn't really impact the broader potential and how households could cyst into housing for more options. >> I think in the transect Zones that doing this was helping to work towards neighborhood compatibility and not increasing the massing, but also gaining the Fulmore affordable units. So I think we were trying to balance neighborhood compatibility with the affordability mandate. >> Pool: Okay. I can see where following the economic trend is an easier path. We don't have the easier path in front of us, we also need housing for families and make sure we have sufficient housing especially around our wonderful schools to make sure that we don't lose our families from the draws from the public school draw areas. >> I think if you look at slide 14 where it does lay out all the Zones and which Zones we

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are putting more units in the same form versus the Zones where you can increase your entitlement area. So I think this is where you see the difference between potentially creating smaller units versus allowing larger units to come into play. >> Pool: One of the policy areas a that we're trying to achieve is ensuring that there's housing adequate and plenty of housing for families near our schools. So that's my comment on it. It looks like this is 18, but then we jump to 28. So I don't know that these are necessarily -- >> Mayor Adler: Leslie, do you want to ask one more before we pass it on. >> Pool: I have a couple of questions. >> Mayor Adler: We'll pass it then to the next person because we're trying to cover three areas here in two hours. >> Pool: Thank you. On slide 28 it talks about the 30 dwelling units per acre. So what size would those units be? And I recognize this is an example, but it looks like you would be getting five to 10 percent bonus units, one and a half to three units of affordable housing. Meanwhile you would have twice as many units that are much smaller in this same form. So how does that help us with our housing needs and affordability? >> How does it help you with the housing needs and affordability? >> Housing needs for family and trying to achieve affordability for people who may be making lower incomes. >> Well, to answer your first question, I can't speak to the exact number, the size of the units, because the constraint on a site in mdr situation to be related to the F.A.R. And related to height. It would be informed by the specific site where this was situated. But in general the same answer applies to this as it did the t4 deep setback example in that the units would presumably be smaller because they're in the same form and those smaller units would not necessarily be

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attractive to families seeking larger units. >> Pool: Are you able to get us some examples where we can meet some of the policy directions that we are trying to achieve here, which is family sized units at an affordable cost? Can you run some of those for us? >> This does not preclude a developer from providing that. This just provides the extreme end of providing a full bonus and providing the number of units left. Nothing here states that these units need to be a certain scale or offered to a certain household type. That is not part of the code. >> Mayor Adler: We have five lights on here. We'll come back to this topic with other speakers if we have time as we go around. Ms. Houston, do you want to go now? >> Houston: Thank you. On slide 31 in your analysis did you use the cost of land in determining whether the inner or outer should participate in the fee-in-lieu because the land cost inner is higher than the outer so I would think you would focus on the outer because the land costs are lower. But it seems like we're incentivizing building in the inner. It sounds like a naval thing. [Laughter]. >> So the fee that was considered and contemplated in the fees that would be created going forward. They may be differentiated based on inner and outer. So the dollar per square foot required as a flew may be different inner and outer expecting the fact that you've asked that we consider not doing that. But this proposal contemplated differentiating the fees, but not necessarily having one area without a fee and one area with a fee. >> Houston: I think my

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question was when you were deciding about this particular option for affordable units, it seems as though the cost of land, that's my question was the cost of land considered in your analysis? >> Yes. >> Houston: Okay. >> It was. >> Mayor Adler: Ms. Alter? >> Alter: Someone else can go next. >> Mayor Adler: Mr. Casar? >> Casar: Back to the first question that councilmember pool asked. If there was a desire to get bigger units in that missing middle affordable bonus, we could consider instead of two and a half stories going to three stories. Is that not true? >> Certainly developers would be willing to build three-story buildings. >> Casar: But if our concern was to be able to have the affordable units be a bit larger I imagine that might mess with y'all's calibration of this event. But I would suggest that would be one thing that I would be interested in looking at is that we do want some of those affordable units to have more space. That that would be an option in which -- it would not be a three-story building unless they included these income restricted units. >> That is -- yes. Very it is very reasonable to assume that you would add more scale and then the units would be larger on a per unit basis. Also this bonus that you're speaking of applies to one building type. It's the multiplex building types. There are other building types that developers could deliver in that same zone that do not have a proposed bonus at this time. >> And that's my next question which is I understand that y'all run the density bonus through envision tomorrow. I understand in the report that it would overdoubled the amount of income restricted units we're generating, but

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all look at in the missing middle bonus program like the multiflex that we were talking about, how many income restricted units we would be getting out of those, in those buildings inside of neighborhoods, often in high opportunity areas, do we have a number of how much density we get? >> It is a sizeable portion of the incremental new units that would be anticipated to be produced under this proposal. It is a sizeable proportion of the overall increment. But again, that's coming from one building type in these Zones, this multiplex. >> Do you have some estimated general number per year over the course of 10 years that we would get in the transect zone, missing middle, income restricted? >> [Indiscernible] Would have those details, but as I recall, it is close to -- I want to say it's close to half of the incremental units come from these smaller scale developments in these areas. >> So is that 50, 60, 100 year? >> Half of the incremental would be in the 75 range. >> Casar: And that's part of what I anticipated is it wouldn't be very much considering that it's only zoned in very particular areas. If we wanted more given that I think that some of the most family friendly housing types are going to be missing middle housing types, not in big and large apartment construction, what are the primary -- you said you looked at various options and some didn't pencil. What are they getting into pencil. My concerns are that the council in

2016 passed a resolution actually kicking off code amendments asking for this to precisely happen so that in some of the highest opportunity areas, low or moderate income people can build an income restricted unit for them to live in or developers that would

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be developing high price housing would help us with the integration effort and income restricted units on the ground in single-family Zones. So if you were to list off for us what we would be thinking about, for example, that half story, if they wanted bigger units, what should we be thinking about being built over a year or would we want significantly more? >> The top line impediment for the penciling is the demand where it's located. So the first thing that can be done would be to put these opportunities in more places that are considered high opportunity locations. So put them in places where the demand for housing is highest. That would allow for more of this up take. Assuming that there is potential for up take, that the demand is significant enough for a developer to pursue this option, adding more space certainly helps with that top line. It helps with revenue so that would definitely -- definitely be beneficial. So an additional story you mentioned would add additional square footage, that would then be leasable or salable. Then there's also the cost side. So reducing cost in any way, shape or form would be beneficial. So means of reducing costs that are already in use here in Austin today could be extended to these. So reduced parking, reduced construction costs. Reducing taxes, fees and any other number of costs incurred both by the developer on the front end and by the owner-operators on the back end that impact their cash flow. So any of those factors. Costs of financing. So low interest loans. Any means of reducing

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the cost would make this more attractive to a developer. >> Casar: Thanks. I'll hold on any other questions. I'll just wrap up with two comments. One is that I'm concerned -- I'm excited and interested in the fact that we are finding ways to have income restricted unit in our areas through the density bonus program and through t4. I'm concerned with the fair housing programs that we're only applying this to t4 Zones when some of the places with the highest demand where we're seeing one for one replacements of housing is in t3 and lmdr. So if we could find ways to put income-restricted units in those places where there are people being displaced that want to be able to return or places where we are not heading towards integration, but towards further segregation, I would be interested in ways for us to do that. And if that means that there's an extra car parked on the street or if that means that there's half a story more than what's been proposed or if that means that we have to find other ways to reduce costs on that, like we do through our smart housing program, we have emphasized a lot on fair

housing, staying in place, and also integration. And just limiting this to t4 when there's such an opportunity, it seems like a missed opportunity. And I would also say that I'm fine with there being differences in the calibration in different parts of the city if that gets us more money for affordable housing or more units on the ground. So for me it's going to be about that outcome. If through our economic studies the fee should be higher somewhere and lower somewhere else because it gets us more money, we need that affordable housing money especially now that we've had the linkage fee tool taken away from us. And so whatever it takes to get to the most units and the most money while meeting our other goals that will be my guiding principle. >> Mayor Adler: Thank you. Mayor pro tem. >> Tovo: Thank you. I've only had a chance to kind of read through this once kind of quickly, but I had some initial feedback. One, I think I was happy

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to see in here the source of income requirement. I know that was a goal tainted grate that within our density bonus programs. So I'm glad to see that in there. Another positive is to have the requirement that the density bonus units reflect the same bedroom count as the market rate units. And I assume that that's true for all of the density bonus areas, is that right? Good. A couple of things that I'm aware of is having the fee waiver. So when there are fee-in-lieus proposed rather than on-site units -- I believe also with the off site units, that is an administrative approval as I understand it in this version and administrative approval from the housing review committee or something of that sort. And I would -- I believe we really need to get to the point that that's the expectation. It's understood those would be on-site units. And if you require a variance to that then you have to come to your elected officials. So I would like to see those routed through the council, through a board if necessary and then on to the council for those fee-in-lieus or for the off site unit so we can really evaluate whether that's in the best interest of the city as a whole to have those units be built elsewhere. One general comment. So I continue to think that there are various ways in which we are increasing entitlements throughout the city. And I can give a lot of evidence of that and it has to do with the parking reductions with the changes to compatibility, with the increasing ability to do an increased -- with the ability to do an increased number of units on lmdr, on t3, on several other categories. And I would just urge us to continue to think about having -- even absent the number of units, again, the

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parking reductions will represent an increased entitlement, the compatibility changes represent an increased entitlement. The extra units should be achievable in lmdr and t3 through a density bonus. So I think that that may be where you and I agree to see there be an affordable component built into t4 and

t3 and I think that should be achievable in the extra entitlement from going from an lmdr -- from the ability to build in some cases one unit, in some cases two to three. They are getting a jump in the number of units they can have on there. I think to be able to have one is appropriate given the increased entitlements we're considering. My question -- and I too think we need to think about the fact that t4 at the moment is mapped in areas where we also have underenrolled schools. So if we are, as I mentioned in our previous work sessions, if we have measures proposed within the code that I believe and others believe would incentivize the demolition of existing housing, including a lot of rental housing to be replaced by more units, but more units that are less likely to appeal to families, and those happen to be in the same neighborhoods where we already have underenrolled schools. In councilmember Renteria's district, in my district, perhaps in some of the other central city districts where we know the schools. Some of the schools are struggling. I think we need to rethink that and think about how we can create affordable housing for various household types. And yes, I know there is a lot of interest in having one bedrooms and efficiencies in the central city. We also have a standing -- and that's what the market is delivering. And we have a standing council policy to try to reverse that trend of families with children moving out of the central city, which is defined rather broadly from 183 down to Ben white. So we need a code that helps us try to reverse that trend. And I am concerned about several provisions

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within this code that I think could make that situation worse and I hope we can be creative about how we can include some tools that might help that situation. I have a couple other questions. I'll make them very quick. I heard a reference to envision tomorrow tool and the numbers of affordable housing units. Where is -- is that in our section that we were distributed? >> It is not. >> Tovo: How did -- it sounded like you had seen something. >> I think we spoke to something last time we were here. >> Casar: It was a slide at the end of one of these work session. >> Tovo: Do we have a number and a breakdown for the number of affordable units? >> I do not think we have distributed any -- we have not distributed to you any distribution on those. >> And I do have a standing question on the Q and a about -- that I hope we would soon get information about. Looking at the number of units, how the number of units breaks down by planning -- by categories. I think we've got the categories from the envision tomorrow tool, but how it -- how it breaks down in terms of neighborhood planning. And then my last question that was before us today -- at least for the moment -- is the smart housing section. I think we've had some conversations about our council about making changes to smart housing and having the fee waivers apply to -- this is an interest of mine now. Of looking at a system where the fee waivers would not apply to all of the units, but perhaps only to the affordable units. I'm sorry, I have two questions. This is one. How does -- this appears not to make changes in that regard. And I had just an informational question. The way I read the section on smart housing it looks like it would apply to t4, is that correct? It wasn't clear to me

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what scale projects could -- could participate in smart housing. >> Hi, councilmembers, my name is Lauren aviolioi. I'm trying to restate the question to make sure I heard it all. But the question is to which areas or which types of developments would smart apply. And was there a more general one about just changes to the smart program? >> Tovo: Right. And I was asking you to verify my understanding that the smart housing would continue the -- the fee waivers would continue to apply across the all project, including the market rate units. And I didn't see any language in here, though it's possible I missed it, that would tell me when smart housing kicks in, if you can use -- and my particular question is can you use smart housing on a t4 project. >> I think the short answer would be question. The requirements to get the different fee waivers and expedited review that we envision continuing in the updated smart housing program just deal with the percentage of units that would need to be affordable and the affordability period. So if you so if you were meeting those requirements in a t4 the smart housing would apply. As to the market rate versus affordable rate question, perhaps Brent Lloyd with the law department could talk about it or we could come back to you on that. >> Tovo: I would be happy to come back to it. I'm going to have to really think about that because then we were embedding some significant increased entitlements into the zoning and we have a density bonus program but the density bonus program is eligible for fee waivers that apply across an entire t4 project. So in essence I think we are leaving money on the table.

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I think there are a variety of ways in which I would like to suggest some revisions to that before we are subsidizeing some of those market rate -- what will primarily be market rate redevelopments. >> Mayor Adler: Thank you. Let's go to councilmember alter. The documents that you handed out today, are they posted in backup? >> They are posted on the codenext website. A review is available under the research section of the codenext website. >> And then we'll post the presentation after this meeting, we'll get that up online as well. >> Tovo: I'm sorry, my last question was about vertical mixed use and allayed for - - yield for now but I don't understand whether we're gaining on this or losing ground on that. >> Mayor Adler: Councilmember alter. >> Alter: Thank you. I'm looking forward to diving into this in more detail. I'm wondering if you could explain a little bit more about how the fee in lieu option, how it would be calculating those fee in lieus. I know councilmember Casar was bringing up the possibility of having different fees for different locations because the replacement costs would be different, but I didn't see anything here that explained what that fee would be and I am concerned it might be what we have now where it's really low and everyone just chooses to do the fee in lieu option and build because it's more cost effective and they still get their additional units. Could you tell me how you are envisioning that to be calculated to avoid that? >> To be clear, you're talking about the calibration of the fee in lieu so

setting the dollar per square foot amount or how a developer would determine how much fee in lieu they would need to pay for their development? >> Alter: I think the latter

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is pretty straightforward. I think -- from the material I've seen it just says we would set the fee in lieu and I'm wondering how do you set that. >> Sure. >> Alter: The base fee that then gets applied in the given instance. >> So we're working with city staff using commonly accepted methods for determining the economic viability of a fee. That's basically looking at the land residual, the amount of money that a developer can pay for land under the base entitlements and then under the bonus entitlements. The difference between those two, some portion of it would be the amount that they could pay as a fee and still deliver the bonus. So that -- that determination is a calculation, and then there's a policy decision to be made regarding what proportion of that incremental value would be required to be paid in a fee versus not. And then that's how you set the fee. And then the fee would apply to all developments that are applicable to that particular fee. Citywide or perhaps geographically distinct, zonely distinct. That's the general idea is we're looking for the economic ability to pay a fee by -- on the developer's behalf. >> Alter: Because I'm trying to square that with situations where we've had to pay a lot of money to get somebody to build an affordable unit that we were paying them, but seems it should be equivalent, if we have to pay them \$240,000 -- so I'm concerned we make that somewhat consistent and Mr. Guernsey will recognize, you know, we had certain numbers we were using in the case of the grove or in the case of Austin oaks and we had

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to be paying them large amounts of money and it seems like if we're going to be doing a fee in lieu it should be commensurate so I would like to see where we're going. That being said, it's my understanding that our current density program is not working very well because the economics are not necessarily working for the developer, so what is it that you have changed that shifts the economics so that the developers are going to be more inclined to build the additional units which we need plus also including the affordable units? What is changing that does that beyond adding more locations? >> Sure. So you'll see that the requirements in this policy, they might be familiar to you because they are very closely -- they closely match what's occurring in vmu today. Annual vmu is producing affordable units. So these requirements of 5% and 10% of 60% and 80% of Ami, these are working today in the city of Austin. >> Alter: But we don't get very many units from that. So I mean that's what-we're getting some units. >> Currently your second most successful program and so it's doing significantly better than most of your programs which are requiring more affordability or deeper afford ability. In those cases developers are

either not taking the bonus or opting to pay a fee and not deliver the units. So this policy reflects an analysis that we did, but also it reflects your successful programs on the ground today. With regard to setting the fee based on the cost of the unit, that -- that value we could show you a comparison. That would be significantly greater than the fee that a

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developer would be able to pay in most cases. So the fee that would be set would generally be lower than the cost of delivering a unit. So the fee that they would be able to pay is less than what it would cost the city to pay them to build the unit, if that makes sense. >> Alter: But then we're not really getting a unit so why would we ever give them fee in lieu because it's going to cost us more than they are giving to build another unit. >> You have an optional program in the city of Austin so the option they can execute upon is to not build the bonus. And so when you are calibrating your fees or you are calibrating your unit requirement, you're always facing the other choice that the developer can make, which is to not provide you the affordable units and to not even build bonus area, so not deliver the incremental units. So that would be less production overall and no affordable production at all. So we have prioritized the delivery of the bonus over not delivering the bonus. >> Alter: Does vmu allow a fee in lieu now? >> It does not allow a fee in lieu option at this time. >> Alter: But we're still getting units. I wanted to ask if you could make [inaudible] You are getting I want immediate quite setbacks so sometimes it's a little confusing to get the deep setback as an example. And the reason is we went back to a conversation we had I think at one of our early ones of these meetings, maybe it was just a briefing during a work session, and we were having a conversation trying to understand whether the proposed density policies were going to be within the density envelopes that were already within the draft code or if they were going to be above and beyond.

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What I'm understanding is we don't have density bonuses for the T3s or whatever so -- [lapse in audio] But for t4 [lapse in audio] On top of what is there. >> Last time we spoke we talked about t4 and dot ss which in the draft code listed three to eight units. The proposal going forward would be that four units would be the base, eight units would be the bonus. The deep setback that I presume today would also be identical to that as would the t4 neighborhood intermediate setback. So the example provided here just to happens to be the -- it would be the same for your intermediate setback. >> Alter: But you make changes to that. >> Councilmember alter, in the handout that was released on Friday and is in the backup on page 7 there is a useful chart there that shows the different Zones in which the bonus program would be applicable. And highlighted, the cells are highlighted by changes to the draft code

that was released in January. So there are green boxes who entitlement number of units may have dropped from the draft that was released and blue is indicating it's higher than the draft code. In particular to your question about t4 neighborhood, the changes that are actually being brought to the t4 neighborhood setback and t4 [inaudible] Bring a more consistent number of units across the board. The base entitlement and the amount you can get based on the affordable housing density

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are the same. So there's a little bit more uniformity across those three Zones. >> Alter: I'm going to need to digest that one. But so you've switched so the base is on some of these on this relative to the draft that came out in January. >> Correct. >> Alter: So it may be that it is actually within the envelope of what we were talking about, it's just you've changed the base so it's a bonus off a new base. Is that correct? >> Correct. >> The general rule when a change happened to the base entitlement it was lowered. There were sometimes when the upper number may have increased. So again, the chart denotes that with the green and blue. Green is when things were lowered, blue is when things changed from the draft released. >> Alter: I'll look at that. Thank you. >> Mayor Adler: We have questions and I will pass on my questions in order to keep us moving. Let's go to the second thing if we have time at the end or people want to stay long we can double back to these or other issues. Let's talk about the scheduling component that we have. The question that was presented to us was without changing the April date so that we're not extending the time of this process, the question arose is there a way for us to be able to get an additional draft or a -- a different compilations of comments that were made. And last week we asked you to come back to us and tell us how this is something that you would achieve, and then the second question we had was how we were going to deal with the areas outside of the inner

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core area which gives rise to the small area plans. We're going to do it with activity corridors or nodes or activities outside of the core area. Growing, -- Greg, do you want to tell us what you brought today? >> Kitchen: If you've finished, I would like to speak to the small area plan if you're ready. >> Mayor Adler: Let's lay that out and go ahead and talk to us. >> Yes, we didn't talk about incorporating a schedule that would keep codenext on time for possible council consideration next April. In that we added an additional draft that would go to the commission for their consideration that would be after their release of the second draft. The second draft -- >> Mayor Adler: Is there a line you are following that we should be following with you? >> Yeah, we can take a look at. >> Mayor Adler: You have two pages here. Are these sequential or is one above the other? >> Mayor, the first page is showing on the top half of the page an enlargement of the current schedule. So the original intent of going to planning commission

once and then going directly to council with a first reading draft. The bottom part of the page shows the amended process in which we would go to planning and zoning with two drafts of the code. The second page is simply showing that same schedule that has an additional planning and zoning draft, but also includes how the public can be involved, the role of PC zap over the next 12 months or so and city council's role. So it's just -- the second page brings it closer to alignment with the previous schedules we had shown. >> Mayor Adler: Let's focus

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on the first page and make sure I can understand it. >> So on the first page, if you look at that bottom half where it says proposed time line, it would envision that there would be a period where between the August release of the second draft and there would be a third draft added in November for the commissions to review. There would be actually a comment time that would be added too for stakeholders, the public to give input to that third draft that would come in November and that would be preceding that by approximately four to five weeks. The commission then would have additional time. We had proposed that the commission would finalize their recommendation at the end of October. You may recall I referred to Halloween previously, but that would be then pushed into January, and that the commission then would have the time to review that second draft and then take action. We would then bring that back to the city council with their action for first reading, and then you would have basically the action taken by the would come back -- we would come back eventually with a fourth draft that would be post-council action. So you would -- the commission would have two drafts, basically a draft in which the second draft which they would be reviewing comments. Staff would come back with a third draft that would be after hearing the comments, the public's comments, and then bringing that forward for their action and that would then be given to the city

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council with the annotations of what they had done. >> Mayor Adler: Would you then go to the second page and tell me what additional information is there? Or is it just the same drawing? >> I think in the bottom as far as deliverables we're talking about the same thing. >> Mayor Adler: Okay. >> Yeah. So deliverables are the same. There would be the additional participation of the public that they would have that opportunity to give input to that new third draft that didn't exist before that's under deliverables. We would still have our -- the meetings that would still go on. There would still be work sessions. More likely there would be more work sessions with the commission because they will have more opportunity, and frankly we need to have that dialogue to inform that third draft so that's really a critical time for the staff consultant and the commissions to have that dialogue. We also would include

this here, as I think it was mentioned I think going back and having the opportunity to go back to the environmental board and the landmark commission I think were the two that were mentioned, and that could take -- during that same time period as the commission is reviewing the document. So they would have the opportunity to give input as they receive those additional drafts. >> Mayor Adler: So as I understand it, we get the draft 2 of the code and the maps in August as is currently planned. >> Yes. >> Mayor Adler: The community has the chance and all the boards and commissions have a chance to look at it including the planning commission and zap. While that's going through, are you guys editing and working on draft 3 as you are hearing things? >> Yes. >> Mayor Adler: Okay. So you're working on draft 3 while the public conversation is happening in response to the public conversation, and then in November you're issuing -- draft 2, working on

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draft 3. Then in November you publish what is draft 3. >> That's right, probably towards the end of the month. >> Mayor Adler: That would probably include a lot of what you've heard from planning commission or zap and other boards or commissions and from the community during that period of time. >> Yes. >> Mayor Adler: So then draft 3 comes out in November. And then you're going to double back again to the -- to the planning commission and then zap both with that additional -- with that new draft 3 and you'll get additional comments, and then you are going to give us that draft 3 together with annotated -- with an annotation in a separate book or something that then has the changes that were proposed. >> Yes. >> Mayor Adler: Okay. And then the council starts deliberating. Talk to me about the planning commission and Z.A.P. And who is doing what when. >> So we have been coordinating with on both the zoning and platting commission and plat I go commission getting their input. Technically the planning commission really has the sole authority over the code itself. I've said from the beginning of this process that they are the ones that are, by ordinance, I believe also by charter, that speak to moving forward and giving recommendations on code amendments basically. We actually have two land use commission, zoning and platting commission, they have different jurisdictions within the city as far as a map process goes. Although I think the planning commission probably has the authority to actually make a recommendation over the map in its entirety. I've been saying it's appropriate for both Z.A.P. And planning commission to both given put because they are more familiar with those areas. But their commission's recommendation must be presented to the city council for your consideration so it's

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imperative I have the commission's recommendation on the code and the map before council can act. >> Mayor Adler: Do I understand you correctly what you're saying is when you have the draft 3 after it's

been to all the boards and commissions and all the boards in the city have had a chance to participate, community has had on chance to participate, that you are doubling back to the planning commission on the code and the planning commission and Z.A.P. On the maps or are you doubling back to both planning commission and Z.A.P.? >> We would give them the draft 3 -- >> Mayor Adler: Who is them? >> Z.A.P. And PC. Planning commission and zoning and platting commission. They would take action. They would have draft 3 in their hands, which is probably closer to being something that they would take a favorable action on than perhaps draft 2 because they have now given input over several weeks to influence that draft. Once they act on that, we would give that same draft to council along with that annotation that you discussed earlier. >> Mayor Adler: And what would be on the annotation? >> On the annotation would note the commission's recommendations as they would come forward. >> Mayor Adler: Both commissions, Z.A.P. And planning commission? >> They could be both Z.A.P. And planning commission. As I said technically the planning commission is the one that must act on the text itself. >> Mayor Adler: Okay. But is your intent to get comments from both commissions as you bring comments back to the council? >> Yes. We were intending to bring both the Z.A.P. Recommendations and the planning commission's recommendations. They both serve a similar role for different parts of the city. On map changes and the jointly make comments at a committee level but although the commission is the sole recommender of amendments to

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text that are presented to you on actual code amendments. >> Mayor Adler: Okay. Council, let's focus on this schedule and then we'll do the small area planning next. And when we were talking about schedule, I was approached by several councilmembers talking about schedule initially and the question of whether we needed a ifc in order to do that. We brought that up and discussed that at a work session here I think two weeks ago. And the consensus at that point we could talk to those issues and the manager said we would articulate what the understanding was and then staff would go ahead and execute that. I joined for me on the ifc at councilmember alter's request in the event we couldn't agree or there wasn't clarity, but personally I'm comfortable with us reaching an understanding and obviating the need for that. But let's now have that conversation. Councilmember alter. >> Alter: Thank you. I have passed out a draft revision for the be it resolved portions of the resolution and a draft sort of flow chart, it's not as pretty as this one. I think for the most part there's agreement and I really appreciate your work in putting together this series of diagrams. I would ask that in any further iterations we confirm what you just said about the PC and Z.A.P. For that February draft 3 so it also says Z.A.P. There so there's no confusion. Which don't you have? >> [Inaudible] >> Alter: I passed it down. It must have stopped somewhere. >> Mayor Adler: We're trying to withhold it from you guys. >> Alter: I'm sorry. I thought it was on its way around. >> Mayor Adler: They don't have the resolution. >> Alter: Should be plenty. I have another one.

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Anyone else missing one? Sorry about that. Good? Okay, great. So it looks to me like I think this is very much in sync. I think one part that wasn't clarified here that would be really helpful, which we tried to clarify in the resolution language, is that the -- when the draft 3 comes back, that there would be annotations at that time to know what was and what wasn't accepted into the draft in the third draft and hopefully by annotations that would mean you would let us know why something wasn't included. I think this will help people to understand how things are being rye -- revied. We've hired staff for a reason and you may have different opinions and knowledge to bring to bear but I think it's important for council and the community to be understanding why certain decisions are made and to have that clarity, and so the idea was that when in draft 2 would go to the commissions as planned with the clarification that it definitely also goes to environmental and landmark. Then when you've gotten that comment and make your draft 3, which doesn't have to be that different from 2, but that it's annotated to tell us why you didn't make recommend legislation and that may be because planning said one thing and Z.A.P. Said another and you only adopted one or maybe you disagreed with both, but so that clarity is before us. And then I think we've already clarified that in what you're suggesting would be February with that draft 3 that it would be with PC and Z.A.P. And notations coming. So we would get draft 3 which

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will have gone to them, the PC and Z.A.P. Will have an opportunity to comment and make recommendations so then we will have clarity as council. That doesn't mean another commission can't decide they want to talk about it, but there will be perhaps limited time of the consultants to go to every other commission at that particular time and the information would be funneled through PC or Z.A.P. If that information was going to be moved forward. Is that correct? So that we would have in the draft 3, we would know if you had environmental commission having recommendation that were not. >> Yes. >> Alter: Within that draft. Then there would be that draft with whatever additional comments at stage 3. >> So when we bring draft 3 to council, you would have the annotation if we agreed or disagreed with both the Z.A.P. And planning commission and if there are comments from the environmental board or landmark, we would share that with the zoning and platting and the city council. >> Alter: I appreciate this and would love to see a revised version of this time line. I'm going to say that I would still like to move forward with the ifc for clarity for the community who really does want to be assured that we are vetting this carefully and that we are taking our time given the magnitude of the task. The way that we frame the resolution, it is, you know, basically being a public announcement that we've agreed on this. It just adds a level of clarity for the people who are not following our work sessions, who don't watch our work sessions, don't go back and review it. So I would be happy to see if there were any changes that you needed made to that draft resolution. We will put -- we will put what we have in for late backup unless we hear anything

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are any changes that the staff or the consultants feel necessary, I would be happy to talk with you. I think it's very much in sync except for making that clarification that when you make draft 3 originally that it would have and notations on it. -- Annotations with respect to the comments. >> Mayor Adler: The clarity, that's exactly how councilmember alter has asked that question twice but your response didn't respond to the question the way she framed it. Her question was when draft 3 initially comes out, would it contain annotations at that point as to recommendations that were not taken. When you answered the question you said that when draft 3 was given to the city council, you said the planning commission, the commission and the city council, it would then contain those. Just to be clear so -- what are you ridding with respect to that? That was the question you were asking. I just -- I was just identifying what I heard to be a disconnect and I wanted to connect us. >> So if there was something that the commissions and staff didn't agree on, that would be reflected with draft 3. >> Alter: Draft 2 everything is the same as we were blaineing. You get -- draft 2 goes to the commissions, you get their comments and you are going to create a draft 3. When you create draft 3 at that point in time, some things you are going to say the commission has had a great idea and include and some things we didn't include for the following reason. That's going back to planning and Z.A.P. Will include annotations while -- >> Comments. >> Alter: Then we are going to take the draft 3 and any additional comments that planning and Z.A.P. Have a draft 3 and if environmental or whatever want to do it, we'll figure that out, but right now we're talking about

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planning and Z.A.P., that if on draft 3 they have additional comments or recommendations that they take action on that would be forwarded together to council. >> Yes, we would bring that together to council. >> Mayor Adler: Mr. Casar. >> Casar: So what I'm trying to distill here is would passing the revised resolution change the -- a particular process or time line that staff and the consultants would do otherwise? >> I think we have -- we talked among ourselves and we would go ahead with this additional draft and bring that forward. We could keep the same time line. >> Casar: No, I just want on yes or no on this one. If we don't pass this -- >> I would do it anyway. >> Casar: It's not what you would do anyway. Sorry. If we pass this or don't, would there be any difference? >> No. >> Casar: Zero differences. >> Alter: There would be a difference in the community's understanding of what's going -- >> Mayor Adler: He was asking a substantive -- >> Casar: I understand there would be a difference and we would take a vote. I understand those things. I just asked specifically for the process substantively would there be a difference. Because at that point the debate around this would largely be about what you just mentioned and our process of voting on things as opposed to the process for codenext. >> Mayor Adler:

Okay. Hold on a second. >> Casar: Seems like there's discussion. >> So I think what I was talking with Peter on and he was just mentioning we would probably come back would be a clean draft in the third but we would still note all the changes the commission had a disagreement with. And I think it's kind of the same thing. I think what we're talking about. We would still come back with annotated. It may not have had in daily

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think why we didn't agree or agreed with it and I think that might be the only thing. But in essence it is the same thing. It would not be a difference. >> Mayor Adler: You would identify where there was a difference of opinion. You might not expound on the merits of the two positions. >> Yeah, I mean I think we would -- well, we have draft 1 now. Draft 2 will represent pretty significant change from what we all know draft 1 to be, which is important. Then the -- from the draft 2 to draft 3, as you see in the top line of the second page, the idea is to have a lot of work sessions with PC, Z.A.P., with city council just as we have been. Such that the product of draft 3 really is informed by these kind of conversations that we are having with various bodies. None of the bodies are obviously taking any action yet that informs draft 3, so the -- I think that the draft 3 would have some explanation of how it's different than draft 2. But in terms of the -- for example, the planning commission's opinions, I guess we would have to coordinate with them to understand -- to actually have them take actions as bodies to say here's what -- here's the direction that they want, because among themselves they may have a difference of opinion. So the question is how do we report that, you know, that sort of thing. The draft 3 -- draft 2 is not for their action, draft 2 is for their discussion, all of our discussion to refine the product that is the draft 3.

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>> Casar: And so is the answer yes, there would be some difference in process if we passed this versus if we didn't pass it or is it still -- >> I think to my read on line 3 in the ifc, in the second to last sentence, any differing recommendations by the commission shall be annotated within the third draft, I think that is -- that's not as explicitly described on the schedule that we prepared for you today as it is, for example, when you see the first reading draft, first reading for city council is the draft 3 plus the PC annotations. What the PC action recommended to -- to the city council. Of which may be things that the staff is recommending and supporting as well as the things that they might not be supporting. >> Casar: And the roles of the various commissions like the low-water crossing, landmark and environment -- historic landmark and environmental may be the same under the new revised resolution as they would under your process if we didn't pass this or where they different? >> I understand there was a request to take that draft back to landmark and the environmental board for their review. That necessarily may be

happening after that draft 3 has occurred. Because I don't know if that's at the time, but we would certainly have their input before we come back to council. >> Casar: I'm trying to ask the same question. Is it different or the same? >> I think it's the same, we're still going back to the environmental board, we're still going back to the landmark commission to get their input. >> Mayor Adler: They will probably go after draft 2. You would take draft 2 to the

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environmental and landmark commission. >> Right. >> Mayor Adler: And then incorporate that, whatever information gleaned or position taken into 3. >> Casar: So I guess I'll give up the mic after just making a comment that months ago we had at least if not multiple joint meetings of this group, with the cag, the plannings commissioners as we are built out a time line, general buy-in and what the roles of the various commissions would be, the consultant and staff were brought in on that process. So if we're going to change it, which is the reason I've been insistent trying to find out what the changes are, I would be reluctant to do so with a few days notice and with a vote like this considering how much work we did to put this together. And if there are changes, I would like to explicitly understand what they are and understand why the staff or the consultants might have decided to do it one way and why we agreed to do it one way and why they would or wouldn't want those changes. I don't want to speak for our staff and consultants, but it seems like it's a little muddy about what is here is already going to happen, was already recommended to happen, might already happen because we brought it up or seems like it's what we want to happen versus what actually changed with the resolution. If we're going to vote -- which is my reluctance to vote on it unless I'm clear about what this resolution does and why we would change the time line compared to what was already going to happen. So I'm reluctant to move on something until I have those answers. >> Mayor Adler: Ms. Kitchen. >> Kitchen: And with the language that councilmember alter has brought forward, I had one change that I think alliance it. It's nothing different, I think it alliance this language with what we've been saying. Item number 4 doesn't say when it will come back to city

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council which we have on our time line, so I would add the third draft of the proposal and development code and zoning map shabby presented to city council in -- I had January, but if February is the date that's fine. We should put whatever the date is in shall be presented to city council for first reading in X, end of January, first of February, whatever that appropriate date is, given your time line here. Because if we don't do that, it's vague. And so I would -- I'm going to be asking for that amendment, which I think is acceptable to councilmember alter. So I just wanted to point that out. Does that make sense? >> Mayor

Adler: It does. But I'm now looking at staff to see -- because I understand the extension was to January as well. Respond to the point that councilmember kitchen just >> So we had been talking about bringing it at the end of January, beginning of February. If council -- I mean if the commission took action in December, then it would probably be the end of January. If they took action in January, the commissions, then it would probably be the early part of February. It's just a matter when the commissions actually take action. >> Kitchen: So basically you are talking about a month or so after they take action? Is that what you are thinking? >> There needs to be time to annotate -- but yes, that's correct. >> Mayor Adler: Seems to me if you are going to get it -- we want them to act by December so they can get to council in January or we're going to start to press April. >> Pool: If I could jump in here. Additionally we have just one meeting in January and it's the last week. So I think it's probably not too much difference if it's the last week of January, first week of February. But I think the key here that staff is advocating for is to

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allow the commissions to have some flexibility in their work. Because right now we don't know the size of that. We don't know what's going to happen. And so I think we could say something even more expansive the first council meeting possible in 2018. >> Mayor Adler: Ms. Kitchen. >> Kitchen: This is the amendment I'm bringing forward so I would like clarity in it. So I think that I'm okay with saying in February, you know, because I understand it may be the end of January, first part of February, I'm fine with that and I don't think -- thank you for the suggestion, but if we put the specific date, that's probably tying us down too much, but I do want the month because I want us to be clear right now so that we're not wondering in November or December when it's coming back. >> Pool: I might suggest we say early February. >> Kitchen: That would be good. That would be fine. >> Mayor Adler: Then my question would be to make it early February, do you need the planning commission and folks to act in December? In other words, if you're going to be held to early February, there's probably a time that you need to also hold the planning commission and Z.A.P. To so that you can make that early February date. >> Alter: Well, their thinking -- >> Mayor Adler: Hold on a second. >> If the commissions were to act by no later than the 11th of January, we could come back in February on the 8th. >> Mayor Adler: February on the 8th. >> Kitchen: Okay. >> Mayor Adler: Okay. Ms. Garza. >> Garza: I'm kind of agnostic on the -- if it's changing nothing, it changes

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nothing we could take it off the table and change nothing -- I don't know where I am on that exactly. But my question is if passing the resolution is to provide clarity, I don't see the clarity honestly either way. I

don't see it in what we've just discussed nor in the way it's written right now, and the clarity I'm talking about is the roles of the Z.A.P. Versus -- the mayor asked this question but I'm not sure if it was answered. Are both -- my understanding the charter says the planning commission is the one that's supposed to be the text, look over the text. Are we saying this Z.A.P. And the planning commission are going to review the text and there will be annotations from Z.A.P. And planning on the text? >> With any ordinance that comes forward regarding zoning regulations, the planning commission is sovereign. So we would certainly listen to what the Z.A.P. Has to say. I think this is clarifying by this resolution saying planning commission and the zoning and platting commission, so council improving the amended resolution that was handed out by councilmember alter, it's asking for the planning commission and the zoning and platting commission to act. But planning commission is sovereign on the text of a document or code amendment that would come forward. >> Garza: Okay. It says the third draft shall be presented for review and action by the planning commission and the Z.A.P. It doesn't say the third draft text shall be presented is what I'm saying. If the whole purpose of this is clarification, I don't see the clarification there for the Z.A.P. And planning commissions. Does this give enough -- I don't think this gives enough detail to see Z.A.P., you are going to look -- you will be looking at the text and you will also be able to provide annotation. I don't see that here if

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that's what the intent is. >> Perhaps you could take that last paragraph and the paragraph 3 and you could say if this is what council's intent is that draft 3 shall be reviewed into the zoning and platting commission and recommendations giving to the platting commission for their review and action. And that would be clear that the planning commission is the sole body that moves forward. If that is not the intent of council and you leave it the way it is, and I will interpret this as you are asking for the zoning and platting commission and the planning commission to review and provide action. >> Garza: On everything. >> On everything. With regards to the text itself. >> Garza: So in the annotation it will say -- let's say for subject a it's staff's recommendation, not planning, there will be a annotation that shows the recommendation by the staff and the consultants and then a annotation that says, let's say it's a text item, this is planning commission's recommendation and this is z.a.p.'s. That's what you read this to do? >> Yes. And if there is something otherwise, I think it would be clearer just to state that their draft will be reviewed and recommendations by the zoning and platting commission shall be giving to the planning commission for review and action. If you desire that to be different. >> Garza: Okay. >> Mayor Adler: Councilmember alter. >> Alter: Thank you. So I just wanted to be clear when we started this part of the conversation, Mr. Guernsey, you had indicated it was always your intention both planning commission and Z.A.P. Would be providing their input on the draft that came to council. Is that correct? >> Yes. I would certainly not shield or withhold zoning and platting commission's recommendations from the council. >> Alter: So from that perspective, that's not --

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had clarity there because some people were concerned about that and we had always intended for both to be there, is my understanding. I want to -- >> I just want to say that if that is -- the one thing I would need action by the zoning and platting commission and the planning commission in order for council to move forward if the resolution is passed. >> Mayor Adler: Okay. Mayor pro tem. >> Tovo: I think that's appropriate since they both, as you said, handle similar issues in different parts of the city. I just wanted to say, one, I support having a resolution for all the reasons others have stated. I think there's much anxiety in the community about the time line and how and when they -- how and when drafts will come out and this just provides a level of assurance about the process that I'm really thrilled that you provided in the ems of this, but I think -- terms of this, but I think having a resolution and a vote and something people can go back to in the record is optimal. And I want -- you know, if -- we don't need to have this conversation nor do I think it's a useful one, but we have probably a half dozen resolution -Z in the last year of support for ongoing staff initiatives that were things that were already in progress that the congress just stepped forward and had a resolution about. It happens from time to time, but in this case I think it's especially important to be able to say the -- to the community we heard you, this is our plan going forward and to proceed on from there. Speaking of time though since we only have ten minutes and we've now only gotten to one of the topics, the one that was added, these are the new topics and not the other ones added to it, councilmember kitchen, you look like you have a response. >> Kitchen: Well, I thought you were going to bring up a different item which I was -- >> Mayor Adler: Close this down.

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>> Tovo: I hope that we can come up with a plan. It is for whether or not we're going to meet next week. >> Mayor Adler: It looks like by the way Monday, it looks like almost everybody can make it Wednesday from 1:00 to 3:00. Ms. Houston, you will be gone, but it will be videotaped. I think you can monitor it and some other offices so I would propose for the council to consider and the consultants, Greg, if you are here, available, Wednesday from 1:00 to 3:00. Would that work? >> I think the consultants are here in the morning. I'm not sure if they are here in the afternoon on Wednesday. I know they are available in the morning and afternoon on Tuesday. >> Mayor Adler: I don't know that we have all the council offices. Is there any way to do 1:00 to 3:00 on Wednesday in the afternoon? >> I will have to leave exactly at 3:05. >> Mayor Adler: Done. >> Tovo: And so that answers my question that it sounds like we'll be able to move the neighborhood plan and some of the other topics to next week to one of the -- >> Kitchen: I would like five minutes to speak about the neighborhood plan. >> Tovo: Okay. I guess, I mean I don't want to do -- to talk for five minutes about the neighborhood plan in lieu of having a session. >> Kitchen: This is not in lieu of. I'm trying to grab a little time before we end. >> Tovo: Sounds great. It sounds like we're having a session next week. >> Mayor Adler: Neighborhood plans, imagine

Austin, the big issue we wanted to talk about and I want the staff to tell us how they are going to show on the maps visually that we're going to do stuff outside of the urban core area. I'd like to be able to hear all of those things. Mr. Casar, then Ms. Kitchen. >> Casar: So maybe I misheard this, but I thought I just understood from these last couple of interchanges

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that there is something happening with this resolution that would require more votes by commissions in order for council to consider the -- the map and text. >> Yes. If the zoning and platting commission let's say failed to take action and the planning commission took action, I could bring this forward to city council for your review and consideration. I would certainly give the city council input with what the zoning and platting commission may have said, but if they don't take action I could still move the amendment forward for council consideration. This -- the resolution as -- or the ifc as revised requests action by the zoning and platting commission. So I would not be able to move forward to the city council for your consideration without the zoning and zoning and platting commission taking action. >> Mayor Adler: You are saying the sovereign rule has to be acted on by the planning commission which is going to happen. >> Correct. >> Mayor Adler: If there's review by planning commission, I don't think anybody's intent is you don't bring to it the city council. But we could discuss that if that was. >> Casar: That should be chaired. What I want to -- clarified. I think it's a pretty standard I want to go into tomorrow knowing whether this is a symbolic resolution announce to go the community the process isn't changing. >> Mayor Adler: The question is is while we invite the Z.A.P. To take action by January, we're not saying that the process stops at that point if they refuse for some reason to do that. >> Alter: No, but I think they would want to get their opinion in to tell us they refused, but I don't think the intention was to allow Z.A.P.

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To prevent it from coming to council. They would need to tell us they don't like it and we shouldn't vote on it, but that would be an action that they would take. >> So an in action by the zoning and platting commission let's say by a January 11 date would be considered an action. >> Mayor Adler: The opportunity to act by January 11th as well. >> We would certainly give them the opportunity to act. >> Alter: We're not trying to create -- I wanted to clarify the point of this process is not to slow it down. It is to improve the quality. We have people who are serving as volunteers on our two land use commissions who have a wealth of knowledge and this is another opportunity for them to provide insight to the council. And my impression is this will reduce the number of amendments and add clarity to what we're voting on when it comes to us because we'll be able to very clearly see and we'll be able to know if

something has been interpreted right as it moved from the second to the third draft or if there needs to be further changes or if something that was changed is causing further problems as we calibrate it, we will be able to know that when we're voting. So it as currently put forward it does not change the April end date, it just makes it so that we have more information and clear format when we vote. >> Mayor Adler: Ms. Kitchen. >> Kitchen: I just want to quickly talk about the time line on the small area planning and the mapping along the corridors. I passed out for everyone again what I reposted. And the reason I want to clarify it is because tomorrow is our last day to vote, and I did not move forward with the resolution because my understanding from our last conversation was that we would be reflecting in draft 2 what I have suggested here.

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Not necessarily exactly as I have it suggested. I'm looking to you all to tell me how you would do it. But my understanding is that -- that we would be reflecting in draft 2 an approach for describing in codenext and moving forward with the small area planning process, and I had suggested establishing geographic areas along the corridors throughout the city -- I won't read outline of it. Second how the corridors would be defined and third suggested define a criteria for when the small area would be employed. I just want to confirm again my expectation was from our last conversation that this would be reflected in the second draft. So I want to make sure that that's still what you guys are thinking. I understand that the way I've suggested it that there might be better ways to do it, but I just want to make sure that my expectation is correct that we would see it in the sect draft. -- Second draft. >> Yes, we could incorporate the language that would speak to how we would plan in the future post-codenext. It would deal with centers and corridors. >> Kitchen: And you would reflect establishing the geographic area along the corridors. >> Probably need to talk about law and my consultants about how we could look at how to do that. It's more probably more construction of the map more than anything else because map usually regulates specific property, but we can look and try to figure a way to do that. >> Mayor Adler: I think there are two different issues. One is eventually we're going to approve the zoning map. And you're saying you are concerned about putting information on that map at this point that might not be appropriate for the zoning map that we approve next April.

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I don't think that's your concern. I don't think you have to worry about that. I think at this point what I've asked for, what councilmember kitchen has asked for, you can put things on the map at this point that would indicate to the public where things are going to be taken up, hand. We can decide what April what needs ultimately -- what's the map that's put into our ordinance structure, and we'll have a long

time between now and then. I agree with councilmember kitchen, in this next draft we need to be able to demonstrate to people in our community both on the map and in the code what we're doing about the areas outside of the central core. About the corridors. What about the activity centers. As has been laid out. Because there's a perception in some places that this code is just really -- all we're doing is doing the central core. That's not the intent, that's not the process, but we need to show that and say that. Is that okay? Does that work? >> Yes, we'll figure something out. >> Mayor Adler: With respect to the conversation next week, if you would tell us how you are going to achieve that -- you don't have to get specific, but as specific as you can get so we leave for the summer we have clarity on that issue too. >> Kitchen: Yes, thank you. That's what I'm trying to get to so, as I said, I laid out a way to do it. You guys can come back and tell me that is or is not the way to do it and this is how you do it. I really want to hear that next week. >> Houston: And mayor, I just wanted to say that I support looking at the activity centers and making sure they are included in this conversation, in a broader conversation than they have about. >> Mayor Adler: As you have said several times, which is unwieldy of the reasons why I think we need to pick this up. Councilmember alter. >> Alter: I just wanted to clarify for the resolution, do we -- do the consultants and

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the staff want me to add by mid February for that fourth section that shall be present to city council for first reading by mid February? What is -- what gives you the leeway that you want there? >> I think early February is fine. >> Alter: By early February. Okay. Thank you. >> Mayor. >> Mayor Adler: And then early January for the commissions. >> Alter: We don't have -- >> Mayor Adler: If they come back at the end of January then they're not going to be able to do early February. So I think you need to put them on notice too, which is why the date -- >> Alter: On by early January? >> Mayor Adler: You like that better than by January 11th or January 8th? >> I like the date. It always has more certainty. January 11th is I think a few weeks before February 8th. Assuming you have [lapse in audio]. >> Alter: What I'll do is put in the resolution the base as it is now and then we'll work out the dates with the staff before tomorrow and amend it so that we get it exactly right. >> Mayor Adler: That sounds good. And then clarify about the issue when he with respect to the two commissions. We had with respect to the two commissions. They both had an opportunity to act by charter one and has to act, but let's make sure they have the opportunity to act. >> Alter: And we have to have it in by 3:00 -- >> Mayor Adler: We can make all the changes later. >> And mayor and council, it's really when we talk about the generating of the drafts, it's really a team because some sections are written by staff and some are shared with staff and the consultants and some are purely by the consultants. So I think if we talked about the codenext team is drafting and will generate a second draft, that's more collaborative and -- >> Mayor Adler: Rather

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than saying consultant team, say codenext team. >> The codenext team. >> Mayor Adler: Got it. Ms. Pool? >> Pool: So what I wanted is to ask our city clerk, she will be bringing us our list of meeting dates for 2018, probably at our first meeting in January, is that right? And the reason I'm asking is I want to make sure that the February 8th date is listed as a council meeting. When that schedule is put together. >> Janet Goodall, city clerk. The office is working to prepare the calendar for 2018, so I believe -- I'm not going to speak for them, but typically they bring it back to council for adoption in octoberish. October, November for sure so that we can get everything scheduled as far as the rooms and then the boards and commissions can adopt their schedules accordingly for room reservations. >> Pool: Okay. >> Mayor Adler: Thank you all for accommodating us next Wednesday afternoon. Anything else? >> When was the start time next Wednesday. >> Mayor Adler: 1:00. If anybody wants to start earlier at noon, you might want to post that on the board, otherwise it will be 1:00 to 3:00. >> Mayor, apologies, I checked my flight. I need to leave at 2:45. So an earlier start time might give us more time. >> Mayor Adler: All right. We'll check and see if people want to start earlier, but we promise we'll let you leave at 2:45. Thank you. We stand adjourned. >>