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>> Mayor Adler: We might also have a short day. >> Don't say that. >> That's always a curse. >> Mayor Adler: Really? Today is February 27. It's Tuesday, 2018. We are in the boards and commission room at city hall. It is 9:10. We have one briefing. We have two pulled items. We have a lot of things on executive session today and, colleagues, we have a short meeting on Thursday. We don't have a requirement that all those executive session items are heard today. We could hear some on Thursday as well if we wanted to. I'll just throw that out there if y'all want to take a look at it. Leslie is not feeling well this morning so she's not going to be with us. I would intend for us to go through the briefing here on waller creek that hit the two items and then go into executive session. Mayor pro tem. >> Tovo: That sounds like a good plan to me but I would like to spend a couple of minutes talking about the item that was forwarded from the housing committee. I apologize for not pulling it but I know Mr. CANALI did the presentation and is here. If we could spend a few minutes. >> [Inaudible] >> Tovo: My apologies. It's already pulled. >> Mayor Adler: We are so in alignment as a council. It just boggles my mind sometimes. All right. So we'll begin with the briefing. Mr. CANALI, the floor is yours. >> On waller creek. >> Mayor Adler: On waller creek. >> Good morning, mayor, mayor

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pro tem, council members. I'm Greg CANALI, deputy cfo. I'm joined by Sara Hensley, interim city manager, and Joe, interim assistant city manager. We are pleased to be here this morning to walk through our update on the waller creek tax increment reinvestment zone. And a framework for a potential amendment and revision to that -- to this zone can be used to fund improvements along waller creek. So Sara and I are going to tag team on this, go through it, and have a conversation with you about where we are on our efforts. I want to provide you some quick background. Back in late September, council provided staff direction on moving forward on looking at the waller creek tax increment finance zone, expanding the time of that zone so that it could be used to help fund the creek efforts that have been ongoing for a long time in this community. Sara will be walking through. And also looking at roles

and responsibilities between the city and with our great partner as well as the structures around that. So to do that, before we dive into this framework that we have developed we thought it would be important to just do a quick look at downtown, the central business district and the economics of downtown and what we have seen over downtown over the last 15 years. And because we're also dealing with an existing tax increment reinvestment zone, we think it is beneficial not only for the council but the community to go through a quick history of what that zone is and where it is today. And then Sara is going to walk you through all the planning that we have done over the many years about the creek plan. And then finally we're going to

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lay out for you a framework for a consideration to move forward. With that, I'm just going to talk in general about downtown. Back in 2011 there was a -- the city went through a process of creating a downtown master plan. This was a multi-year effort. Planning department led this and really laid down a vision of downtown for a livable pattern of development, highlighting the need for public spaces and our park spaces. It highlighted the need for a green necklace of trails to connect with our existing trails on lady bird lake. Also looking at the business element downtown. The innovative businesses both small and large so we can make downtown more vibrant. Certainly lots of conversation about the residents downtown and units as the city evolved over the years. So just kind of wanted to do a snapshot look at where we have been over the last 15 years. It is often time dramatic to see the images of downtown, the skyline as we drive around it or drive through it. And I think both the city of Austin as well as the nonprofits and the private sector, there's been a significant amount of investment. Certainly we're sitting in a building right now that is a result of some forward-looking thinking back in the late '90s and 2000s. There was actually, at that point, the computer science corporation was looking to build offices, southwest, and there was a discussion about getting those into downtown, out of that part of town. As a result of that the city entered into a transaction where we could begin redeveloping some of the land around us. Republic square. Downtown Austin alliance is taking that on as a

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refurbishment. The city, our public works and transportation department have made significant investments in sidewalks and great streets and bike lanes. Over the last decade we have opened up the street grid in and around the western part of downtown through green and sea Holm through our efforts there. On the east side of downtown, which has sometimes been lacking in its investment, the waller creek tunnel, which is what we're going to walk through some of the history of that. And I think key we want to highlight is our cultural facilities. Both what our private sector has done, mexi carte, the investment in the Mexican American cultural center, Bob bullock, and then our library. Really putting into action what we have seen in the downtown plan that was adopted. We have also seen at the same time a really large increase in the amount of residential population. There's been an additional 7,000 units built over the last 15 years and the downtown population is around 14,000 residents. And

concurrently, there's been a build in office as well. As offices and residences come together. We have seen that. What we have also seen how it impacts the city's tax base in a positive way. This is just a chart showing you the year over year growth and the assessed valuation compared to the central business district and to all other parcels in the city, everywhere beyond the central business district. As you can see in 2009, our overall assessed valuation, just to put that in perspective, was about \$77 billion. And it had grown from fy08 to fy09 about the same percentage, about 12%. Since then we have seen the central business district grow at much higher rates. And significant about that is because downtown, the majority

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of the downtown evaluations are commercial. They have different -- obviously from a tax cap perspective, they are uncapped. And you see this growth that we have seen in downtown. And this is how it translates to the city in terms of the city revenue. It has had a positive impact on our tax revenue and tax rate. Again, going back, back in 2008, actually the noncbd base grew larger than the CBD but since that time values have increased 265%, or nearly three times as the CBD. We have seen values grow 13.8% over the last 10 years, versus 6.6. And the share of the tax base has doubled of our tax base. It's currently 8% of our overall tax base, or about \$12 billion. If we went back and did an analysis, if the whole city had grown at the same rate we would have foregone about \$92 million in revenue over the last decade. And just looking at the current fiscal year, it's equivalent of about \$25 million if we had been growing at the same rate over time. Obviously the other taxing jurisdictions benefit from this as well. That number for aid, the \$92 million is about \$65 million. Okay. As I mentioned, there is an existing waller creek tax increment reinvestment zone and we want to walk you through the history of where we are on that. And if you can bear with me for a few slides. Typically we have a long slide deck about tax increment financing. I think we have had a chance to do this a few times, so I have taken some of the highlights of the slides of our kind of the education or one-on-one. Just as a reminder, tax increment financing is a popular tool to encourage economic

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development in a defined geographic area. The term is tizr, and that is done under the Texas tax code. That is so set aside revenues due to evaluation growth that arise from that public assessment that helps stimulate economic development. And what you do, you capture a base year. You set a base year in values above that are captured. So this is kind of our representation of this. This slide has been in front of you before. The idea is that you create a zone base as is captured and remains with, in this case, the general fund. And there's an assessed valuation that is generated from the project itself. That's what we call the but for analysis. At the end of a tiff term you end up with the tiff expires. Just some quick facts about the legislation. Waller creek tizr no. 17 was done under chapter 311 of the tax code. Again, we look at the tax increment reinvestment zone. There's some rules about that. What I want to highlight on this page is that a tizr project as well as an amendment requires both a project plan and a financing plan,

and we're going to lay out a framework, and also there's a board of directors that oversees that reinvestment zone. So here is our history all in one kind of picture slide. Going back to 2007 when the city originally created the zone. The subsequent year the city and county went into an arrangement about that. I'll get to that on the next slide. Finally, in 2011, the amendment was done. And so the rationale for this

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reinvestment zone was to fund a 22-foot diameter flood control tunnel underneath waller creek from about Waterloo park to lady bird lake. It removes 28 acres of CBD property allowing it to be developed. It also allowed the canvas for parkland improvements, environmental restoration of the creek, as well as economic stimulus in the area. So the pictures on the right are taking us through time, going from the groundbreaking to where we are now. And where final work is finishing up. So here's the non-pictures. Here's the math guy putting up some math for you. The base year of this tirz was set in 2007. As I mentioned on the previous slide, the city of Austin and Travis county participate in this. The city is 100% of that incremental tax revenue above 2007 base year. And the county is at 50%. The duration is 20 years through 2027. And what that increment, the combined increment was used to fund \$106 million of debt to construct the tunnel. The pictures of which you saw on the previous slide. The city actually took on the responsibility of issuing that debt and we issued that debt -- it didn't happen all at once. It gets phased in as the project moved forward. Those bond issuances occurred over four years. What we did in terms of the debt term is the term of the debt actually went through 2040. So beyond the life of the tirz, which was set at 20 years, the debt actually went to 30 years. And that was the idea to break up the balances. That's key here because we're going to talk about the difference between the end of the tif year and where our bond is currently in right now.

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We think there's an opportunity to move forward on investments in the creek. So with that, I'm going to turn it over to Sara. You want me to click for you? >> You can be my Vanna. Just briefly I want to share with you that there's been several documents, as you can see, that has helped us sort of create the vision for the waller creek area, starting with development plan in 1975. And then parks and recreation worked in partnership to create the waller creek greenway plan in 2000. Parks and recreation worked on the waller creek master plan 2008 to 2010. At that time then we worked, in 2010 on the waller creek conservancy created this partnership with the city. Many of our friends from the waller creek conservancy are here today. It is a true partnership. There is a relationship that really is shared. And then on in from the waller creek design plan where they had their design competition into 2014-2015, which was Michael van vakenburg. The overall idea here, as you all know, with parks and recreation there wouldn't be a way for us to really create this highest level of a park system and trails. And by having a partner who is interested in helping us create this chain of parks, this greenway, through our work with watershed, sort of the clean up of the blueway, we create this iconic area that not only helps

us from an economic standpoint but helps us from an ecological and social standpoint. They are helping us create a network of over three miles of trails. They are helping us to be accessible, which currently if you jog or walk or have an opportunity, they are not as accessible as they should be. The opportunity to create off-street bike and pedestrian

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infrastructure, which will help with our safety in our city. Existing parks, of course, to upgrade those. But the creation of some new parks and some new creative iconic parks. And then, I think most importantly, is the ecological restoration of this area and the adjacent land. Which, as you know, by help with watershed protection, the failing creek infrastructure to bring this up. Not only the restoration but opportunities for reconstruction. They started their 501(c)(3) In 2010 and they were dedicated in partnership in restoring and improving these parks and trails and the open spaces around the waller creek area and between lady bird lake and the 15th street area. This is a wonderful public private partnership and it has been truly an opportunity to create something special here in the city of Austin. There was the international design competition that was held in 2012. And many of you attended that. They were all over the city for people to give their feedback on what they believed to be the best plan, which turned into the waller creek design. And then the fact that they are committed to partner with us to improve this area is something special so that we can make sure that it is diverse, it meets the needs of all our citizens, our residents, and guests but also creates a vibrant community and helps with the economic development in the downtown area. Most importantly, though, there are community benefits. And that is creating a place, creating spaces for our residents. And they want to make sure that there is greater access to this area for all of austinites and that programs are offered that engage families all over the city, not just in the downtown area. Again, it will feature cultural programs, dynamic interactive

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areas and will also help to bring in Austin's creative food and entertainment and the arts which, as you know, what is special about Austin. And then I think all of you know that parks build community. This will be an opportunity to bring all of Austin and guests to open opportunities, open space and facilitating opportunity for more engagement and interaction. 300,000 people live within five miles of this area, which is pretty significant. In July 2011 the lgc was created as the governing body for waller creek and the district. In 2014 the local government corporation with the waller creek conservancy developed the joint development agreement. And then in 2015 the corridor framework was completed. Just to mention as a great partner, you know, it takes both of us. But I want to mention to you that in their efforts they were recently able to receive \$15 million in a donation that will help improve this area, which is significant in helping us achieve the goals of creating a new area here in downtown. >> So with that background, I wanted to lay out for the council a framework for what a revision to this tax increment reinvestment zone could look like to help achieve the design plan and all the planning that

has been accomplished. I want to walk you through that framework. Along the left side I wanted to show you, as you have seen this image, there are various sections from Waterloo park area down the symphony square, the refuge. There are different sections of this park that as the conservancy and city staff work

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on has become the area to sort out how we're going to look at funding this from the entire length of the creek. So we have from a capital cost, the cost estimates -- again, I want to stress that Sara mentioned the framework plan that had been done. So that was really moving beyond just design plan but into some deeper planning exercises. And along with that some cost estimating occurred. So a lot of work has been done to get us to where we are today. The capital costs for this entire effort are approximately \$250 million. As importantly, the 20-year operations and maintenance costs, we wanted to highlight those as well. Sara mentioned about the need over time to fund parks. As we have seen in the community oftentimes our parks tend to be underfunded in certain areas, so this is an opportunity to highlight that. When you have a park you build it but you also have to operate it. In this case we are looking at a 20 year cost of \$110 million. In the conversations with our partners, the conservancy, we have really laid out a participation level goal where the private and public investment would be a one to one. And the way that would work out is the private funds would be used for both the capital to help build the parks, along with the city as well as operation and maintenance. The other operations and maintenance would come from earned revenue as parks are programmed. There's opportunities for earned revenue in those parks. And then, as importantly, from property owners that are adjoining the park, the public improvement district that already exists. On the public side, the city has already made some investments. The 2012 bonds and some other debt that was associated with that program have been earmarked for both some park improvements, but the majority is for a creek stream bank restoration projects. And then we believe another opportunity to get to the public

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side of that one to one match is to look at new debt associated with this tax increment reinvestment zone. So looking at that term in terms of the framework, the framework would call for extending the term of the reinvestment zone from 2028 to 2040. It ends in 2027. As we work going through the analysis, we have been working with our economic consultants to look at the additional value that would be created from the park investments in themselves. We have seen that has occurred throughout the country, and so we're analyzing that uplift. There's a but for that's associated with the park investments themselves. We would look at taking that additional extra value to issue debt to participate in the city side of this private public partnership. What we would lay out in a framework, there would be a maximum commitment of \$110 million. But the funding would occur over the course of time. It wouldn't all be on day one. It would really occur as these projects move forward in the project groups that we had laid out in those four, five sets of project groups. What's key about this is it would have to

be aligned with the private fund raising that would occur from the capital side and o&m side and we are looking at an eight to ten year implementation. We would look at validating that the value projections are there prior to any new appropriations or issuance of bonds. So we would go through a process, if council was to adopt the revision to this tax increment reinvestment zone, that's step one. But over the course of time there is additional appropriations and bond issuance that hang off of that tif revision. So it's kind of a multi-step approach. This validation of value

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projections is something we have used in the past, most significantly with the Mueller redevelopment of the old airport. We have one of our few tifs is part of that master development agreement and it was the same concept. There was a maximum amount of debt and it was only done as we went through our value projections in validating them. We think from fiduciary responsibility we set up a good regime for that to occur. Looking at the conservancy side, they would be looking at, again, fund raising thresholds from both capital and o&m, as we laid out. And we have seen this, especially on the o&m side it's similar to other national models. >> Yes. And many of you are familiar with, of course, central park conservancy, the high line. The Pittsburgh park conservancy, golden gate national park conservancy, and the Buffalo olms stead where they have created public private partnership to benefit that park system that has made a huge difference in their city and their ability to fund parks overall. >> So that is a key part of, as we look at creating a model for Austin, looking at those best practices and see how we can tweak it to make it fit Austin. Part of that, again, would be their side -- our partner side in the participation funding levels in accordance with this project group phasing and sequencing. I'll stress for both capital and o&m. And then part of that o&m, as I mentioned on the previous slide, was the downtown property owners participating in the operations and maintenance. As many of you know, we have an existing public improvement district with the Austin downtown alliance. I know Dee is here this morning. And the conservancy and downtown Austin alliance are working with that how they can partner through our existing public improvement district. As we see on the values that would be associated with the

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uplift or the but for associated with the park improvements and the positive impact that we believe will be there with the reinvestment zone, the same is the case of the downtown -- the downtown public improvement district. Their valuation -- their assessment, their 10-cent assessment is based on valuation. As that valuation goes up the public improvement district revenue would go up. That is a conversation they are having. I think it's similar -- you know, that downtown alliance is looking at these partnerships in all realms. Many of recently done an investment with community first. I think the alliance is recognizing its opportunity to look at different partnerships that they have with the community as well, not just with the city. So we value that relationship as well. Then overall, these two efforts, the partnerships would come together. We mentioned in the timeline of creating this tax

increment reinvestment zone and the local government corporation that was set up around that was a joint development agreement. This allows, really, for the mix of the how we will operate the waller creek zone and the local government corporation sits over that. And this joint development agreement we would look at updating that from both trying to document the participation framework and also it's a general clean up of rules and responsibilities now that we have aged into it five years. So with that, council, again what we wanted to really tee up today was taking the direction that council had given us from September to move forward and the conversation that we had that September night was really about bringing back waller creek as soon as we can. And we have been working on this. And so we wanted to come back and lay out this framework and tee up this framework as how we would move forward and hoping it is in line with the direction that you had laid out.

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But there still is additional work that we need to complete, and that would be first and foremost taking the tax increment reinvestment zone market real estate analysis to make sure that the value we project should be there, is going to be there. There is a lot of new activity in the area. We want to make sure that we are dialing in on that and understanding the timing of that. It has impacts on the underlying model. We want to complete our conversations with our partner, the waller creek conservancy about this participation funding plan and the framework for that. We need to work on our city financing model and our debt model, working with our financial adviser. Finally work on updates and amendment to the joint development agreement. Still a significant amount of work to go through during the upcoming weeks. Given that work this is a calendar we would lay out for your consideration. Again, coming back from the direction from last September. We would be able to be ready on April 24 to present an amendment to the tax increment reinvestment zone, and that amendment would take the form of having a project plan and a financing plan. We would also prevent revisions to the city and the waller creek conservancy joint development agreement that we have highlighted a few times here. There are also some steps that you need to take. One of those is setting a public hearing. That would happen that same week. Also we would need to reconstitute the tax increment reinvestment zone board. It hasn't been an active board, and that is you. We would have to look at reappointments to that. And then we would put on here for potential action items we would be ready from a staff side on may 10 to come back with the actual action item on the amendments. That would happen at both the city council and the board. We would look at these revisions to the joint development agreement. We believe we would be ready to fund the first city participation -- again, that's somewhat dependent on the work we will be doing with our

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consultants from an economic perspective and financial model and perspective. So that's what we would lay out, taking that framework we have designed and putting that into some actions. So with that I'll turn it over. I just wanted to thank not only Sara and Joe but we have had some staff with watershed,

Christian and Terry, and Carlos who is with the convention center but on the local government corporation. Just lots of activity around this one, so we appreciate their time and effort as well. >> Mayor Adler: >> Mayor Adler: thanks for the presentation. We've been working on this one for a long time, almost 20 years now, going back. I know staff has worked really hard on this. Thank you for that. And Dee has been involved, Dee, thank you for that. Huge push by folks in the community that really serves the -- the private catalyst of this is the only way something like this can be achieved, and you have a lot of donors and please express our all appreciation for the community stepping up to help make this possible. Questions on the presentation? Mr. Flannigan. >> Flannigan: So, Mr. Canally, slide 11 where you have the tif 101 chart, where it shows the basis value and incremental cyst value, what I'm struggling to square up in my mind is the increased portion of the general fund that is being paid for by downtown, which necessarily means I didn't have to raise taxes on the rest of the city as much to do all the things that we've done over the last X number of years. I'm nervous that I'm kind of kneecapping myself here in this section of downtown from continuing to benefit from that increased valuation, allowing either the city to do more things or to not raise taxes as often or however council decides to move forward on

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that. The way the chart is written, I understand this is not necessarily a dollar to dollar chart. It is a representation. But if I'm seeing base assessed value flat, then it sounds like I'm not even able to cover the increased cost of doing business. Not even inflation. Or -- and we know that even if we didn't add another program at the city, it's not just inflation that raises the budget. It's health care costs. It's other things that are growing. So I'm concerned about the tif as a tool generally. Not so much about waller creek as a project. The project is great. But is this tool going to then prevent me over the next 2040 years from leveraging this grandmother that is a larger percent of the tax date. >> Council, to look at that in terms of -- looking at this illustrative model, what I would say is the existing turns is a fairly narrow turns around the creek. We are not here to look at expanding those boundaries, something quite honestly was a discussed idea several years ago but for that key reason we wanted to keep it within the boundaries. We look at the parks themselves will have an additional uplift, in addition to the tunnel. That we're seeing from the values, and the tif is performing well right now. And then also, councilmember, what we look at, as we go through this modeling, our anticipation -- and we don't quite have the numbers yet -- is that not all of this additional uplift and additional tax revenue from that uplift that would occur by extending the time will be required to get to the 110 million. The point being there might -- there are -- an objective is to not have to

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use all of that value, that additional value from the park uplift itself for the parks. Those funds could reside within the tif to be used on other opportunities within that district. Some of which are current general fund activities as well? >> Flannigan: Let's plan to set some time for me and you and I want to

see some spreadsheets, I want to see actual numbers, not representative graphs on a presentation. >> Absolutely. >> Flannigan: I want to see dollar for dollar what you're projecting over the long-term. >> Absolutely. >> Mayor Adler: Further discussion? Relative to this presentation? Mr. Casar. >> Casar: Yeah. On that note I think what I brought up during our last presentation, which is my understanding is what we would be doing is leveraging the growth here to invest in the system of trails and chain of parks, but then we would anti some growth that we wouldn't have otherwise had because of that investment. So but I don't know how much that compares to how much I invested in the park, right? So how much where this investment is getting us that we wouldn't have otherwise realized helps me weigh the ultimate pros and cons. Because if we're just putting it all 100% into the park and we get no additional assessed value from it, that's one thing compared to we would project that we're going to get 50% more because the park is there that we wouldn't have otherwise had. I just want to know how -- I just want to know what the opportunity cost is. Yeah like councilmember Flannigan said, we would be giving this up for some period of time but what are we getting on top of the obvious, you know, wonderful trail and chain of parks on top of that? >> Absolutely. That's what we're modeling out to show you kind of how those dials work between how much would be for the parks and how much would be kind of unallocated in essence. Yeah, we'll be able to --

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we're going to model that out. >> Casar: You're saying the unallocated because you're saying that you would hit the 110 million before the end or are you saying that the unallocated is -- >> No. I think we would look at the overall financial modeling up through 2040 to see how much that have additional uplift would be needed to fund the maximum amount of the commitment of 110 and are there funds available beyond that 110 mislead. >> Casar: Okay. And when are you guys getting that? >> So that is kind of what we're in progress for right now. Again, we wanted to pause here and have this framework discussion and then we're going to spend the time going through that work with our consultants and staff, and I would say to part of that, it's a little harder to get to, but we also know there's other benefits besides revenue, sales tax revenue, we have folks looking into that. >> Mayor Adler: Will you also be taking a look at the uplift that happens outside of that geographic area? >> Yes, we will. In working with the consultants and some examples for example up in Dallas and then in New York and other areas in Boston where improvements of the parks themselves, the spillover impact of values are not restrained to just is that one or two blocks off the park, but there's a cascading impact and we're going to look at that anecdotally to see which currently coming to our general fund. >> Mayor, just to give you an example, this is in California, of course, so prices are inflated but east bay regional park district is estimated it stimulates about \$254 million annually in park-related purchases, of which \$74 million is spent in the local east bay economy. So improvements of a park, green belts, trails in an area can spur a huge economic impact for a city overall through other means.

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>> Mayor Adler: Allison. >> Alter: I want to follow up on the mayor's question. I'm a big proponent of parks and one of the things you do see with parks is exactly what the mayor highlighted with his question, is that they raise property values through the opportunities that they create well beyond the geographic area. So when you provide us the next bit of analysis, can you make sure to provide the geographic boundaries of the turns as it is now. >> Yes. >> Alter: And then any of the analysis that you can provide for those blocks off of that in terms of what we're expecting that economic value, that property value to be as we develop this chain of parks. So we may be forgoing revenue from the property that's right along the parks in order to achieve the parks and make that investment, but then the investment will reverberate through many blocks away, through very large potential increases in the property value, and that goes all the way up the chain, not just in any section. So I'd like to see that when we come back. I have a couple of questions and I may be all over the place so please forgive me. I'm very excited about this project but I want to make sure from a fiduciary standpoint that I'm understanding a lot of the little pieces. So you talked about that we would issue the bonds as we go. >> Mm-hmm. >> But in any given year there's going to be money coming off of that area, and if we don't issue a bond in that year, we don't have debt payments to make, how do we account so that at the end of the time we can still pay the 110 million if we're not doing it just as we go? Maybe that's a question for you to go over with me in detail outside of this setting, but I'm trying to understand if it's not contemporaneous how does that actually work from an accounting perspective because I don't want us to then be spending it and finding we have to in the next year put out 15 million for the park and

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we don't have the will as the council to do that because we didn't plan for it. So how does that work over time? >> I'd be happy to go through details but I think it's important to talk about that in general how it works. So when you create a tax implement reinment zone there's a separate fund we're required to set up so the property tax revenue for us 100% and currently the county 150% gets put into that prospective fund. Going back to the tunnel project, the property tax revenue was collected and we issued debt from that fund and debt service payments come from that fund. It's a self-contained fund so there is no flowing of that. But I'll be happy to walk you through the details of that. >> Alter: That makes me feel better. >> Yes. >> Alter: So we've talked a little about the county being involved up to now. What kind of conversations have we had with the county about participating? Because, you know, this will benefit the county? >> Yes. >> Alter: They like parks. You know, have we had those conversations? And where are they at? Because it would be great if they were participating at some level. >> Certainly. So I have had some informal conversations with their finance folks, their -- and their economic development and they're aware that we're having this conversation. We wanted to have this pause with you. I also know that our partners the conservancy has had dialogue with the -- with Travis county officials so I think now that is on our -- kind of part of our conversation over the next couple weeks is to sit with them and kind of show them what our regime would look like for this and ask that question. >> Alter: If I can be of any help with those conversations, I think it would be really great if the county were able to continue to join us in this investment. I understand you're in the process of doing economic

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analysis to double-check the values. Has waller creek also done an analysis? >> Yes. So they had originally worked -- they had originally worked on that, on an analysis as well, but from our perspective, since this is debt that the city would be issuing and taking on the fiduciary responsibility, we've engaged actually several folks to look at our modeling as well as with our financial advisor to help us look at the valuations and how we structure debt around those valuations over the course of many years. We -- the one benefit of this turns, it is somewhat -- it's long and narrow. We're able to identify what's happening in the market almost parcel by parcel and that's the kind of work we're doing, looking at where projects are in their development pipeline. It's important for us to know not only when they're going to occur but the potential value associated with those development projects that are occurring because they would be included in the revenues that are going on. So we're independently doing that work. >> Alter: And I think it's great that you're independently doing it. Where I was going was that I would like to see both of them come back because my expectation that both of them will confirm that there will be a lot of benefit and I think having the day [indiscernible] Together can provide some extra surety for our decision about what we're basing this on. So my expectation is that they will both independently come back with similar analyses or amounts and so I think that's important for us as we move forward. The turns board, you mentioned that's just the council so that's a permanent on that thing? >> It's a council. In the past there was a county representative and that's part of the dialogue we'll have with the county. At one point, again, the turns board was set up originally to oversee as debt was issued and since that hasn't happened since 2015, they do have the

[9:58:01 AM]

ability, because they're participating in that -- in the regime that we actually, again, have an agreement with them. We've an agreement with them. >> Alter: The expectation on the bonds would still be 2040? >> That's a fantastic question I didn't get to. One of our financial practices as we look at our debt when we come forward with refundings, for example, on debt, an example, sometimes you go and try to -- you refinance your mortgage sometimes people start a new mortgage. You're basically starting again in year one. The way the city handles its debt from a financial perspective is we do not -- we do not -- we never extend the term of the debt. So if we had bonds that we issued in 2015 and expire in 2035 we refund them for savings but we don't lengthen the term. So in this case while the debt was issued for the tunnel, as a practice we believe that the debt associated with this turns should remain within that 20-40 window. We're not looking to do another round of 30-year debt. Thesehences would be on average 20 years, might be 22 or 24 years depending on sequencing. We thought that was a key issue to live within our practice. >> When you -- >> Alter: Thank you. When you present the analysis can you also please provide the share of expenses for downtown that we would have expected that area to cover so we can address Mr. Flannigan's question about the growth and the magnitude? >> Yes. >> Alter: On that? Then my final question is, what happens to the waller creek tunnel project if we don't extend the turns? >> To the tunnel project? >> Alter: I mean, to the waller creek conservancy park project if we don't extend this. >> Well, as you can see -- as you can see, there is a -- the overall project is

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at \$250 million. When this discussion started, when it was kind of keyed up with our partner, the conservancy, we looked at this as really the most viable option, especially since the fund-raising that would occur on the donation side of this to be able to make sure we had that matching principal in place. To kind of answer your question, in absence of these fundings, of the public side of this one to one, it's hard -- you'd be hard pressed to see the private community, the Austin community stepping up. I think that would be a conversation with the conservancy board about that as well. But you can see the dollar value of this. I think we've put together a good regime on this one to one, and especially I think Sarah and I have talked about this a lot, especially on the o&m side of it. But this is a necessary investment to move forward -- move the project -- if the desire is to move the project forward then this investment is a necessary equal share of moving it forward. >> Alter: My last comment and there were no other lights on, so excuse me for taking so long: Coming out of the philanthropy world I would say the steps the city can make in terms of to leverage the philanthropic commitment are very approximately in absence of that I don't think we will see this project come to fruition, certainly not to scale and with the impact on the whole community that's envisioned. >> You're absolutely correct, councilmember. Ms. Houston. >> Houston: Thank you, mayor. I thank you all for the update that you've given us. It's very helpful. I'm going to talk about another issue. Finances have gotten covered pretty much. As you all know, I inherited the waller creek and waller creek conservancy and Waterloo park and I had in the beginning been somewhat dismayed because of the lack of diversity and lack of reaching out into the community. And I have to give props to

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Mr. Mueller for his coming on board and him completely turning around and making sure that all parts of the community -- because when we talk about a parks system, chain of parks for all people, if that's not something that's actualized, if we're not intentional about that, then that never happens. So I have to say to Peter, he's done a great job I've been so encouraged and pleased with his taking risks to go into communities that the conservancy had never gone before. It sounds like something from star trek. [Laughter] But he's done a great job, and I just want him to know and the people from the conservancy to know that they did a great job in choosing him because he is really -- he has made the extra steps. There is a sculpture at the corner of 12th and red river. He's worked overtime with the artists so that sculpture stays in that location and that history that is a part of east Austin stays where it was intended to be. And so I can't say anything but good things about what's happened since his coming on board. >> Mayor Adler: Mayor pro tem. >> Tovo: Yeah I just wanted to add my thanks to the conservancy and to those who got it moving, as well as our city staff in all -- all of the departments represented. I'm supportive of doing this with a tif of extending the time. I think this project will be transformational and really will serve our whole city and I agree with my colleague, councilmember Houston, that the conservancy is doing a very good job of reaching out to the whole community and trying to bring

different voices into that process of reenvisioning what this area could be. I've attended several of those charettes, a good number of them, including one last week, and it's really -- it's great to hear some of the comments that people are -- the suggestions people are making. There are kids involved in some of the visioning sessions. And I just -- I appreciate both the range of topics that are being explored but also this intentional

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commitment to making sure that the waller creek string of parks really does serve our whole city and is just a real treasure. So thank you for the work. Again, I believe that this is critical to having that project be successful, and so I look forward to moving forward with it. >> Mayor, just a plug. If you haven't seen this, this is a wonderful document that just recently came out that really does talk a little bit about it with some dates and times. I do this because this is televised as well. For those who might be interested this really does highlight it and we'll pass it around. This is really helpful. >> Mayor Adler: Mr. Renteria. >> Renteria: Thank you, mayor. Someone who grew up in Austin and had the opportunity to play in the creek growing up as a kid and really enjoying it and seeing what this creek has done in the past, where they -- the development that was happening on the creek and then the flood og, which just wiped everything-- everything, out, and if we would leave it up to the private it would be a piecemeal development and we definitely don't want to see that happen with all the investments that we have put in. You know, I have a question: Do the -- the finance from the parking garage, have we settled that funding with the -- that dispute? Because I know the parking garage at the convention center was financing part of the tif. Is that correct? >> Councilmember, I'll get back to you on that. Again, on the old garage, there were some funds that had flowed to help support the debt payments. I don't think it was specifically from that garage, but I can get back to you on the specifics. >> Renteria: I know there was a lawsuit and it got settled and all that. I just want to know, is that fund -- after everything is straightened

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are we still going to be using that as the -- or are you going to -- for retiring the waller creek tif? >> I can certainly get you back in kind of what our repayments look like. The majority of the funds for that debt are repaid from the property tax tif. There were backstops in there and it may be one of those and I'll get you the details. >> Renteria: Thank you. I really want to thank the waller creek conservancy, especially Peter modular module -- Mueller, and also want to give my condolences. His mother passed away. Just wanted to say that. >> Mayor Adler: Councilmember kitchen. >> Kitchen: I want to echo what my colleagues have said. I think this is a really fun project. I mean, it's going to be just amazing when it's done. I wanted to forum on the question that -- follow up on the question councilmember Renteria had. You're going to get us the information on all the funding source that's backed up the tunnel, I think it was. I think at one point there was a additional amount on our water bills, if I remember correctly, and so I would just like to understand if that's done and what happened with that. >> Sure. We'll get all that. I think as we go through this turns, potential turns update, I think it's important for everyone to see

what the baseline is so we'll absolutely get that out to you. >> Kitchen: Thanks. >> Mayor Adler: Anything else before me move on? >> Houston: Mayor, as you're looking at property valuation north to south of the park, river and parks, please also look east to west and that impact on the valuation east of the park. >> Absolutely. >> Houston: How that's going to impact folks that live on that side of the town. >> Mayor Adler: So I just conclude with two real quick thoughts. I think what Ms. Houston said is critically important. This has to be a park for everybody and for the whole community. And I also agree that I think we're seeing that being sent into the culture of the project, the event

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that the conservancy did actually down under the bridges, on the creek, in December that was the light exhibit installation was, I think, perhaps the most diverse community event that I have ever attended in the city of Austin. >> It was amazing. >> Mayor Adler: And it just felt great. And the prospect of taking that and scaling that up in this community is exciting. And for that reason, assuming that it goes consistent with what councilmember Houston was talking about, I'm not sure there are many things we're talking about doing today that people will be talking about and living 150 years from now. And that making this project just that much more significant. Anything else? All right. Thank you very much. All right. We have two items that are pulled. Mr. Flannigan, you pulled both offer those. Item number 17 and item number 23. >> Flannigan: On item 17, it's just a question about the second be it resolved, about repurposing expended funds from the budget. I want to make sure we're being very clear what we mean by unexpended funds because there are multiple things in flux from that budget, specifically public safety. I want to make sure we're not directing -- that we're directing specifically the thing we need to direct. >> Casar: Mayor? I'm just going to take the mic. >> Mayor Adler: Go ahead. >> Casar: Councilmember Flannigan, I think that that's a good suggestion, and happy it includes -- to include clarifying language to make it as clear as possible that just -- just to summarize what the resolution intends to do is, one, we had passed a

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resolution in the form of budget direction to have sick time for our city employees this year, but now that -- and last meeting's discussion we moved the implementation date for everything to October 1. We wanted to make -- just amend that budget direction to move everything to October 1. Second what that causes to your point, some funds we had put into the budget that we anticipated using now for sick leave for our attempts are now freed up because we are waiting until October 1 for implementation. And so I will see if I can come up with clarifying language that I can post on the message board for you or others to review to make it really clear, we're just talking about those 200 odd thousand dollars and not all the expended funds in the budget. >> Flannigan: That's precisely the clarity I'm hoping for. >> Casar: Okay. I think that was -- >> Mayor Adler: Good try though. [Laughter] >> You never know. >> Casar: So I will -- I will make that clear but I think it was clear to staff. All levity aside I think that was clear to staff in the intention in drafting it but we'll make sure that it's clear for the public. >> Mayor Adler: Okay. Then

the next item? Did you have something on that? >> Alter: Yeah, I had several questions, if I might. >> Mayor Adler: Yeah. >> Alter: So I have questions for Joya and I want to emphasize I very much support this policy and my attentiveness to detail here is about making it successful but I think we do need to -- we do need to get out on the table some issues in terms of implementation and making sure that we're set up for success. So, Ms. Hays, I appreciate you being here. I wanted to -- we talked a little bit about this but I want to make sure that with the time that we've had since our prior discussion if there's any new information that we have it as well. So I'm wondering at this point in time what is your estimate of the necessary ftes for implementation of the ordinance and their associated costs? >> At this time, we are

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want to go use temporary employees between now and the new budget year to execute the enforcement components necessary to be prepared for October 1. So with that -- >> Kitchen: I'm sorry. As you're talking would you clarify which ordinance you're talking about with the private psl or the city? So... >> So as it relates to the established approved ordinance requiring human resources to create and sustain a process to find and enforce the current ordinance, we are looking to hire three temporary -- two to three temporary employees. I will be immediately seeking the opportunity to hire someone to assist us with the establishment of the rules that require public input so that those can be prepared with enough input opportunities so that we can be ready for enforcement in October. So for the ordinance that has already been passed, three employees to address the necessary work in order to be ready for October. I say two to three because I'm going to immediately hire two. Calls are already coming in. People are already expecting me to have answers. They're looking online. None of that has been established so I need to immediately do that. And if we have a large number of people who are contacting and needing assistance from us, I want the flexibility to go up to three. During the budget process, once we've had an opportunity to assess the demand and the needs and have an opportunity to begin work on the enforcement piece, I will come back to you with what I think will be necessary for full-time ftes that would need to be a part of the fiscal '19 budget in order for us to maintain the enforcement component of the ordinance that has already been passed. So that relates to the ordinance that has been passed and that's what I'm needing. I'm estimating the costs of such staff to be anywhere

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between 100, 150,000. Of course we'll maintain and utilize the funds we have available and when I run out I will be coming back to you in an effort to maintain that staff between now and October and I'll be talking to you during the budget term of what we need long-term. I'm trying to be fiscally conservative as possible. I recognize the sensitivity of that but I want to go on record as this is a very unknown for us, a very major ordinance that impacts major amounts of people so we want the flexibility to come back and ask for additional resources to execute it appropriately. I'll be more prepared to handle that as we

move forward. >> Alter: Thank you. I appreciate that clarification, councilmember kitchen. So over time, how do you foresee the staffing changing for the approved ordinance? If you can speak to the staffing need for the proposed resolution and the implementation of the approved ordinance for the city itself. >> So right now staff from payroll -- severally staff members from finance, hrd, cpo will be creating a team to address the establishment of this policy for city of Austin employees. So we need to create a team. We don't foresee hiring new people to create that team. We would like to reserve the opportunity through our city manager to come back if there's some system limitations to implementation in our current payroll system, but we haven't had an opportunity to evaluate that yet so we don't at this time foresee any cost for staffing to establish the procedures and the parameters internal to the city to address this current ordinance that you have before you today. >> Alter: And I don't know if this is a question for owe or for Ed. I'm trying to understand what we're proposing would be the fiscal impact of the proposed application to the city of the ordinance. >> So if you recall, at the

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last meeting, we provided you the quick math relative to if we looked at 2017's number of temporary employees, we looked at those that were actually here for more than the 80 hours as stipulated in the first ordinance, what that cost would look like. Our justification was here's what the sick leave would look like in terms of if every employee utilized all 64 hours and needed to be backfilled. As that conversation progressed between councilmember kitchen and councilmember Casar, there were questions of, are all employees going to use it and which deposition were mandated to backfill? Based on that level of questions, you referred those cost estimates over to the budget office in terms of trying to allow them the opportunity to work with those departments. I think as we discussed it -- Ed, please chime in as you feel necessary -- we would be available to have that information but it would not be available prior to us going through the due diligence and the budget process. So the quick answer to your question is, we would recognize that the answers we gave you are the broad-based answers, 25% of that would be around 350,000 up to the 1.4, recognizing that we have not had an opportunity to provide you any more clarity in those numbers since the councilmember Casar and kitchen asked us to try to do that. And I think at this time we're still looking into that. I do not believe at this time we have any additional communication or any additional numbers to provide. Is that correct, Ed? >> Alter: Do we happen to have a sense of which are the departments that are most likely to be impacted? >> The parks department. >> Alter: Okay. So -- thank you. So I would like to ask the sponsors of the item if they would be amenable to additional language that -- asking the city manager to implement this item without cuts to existing programs and services.

[10:18:19 AM]

I'm happy to work on language, but I'm concerned about departments cutting services or programs or staffing levels in order to meet the financial need for this implementation. This is going to -- as he said it hilt the parks department really hard. We've got unfunded mandates from the state that we've had to

absorb within our parks department and I think that it's really critical that this money not come out of the programs. It won't just be the parks department that's affected. But I'd love to hear from the resolution sponsors if they would be amenable to some language to that effect. >> Kitchen: Here's how I would respond. Just from my perspective, we haven't talked about this, that, no, I would not want to cut existing programs, but I would also point out that this cost doesn't hit until October. In the next budget cycle. So there would be no reason to -- unless I've got it wrong, there's no reason to institute any kind of cuts to any kind of programs between now and the next budget cycle. So if you're thinking in terms of perhaps language that says something to the effect it's not our intention to cut existing programs in the next fiscal year and as part of our budget process, you know, please bring back a budget that doesn't do that, you know, or some kind of direction like that, I'm certainly open to that. But the decision about how the budget -- how this is put into the budget comes in September, not now. Because it has to do with the next budget. And my understanding is this is not going to cause any kind of cost in our budget between now and October. Other than what we've talked about with repurposing the funds. >> So I just needed to

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clarify as part of adopting the budget back in September council did add \$250,000 to the budget for a paid sick leave program for temp employees. Most of that went to pard so there is money in park's budget already this year to do this. My understanding of this resolution was that it's directing the city manager that no later than October 1, it says by October 1, this new program will be in place and just provides further clarification to include additional funds as necessary in the fy19 budget. >> Kitchen: Right. That money that's sitting with pard right now is not for programs. It was designated to pard for paying for sick leave for temporary employees. Since that -- since what we're saying with this resolution is that that doesn't start until October, there's no need to cut those programs. Right? >> I can bring some clarity to that, councilmember kitchen. When we put the \$250,000 into the budget, that was specifically for us to do a pilot. >> Kitchen: Right. >> Those funds were not just going to pard. It was a pilot program where we would identify four to five departments with which we can pilot in order to give you a better estimate of usage. It just happened to go to the pard department because they were the ones that had the biggest impact. So I do want to remind us that the funds that were available in the pard budget were there for the pilot. Now that we're no longer doing the pilot, as this ordinance would direct, those funds would then come to human resources and our plan for that \$250,000 is to utilize that as we go out for an rfp for the company who will now come in and do the marketing outreach and education outreach that's established. So that's what those funds will be used for between now and October. The additional funds can be used as you all see fit once you come back to you with budget recommendations. >> Kitchen: Let me ask this

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question because I'm operating under the assumption there will be no cuts to programs between now and October because we do not use -- because we're not starting this temporary -- we're not starting this benefit until October. >> That is correct. Between now and October, we will establish the parameters, we will establish some rules, we will prepare for enforcement, and we will reach out to a marketing company for outreach. This conversation may be something that will be necessary once we come back during the budget period to discuss what's necessary for implementation after October. But you are correct, councilmember kitchen, at this point we will only utilize those existing funds to execute what's already been passed and to execute a process to implement what you're proposing today. >> Kitchen: Okay. Let me just answer councilmember alter and then I'll be quiet -- question. From my perspective, for me, it's not my intention to cut any programs so I don't have any problem with that language. I can't speak for my cosponsors -- you know, for the author and other cosponsors. Also, it's my expectation there's -- there would be no cuts between now and -- >> Alter: May I clarify my question? >> Mayor Adler: Hang on one second. We have another people that want to jump in on this issue. Councilmember Garza, do you want to jump in before we hear the -- >> Garza: You can clarify your question because I have a question about your question. >> Alter: Okay, great. So I guess maybe cuts to the budget may be the wrong way to fake it what I want is I want this to be considered a cost to continue like your health insurance goes up 5% and that's considered a cost that is just added to your budget. For the next year. What I don't want is for there to be less money for programs because now we have to account for how we're going to come up with the money to pay this item. And so, yes, this is for budgeting as of October, but we are essentially providing budget direction to the city manager with this resolution. And so as part of that direction, I don't want this money coming out of

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the departments who are most effective in order to meet this new mandate, which I support, but I am concerned because it disproportionality affects certain departments over others, that we account for that in our budget so that we have a priority that we want to provide paid sick leave but that is separate and above what we're already trying to accomplish from those departments. And I'd be happy to work with the city manager's office to figure out the appropriate language for that, but that was what I was trying to make sure we would be accounting for. >> Garza: I still have a question about it. So for next fiscal year, Uber saying because pardon is the most directly affected -- when you refer to programs and services are you specifically talking about pard programs and services? >> Alter: I'm concerned about this for all of the departments. At this point we haven't been told other than Mr. Van eenoo mentioned pard specifically but there are other departments like Austin energy and the convention center, there are other departments that have temporary workers that are potentially impacted by this change. I don't have that information because we haven't been provided it. >> Garza: Okay. >> Alter: I can't say that I'm not concerned about the other departments but it is something I'm particularly worried about with respect to pard. >> Garza: Okay. I could support language about specifically the pard programs and services but having language programs and services, that could be interpreted I guess -- throughout our budget different ways. So I think that really ties the hands of the city manager and what options he can bring forward, and so I could support specifically for pard but not for rot entire -- I mean, that's the -- that's kind of the whole process when we bring these items, is the city manager and staff

determine what in their best estimate is the best way to fund this. And we won't really know that until we see the

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budget. >> Casar: Mayor? >> Mayor Adler: Councilmember Casar and then P >> Casar: Solution I would propose is agent one word, we want the manager to -- maybe that solves the issue. When I look at our past resolutions to funds passages in the budget or to dedicate money to the housing trust fund, I don't want to set up the practice or the expectation that we are saying -- you know, being too really specific about not cutting this or cutting that when you're coming up with it. I think the resolutions are just asking for additional funding, putting the item -- considering to put the item in the budget and of course it's up to -- as to councilmember kitchen's point, since this would be a discussion in the budget, any cuts to any program can't actually be attributed to any other program. If we decided to reduce the number of staff being added to development services, you can't attribute that to the living wage increase any more than you can attribute that to new staff at the dac any more than you can contribute it to the central library. I don't want to tie any particular thing from the housing trust fund to passages to paid sick leave to reductions in any other part of the budget because that's the idea of the whole budget process, is that we get to make that -- city manager gets to make a recommendation, we make the decision ourselves. I'm not saying that that is -- but I recognize your question of is this going to be done through a reduction somewhere or would it be done through an addition? So that's why maybe the simplest answer would be to just really clarify that this means to include any necessary additional funding as opposed to just include the funding itself. >> Alter: I will think about that. I'm just wondering if Mr. Van eenoo has any suggestions of how we would -- in terms of sort of the cost to continue,

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I'm okay if it's specific to pard but there may be other departments that folks are concerned about as well. And I'd be, you know, comfortable with that. And I don't mean to preclude the whole budget process, but if you're -- if you have a pot of money that goes to pard and then you say you've got, you know, \$500,000 that has to cover the sick leave, then -- and you have to budget for it whether you spend it or not at some level, I am concerned about how we deal with that so I'm wondering if Mr. Van eenoo has a suggestion of an alternative way to accomplish this without constraining the city manager for other budget choices. >> I don't know if I can pull that off right now. [Laughter] I think I said before any funding decision this body makes is some other funding decision you can't make, right? If you spend it on one thing, I always try to make sure you don't spend the money twice. [Laughter] I do -- I really feel like this needs to be some clarity here because, again, we have a budget rider from councilmember Casar that was passed as part of our fiscal year '18 budget that put \$253,000 in the budget specifically to ensure -- I'm reading directly, ensure that temporary employees have access to earning paid sick days, human resources also directed to ensure this policy allowing temporary employees to earn paid sick days apply to -- to necessity decision has already been done. So we would view it as we go to fy19 we're

going to treat this as a cost driver just like health insurance costs go up, just like wages go up. There may be cost drivers associated to this program that I believe council already approved as part of the fiscal year '18 budget and so there's \$253,000 in the budget to do this. I don't know when that program could go into effect but the current resolution just says by October 1 before, October 1 this program will be in place and I'd have to defer to Joya about how long it will take -- to get all the

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details worked out. I would suspect by the time we could really get this program stood up the \$253,000 in this year's budget will be enough to get us through the remainder of the year and part of the fy19 budget development process we would just annualize and include the additional costs like we do for any other cost drivers associated with the city paying benefits. >> Alter: I would be more comfortable if we provided some direction at least with the cost drivers and maybe my office will work with you to come up with some language and try posting it because I think this is going to disproportionately affect one area and I think in terms of direction for the budget that will come back as the city manager's budget, it does not -- I'm not hearing the intention is to take away from programs and services so I would feel more comfortable if we were able, you know, to think about that. >> Mayor Adler: It seems like there are two separate issues. One is what happens this year and what happens next year. With respect to what happens this year the language in the rider seems broad enough that saying to staff come up with what the rules are, what the implementation is between now and October, see if we can answer the question so that you can come to council and say this is the path we would recommend you follow to be able to get there, recommend you want it to start in objection, the language with the budget rider seems broad enough to have already almost have included that work. So rather than doing necessarily a pilot program in one or two offices, I mean, it seems as if the rider language is broad enough to say, given the discussion we've had in the interim, rather than doing that, come up with the rules and the way that it's going to work and what the flight path is. That's one question. Then the second question is, separate and apart from this, what happens in next year's budget, and it's

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going to be obviously, you know, a budget choice. And when the budget comes back to us, as all things are. Then when the budget comes back to us, I would imagine we'll have the same conversation we had before, which is why is next year's budget different than this year's budget, and we'll have a conversation that says because I suggested adding this many employees and because health insurance has gone occupy this much and now we're funding earned sick leave and now we're doing whatever it is we do. So to differentiate between these two conversations I think we're having now is really important. They seem to be two very different ones. Mr. Casar. >> Casar: Yeah. In closing, I think I want to remedies -- re-emphasize the intention aligns with what councilmember alter has stated. I just want as you work on language -- and I will do my best to think it through. I'm nervous, not related to this resolution, but just related to our process process generally that when health care costs increase that is a cost to

everyone but there's certainly departments or employees where there's a disproportionate impact and we don't set sort of boundaries on how the city manager figures that part out or when we -- the living wage goes up there's certainly some departments that have lower wage employees more than others and we haven't set up, say, well we -- set up really specific parameters on how those -- I don't know if I'm getting the point across here well but I think we just sort of put them all in together as equals and then sort out the budget as a whole. So for me I'm raising that concern not because I think our intent is any different here, but because I just don't want to include anything in this resolution specifically that contradicts the way we've done it or the way we want to do it in the future when we write our -- when we let the city manager put together the budget recommendation, if that making sense. >> Mayor Adler: Mayor pro tem and then Ann. >> Tovo: So I think I agree

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with the direction that we're going with the additional language that you suggested, councilmember Casar, and, councilmember alter, I appreciate you raising the issue. I would just say -- I would argue sometimes we have done that. For example, when the water rates all increased we came up with a special rate for our parks department, as I recall, or for the golf course oz, something along those lines. There have been attempts to mitigate certain policy mandates that hit different departments differently. I don't know if I'm remembering correctly. Maybe somebody out there can correct me if I'm wrong but as I recall we did have to come up with a special arrangement for our golf courses and the water rates. >> It was for the reclaimed water. We came up with a lower reclaimed water rate for the golf courses. >> Tovo: Thanks. It just is the truth that sometimes our policies will hit different departments differently and we want them all to be successful. So I see you nodding your head no so maybe my colleagues will have a different opinion. Again, I -- [overlapping speakers] I agree with your resolution to it but let's try not to make -- >> Mayor Adler: Ann kitchen and then Allison alter. >> Kitchen: No. I agree with all the conversation. I was just thinking -- I'm thinking more in terms of, you know, how we do -- to me the sick leave is part of what we pay people. So whenever we figure out a raise in our wages, had been we figure out a raise in living wage, when we figure out that we need more money for health insurance, this is -- there's no -- this is no different than that from my perspective. And so to my mind, you know, those are -- there's a process for how those things are treated in the budget. And I don't see this as any different. So I have no concern about raising -- about the -- I agree that it's fine to put this direction in here, but we -- but paid sick leave is a -- it is part of pay.

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So I think that what councilmember Casar said is something we just need to bear in mind. We also need to understand that that impacts departments differently because we allocate -- we allocate the cost of health insurance. We allocate the -- people's salaries, their minimum wage, their living wage. All of that gets allocated by department right now. It's not a -- if I understand, it's not a here's the pay over here and here's budget. So I think this bears more discussion as we get into the budget process because right

now every department is impacted more depending on what kind of employees they have, what kind of health insurance costs they have, you know, all of that, whether they have temporary or permanent. So, you know, so I think that that's a -- that's a -- it's a very good thing to raise, but I think it's a longer conversation as part of the budget process. So that's all I meant by that. Then I have a different question about a different subject when we finish this. >> Mayor Adler: Councilmember alter. >> Alter: I want to clarify that my concern is what happens in the next budget and wanting to make sure that we're providing clear direction to the city manager as he prepares his budget on that, and I agree that it's part of your pay but it is also going to disproportionately affect one department and disproportion analyst affect one section of that department, aquatics, which is underfunded as we know from previous discussion. It will look like you have a big increase in the aquatics budget which is all going to be sick leave. We need to be able to watch this as it goes through the process and not think, oh, we just increased a whole bunch for aquatics when it's really just the sick leave and not addressing the problems that the community has raised to us and brought up with the aquatics master plan. I do think this is the appropriate time and I will think through I believe councilmember Casar was

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saying any additional necessary funding and I think that the city manager probably has clarity that -- that with respect to this issue, where we want to go but that's why we have to have these discussions because he's going to be preparing this budget and will come to us before other decisions are made. So I appreciate that suggestion from Mr. Casar and I will think about if that addresses my concerns. >> Mayor Adler: Maybe this daylight as part of the April 4 priority conversation that we're going to have relative to priorities -- >> This item will be part of our financial forecast. We always forecast base cost drivers and this would be one of the base cost drivers we're forecasting to make sure we have the funding in all the departments for this. >> Mayor Adler: That might be a good place to make sure we tee up that conversation. Ann. >> Kitchen: I have a different question if we've finished this. >> Mayor Adler: Go ahead. Move us along. >> Kitchen: My question now relates back to the implementation for the ordinance that we passed. So -- because there was a few things that you mentioned to us that we've talked about before. I just wanted some clarity on. The first one is the involvement of the small business department. So TVs been my thinking and understanding that our small business office would be involved in working with businesses and so I didn't -- I just raise that because I didn't hear you mention them as part of the ramp-up to October for paid sick leave. >> I think Greg can be the one to provide a little more detail. >> Kitchen: Okay. >> Greg? >> We're talking about economic development and small business and minority business participating in the process, your last question that you had for us and Greg was not here for that engagement was

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what role they could play in the education and outreach component of it, correct? >> Kitchen: Yes. We have as part of this resolution and I forget the exact language -- that's all right, doesn't matter. We have

consult taste kinds of services available for businesses if businesses are trying to figure out how to implement the paid sick leave. To my mind that's a role for our small business office so I wanted to make sure, double-check my understanding and I wanted to make sure it was clear that that's what -- at least what I mean as part of that language in this resolution for Thursday and if we need to tweak the language we can do that. The reason I'm saying that, that's my understanding for the small business office right now. That's what they do is provide services for small businesses that include working with small businesses on how they get started and things like that. So I just want to be clear that's part of the process. If there's something that -- if that can't be done I need to know that now. >> Councilmember, I think as we talked about the last time, back a few weeks ago, I know that the department was in front offer you to talk about the resources. There is an fte that goes and works with small businesses on helping them through the permitting process, helping them on some core work. I think it becomes a workload issue about what we can -- how much they can accomplish and what that outreach looks like. I think prior to Thursday we can have an answer about what that would look like. I think we understand, yes, that would be a revolve how they would do it. I think with other areas that touch small business, I think what we want to be able to get in front offer you is what that would need to look like. It might be a resource ask. >> Kitchen: That's what I want to understand. >> Absolutely. >> Kitchen: Okay. The second question related

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to that -- I was looking to see if anybody else had questions. >> Mayor Adler: Go ahead. >> Kitchen: Is I think -- I think -- well, okay. I would like to understand what the rule making process is. >> So as we establish rules and we have some significant lessons learned from fair chance hiring and so as we establish the rules, we attempt to address the process, the procedures, and the criteria for which we look for an investigation. We will establish those and then we will work very hand in hand with the city attorney's office to ensure that those rules are written to allow us to administer the investigations, to administer any penalties within the scope of the law as appropriate. Once we've established those, we work with multiple departments to make sure that anybody else that's impacted is addressed and then we have to have a public -- opportunity for public input. So we have to provide at least a 30-day period for public input on those rules. Ideally what you'll see from us between now and September is I will hire staff, work with the law enforcement and establish what we think are just the draft rules. We will then take those rules through cmo, through the city manager's office, and then once we're comfortable with those rules we'll open them up for public input and I'll look to city attorney's office to make sure I'm articulating this appropriately. Once we get the public input back we can finalize those rules and then once those rules -- I do believe require some approval, and once they have been approved we utilize those for our process for investigation and issuance of notice and issuance of the penalty. >> Kitchen: Okay. So that's one question. Does it require council approval of the rules? >> No, councilmember. Administrative rules are signed by the director, the manager, and the law enforcement. >> Kitchen: Okay. >> And I believe the city

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clerk, correct? >> Maybe. >> No? Okay. [Laughter] >> Kitchen: So then my last question really is, just I think it would be helpful and you all -- I'm sure you've already got this on your radar screen but I think it would be really helpful to be very clear with the public on what the steps are in the process and what the time line is. So what I would like -- I would really like to see is someplace shall whether it's -- I don't know. If I'm a business and I want to understand what the process is, where do I go? In other words, is there a web page that I can go to that says on this date, this date, this date and this date? I mean, even if it has to be a range of dates. But I think we need to be very, very clear for the public on what the steps are and when they're going to happen. The sooner we can put that information up on a web page, I'm saying web page, I mean, someplace that it can be publicly seen the better. I think that that would be really important because I would like -- when I'm getting questions about that I'd like to be able to send people to a place where they can see exactly what that is. Of course people want to understand. And I'm talking about everybody is impacted, you know, so our employees and our employers can see and understand what the process is. I assume that's a doable ask? >> Yes, ma'am. It's not only doable, it's exactly what you saw in fair chance hiring. We did everything that you suggest and a little bit more. I will tell you we are still doing outreach for our fair chance hiring, still connecting. We have reached out, created a website, we have a phone link, phone line that they can contact to ask questions. >> Kitchen: Okay. >> What we need to do right now is hire the staff to accomplish all of that and we're working as quickly as possible to utilize the

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current staff to do what we need to do immediately and establish all the things that you'll talk about and we also work in partnership with the marketing company that we hire to help us establish that as well. So all of those things will be done as we get closer to that process, as we hire someone, we'll be sure to communicate that information out so that you are aware of all of the intermediate steps that have been put in place to address the needs of citizens at all levels, including employees. >> Kitchen: Let me just say I think that that's not fast enough for getting some basic information out there. Because I understand it's going to take you a while to do all this, and that's fine, but if we could just put some -- and I apologize if it's already up but if we could just put some basic information up in a place that people can see it I think that would be really helpful, you know, because it's going to take you at least a month, I would think, to go through the things that you just described. But I think -- because, I mean, I can do that myself when people ask me questions, but, you know, it's just me and it's not official and, you know -- and I might get something wrong. So, you know, in terms of what the process is. So I guess my request is how quickly can we put something up just that's basic information and then take the time that it will take you to do all the rest of it? Does that make incidence? >> It is. The ordinance was just passed last week. >> Kitchen: I know. >> So we are working now with the cpo office to get the final ordinance as it's completed and get it up and do the same thing we did immediately with fair chance hiring, which is establish a phone line, establish someone to talk to and establish a website to answer frequently asked questions that we've already worked to establish. And so in the four days it's been passed we've tried to start that. I'm expecting within the next two weeks we will be prepared to have some funnel for which

people can come directly to us and answer those questions. >> Kitchen: Okay. That's fine. I didn't mean to imply that you should have it done by

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now. I just meant that I expected it to take a while to do all the other steps, which is fine. So you think in the next two weeks or so is what you're saying? >> Phone line established, frequently asked questions developed and website, next two weeks. >> Kitchen: Great. >> Everything else will come as we are able to accomplish it. Good. Ready to move on to the next thing? >> Kitchen: I have to say one other thing. I think we have to be clear as part of that what's in the ordinance because I think there's some misunderstanding. Earlier when you talked about enforcement starting October 1 I think we need to be clear that what that means is that the -- that the ordinance starts October 1 so that will include noticing people over the course of the year and stuff, but the actual fines start on June 1. So I think it's very important that we make that clear and then we talk about it. >> 2019. You meant June 2019. >> Kitchen: Thank you. Clarify me too. I think there's so much confusion out there we want to be sure we're clear. >> We will do the absolute best we can with staff we have available. >> Mayor Adler: Ready to move on? Let's go to the next item, item 23, Jimmy, you pulled that one too. >> Flannigan: Yeah. This one is more of a procedural question, and I think some of the city staff started to have this conversation behind closed doors, ultimately why I pulled it, and I just wanted my colleagues to understand that I may have changes or tweaks I want to bring to this. It's not something that was fully worked on on the house and committee. Councilmember Casar, you did chair the committee. I serve on that committee myself, but -- >> Casar: Yeah, I have -- I thought this is a good example some of procedural questions that we have with our committee structure and things that we might need to get sorted out to make sure it's even across committees and I think that councilmember Flannigan's office has actually asked for a legal executive session on our committees because I have been running

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into different rules based on different committees and different rules even based on the two different iterations of this one. This item we had a presentation from the finance department. I think it's just a good case study. We had a presentation from the finance department. The committee had the will and was posted to take some action. The finance department suggested that if we sent a recommendation that they get working on the stuff we all thought we could get working on that we could give that direction. We gave that direction at the meeting. The committee report lists that direction. But then subsequently we were asked to write a resolution that would encapsulate that direction but of course the resolution couldn't be voted on by the committee because the committee had already voted on its direction so we submitted a resolution in backup that tried to basically copy and paste the finance department's presentation. The vote five minutes earlier than that one was the vote on Chalmers in which we gave direction. That direction was just included as the Chalmers recommendation without a resolution and the council voted in favor of that. So in just two items back to back there were two

different processes. One in which we could just give direction and one line of direction landed on the council agenda and passed and another one in which we were asked to write a resolution but -- so there is just a lack of consistency amongst those two things. And so when we submitted this resolution I wanted to make sure we said at work session it's really clear this was not the resolution voted on by the committee members. It's just submitted as backup at the request of the staff to try to encapsulate the best we could as honestly as we could what was voted on. So the committee report is what was actually voted on. Staff has asked for a resolution that fleshing out that committee report recommendation the best we could and that's what we put up. Of course I'm happy to have this amended or changed the best that we can. The last challenge that I want to highlight that I think should also be brought up in executive

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session or publicly, wherever it's best, is that at times we were able to post things with one week -- one week beforehand in committees. Only recently have we started to be asked to post two weeks in advance of committees just like for the council agenda. Since the legal department of course is constrained in its reviews, if we wanted to -- if we were actually required to have resolutions up for committee meetings working with the legal department to make sure everything is kosher a week in advance has us drafting resolutions five or six weeks beforehand at which point why would we be submitting resolutions to committees if it's going to create a six-week potential delay? So all that being said, for this particular item, really happy to have our committee members or council colleagues amend this to best reflect what the finance department thinks is good practice as it relates to affordable housing. Second and potentially more importantly, this is what I wanted to bring up relative to this item too, I think it's a good case study, this and the Chalmers court votes back to back sets good case studies and set some even expectations across committee items on how these things should be handled. >> Mayor Adler: So the issue here is that there was a kind of qualitative statement of intent passed by the committee but the actual language in the resolution didn't go to outcome, it came out of your office? >> Casar: It wasn't qualitative. You could read the specific direction that said we ask the city staff and recommend the city staff do a, B, C. And we voted on that. On Chalmers. And then the next item we said we want city staff to do a, B, C and voted on that on tifs. On one we were asked for a resolution. On the other we were not. >> Mayor Adler: I'm missing the issue and I'm trying to catch up to you and to the committee as best I can. You were asked for a resolution. Who asked you for a resolution? >> Casar: I think just the staff broadly. >> Mayor Adler: Staff asked for a resolution? >> Casar: Correct.

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For one of them but not for both. >> Mayor Adler: So in order to put it on the agenda for the council, the staff asked for a resolution? >> Casar: The staff put it on the agenda for the council with the direction but then asked for a resolution to also be submitted in backup. Post--- >> Mayor Adler: And did staff draft the resolution? >> Casar: Staff offered to draft the resolution. It sounded like it was going to be a

lot of work on my staff to try to help staff draft the resolution so we just drafted it without -- and without cosponsors just as backup. Unlike the other item. >> Mayor Adler: Yes? Yes? >> Alter: I can clarify a little bit. The difference between the Chalmers item and this item was you were acting almost like a board or commission for the Chalmers item, giving a stamp of approval saying we prefer this project. And staff already had an item coming forward on their nhcd on the council agenda and we notated that the housing and planning committee supported this specific project. So similar to board and commission. This item was a staff presentation, giving you information, and the committee voted to say go ahead, do it, we like it. Staff can't act on committee recommendation. We need the whole council. That's why we put it on the council agenda. And there was no thing. So we could say direct staff to support this policy idea but we needed a resolution taking that actual action. I'm not explaining myself well. But that was the difference. So the first one was just this is the project we prefer. The second one was sending it to council for full approval of the tif. Policy. >> Mayor Adler: So, again, so I understand the issue -- sorry, just trying to catch up to you guys. The committee said this is something we would like to have come before the

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council to take a vote on with these elements in it. But staff didn't feel like it was empowered to be able to draft a resolution with the committee action? And is that the issue? >> Flannigan: I think -- and the simpler version that I feel is happening is that the committee voted on what is essentially posting language with no further detail but in order for it to appear on the agenda it needed to be a thing more than posting language, and the concern is that the thing more than posting language was not actually voted on by the committee but the way it's posted on the agenda it appears that it was. >> Mayor Adler: Okay. >> Flannigan: That's the challenge. And so, you know, one alternative process might have been treating this as an ifc and councilmember Casar having the committee members be cosponsors like any other ifc where we could have drafted it as a team bringing it to the council agenda as opposed to it being posted as an item from a committee, which I think sends a different message to the community about what work has been done on the item. >> Mayor Adler: Okay. I think I understand the issue now. >> Flannigan: Yeah. >> Mayor Adler: Councilmember alter. -- Mayor pro tem. >> Tovo: I know that's happened before in committees and my comments are really about the substance of the matter. If we're still talking about the process -- >> Mayor Adler: Anybody else on the process before we move off process? Yes. >> Alter: This will segue into the substance. I just -- I think that the resolution, you know, captures the general intent of what the committee was talking about, which was how did we think about our tifs with respect to affordable housing and can we explore how this can be used as a tool in our efforts to build more affordable housing. And this is an expansion of the use of tifs for that particular area, not limiting tifs to that particular realm. So just for the substance

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of what we were talking about, that was kind of -- what is written is directly in that vein but the particular language was not. >> Mayor Adler: Got it. Anything else about process? >> Casar: Process-wise I think in closing if we have some baseline expectations -- and Ms. Powers I think maybe helped us understand that, one, the resolution is necessary, when not within a committee, I think that might be helpful. And 23 we have to make ordinance changes to allow us to post a resolution not for six weeks in -- four or six weeks in advance of the council meeting through the committee process, that might be helpful because I think that was also -- would also pose a challenge. A disincentive to -- >> Mayor Adler: [Indiscernible] Anything else about process? Substance, mayor pro tem. >> Tovo: So I think what >> Tovo: So I think this gets addressed in some of the revisions to the resolution. But my question really goes to the fact that last fall we initiated a resolution, passed a resolution, asking for an analysis of potential funding streams for homelessness, and that asked for tifs to be included in other funding streams. And then in the course of the discussion about a resolution you brought, mayor, last fall, I had posted and others had posted. I had posted a lot of questions about asking for an analysis of how tifs could be used for housing to support housing, and to support services. And I went back to look to make sure that wasn't wrong. We've gotten some of those questions answered. It's on the September 27th agenda or the 28th, but not the questions about tifs. So when I saw this, I was like, well, we've already -- we've really already asked staff to do that analysis of how tifs can support both homelessness and housing, and so now we have another resolution asking staff to do something we've already initiated. That was the substance of my

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concern. We don't have answers back about that analysis of how tifs can be used. Remember, I think there was a discussion about whether an expanded tif at waller creek could support programs or housing related to homelessness, and then in looking at it more, it looked like it could only support capital expenses related to emergency shelter, and then we had a conversation at our council about whether transitional housing would be classified as emergency shelter. There were concerns about whether nonvoter approved debt, which a tif would be, could support the construction of transitional -- anyway, so we seem to be coming back to this question again. But what I don't want to do is pass a resolution on Thursday that delays the work we already initiated last fall that looks a lot like what you're initiating with Thursday's resolution. >> Mayor Adler: In case anyone was looking at the tape to understand what the question was last fall, because I think there was a question that was asked. There was some concern that you couldn't do a tif to fund affordable housing, but I wasn't sure if that was a prohibition against affordable housing or using a tif to spend money for economic development and there had been a determination that affordable housing was an economic development program. So part of the question was, what things could we do for homeless that was not an economic development tool but rather a safety tool, because it took people -- helped with a safety issue, or helped us with a health concern, given the number of homeless people that show up in our emergency rooms. If it was not an economic development issue but it was a health and safety issue, would that enable us to use tif for even permanent supportive housing, and that was among the questions that were in that area that we have not gotten the

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answer back to yet. >> Tovo: And mayor, if I could just clarify. You would find some of that direction in the resolution that I brought forward on that same council agenda, I think it was 9:28, and also the questions -- and some of them were related to homelessness, and some of them were stated more generally about housing in the q&a on that same day, and the staff have gone back, as I mentioned, have gone back and answered some of the questions, some others, but not related to the tif and housing. >> Casar: So I'd have others come to speak about whether this would slow any work down, but this is different than some of the homelessness tif pieces in that -- as we got the presentation from finance, we want to -- as the corridors and the mobility bond move forward, we want to stick to our commitment in the contract with the voters to explore tif funding in those places. I think there's a legal clarity that for revenue bonds, there is not the same prohibition as there are on other types of tif supported debt. And then second, with the areas formerly known as homestead preservation districts, there is clarity that you can capture money that may incentivize affordable housing that isn't necessarily issuing debt off of the tif, you know, is not necessarily pulling tif bonds, but actually capturing money in a rapidly gentrifying area. And so everybody Mr. CANALI might be able to speak more to all of the things in his presentation, but it seems like there are already -- staff has already worked through some of the things we might need to change in our tif policies in order to address some of the mobility corridor issues and the areas formerly known as HPD's issues and other creative ways for us to incentivize or support affordable housing development through tifs, while still leaving on the table the bigger question around homelessness and

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whether the affordable housing needs of those folks experiencing homelessness hit the economic development issue with that particular tif or not, which I think is just a different portion of this bigger question. >> Tovo: Thank you for that clarification. I did read through the presentation. I haven't had a chance to read the transcript yet. So I did see there were some additional areas of analysis, but I don't want to lose track of that earlier piece of analysis that we initiated, which, again, just to clarify, isn't just about homelessness, it really is about -- the questions really were about creating housing more specifically, and it's especially important to me that we not lose that analysis and jump onto this additional analysis first because of the discussion we had this morning, that there may be access in the waller creek tif, and if there's an ability to use that. And I don't want to have the discussion now, but if there is an ability to use that, we would want to talk about how to use that, and it would be a strong -- I would strongly advocate that we use some of that for housing, in which case, we would need to be able to make that decision. We would need that analysis pretty soon. >> Greg CANALI, finance. Mayor pro tem, you're correct, that resolution did call in some of the specific points that were -- that were anxiously. At the same time, looking at tifs and the necessary associated housing with that, Sarah has been working on the overall approach with the participant ins. We have looked at some of the financing, kind of the pros and cons and some of the mechanics of that and I think the idea was to wrap it all up in not the

standalone, but how it fits with the overall strategy. This is almost coming at it from updating our tif policy as a reminder the city does have an existing tax increment financing

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policy, and this is looking at it from a slightly different lens, from if we updated the policy to call out affordable housing, I will remind council that one of the largest tax increment financing that we do have at Mueller does have housing in it. It did incentivize over 1,500 units. Through the regime we had there. So I think they play hand in hand together. That work with homelessness continues both on the action plan and on the associated funding plan that Sarah is working on, and this is wrap in, so I don't see them being one or the other. We can work on them at the same kind of concurrently. >> Sarah inslee, interim city assistant manager. You received in our last update a section of options for financing. That is one update to you that does talk a little bit about different options and one that would be the most recommended. I'll send it out to you again just to give you an opportunity to review, and then, again, that will all be included in sort of a final wrap-up as to here's what -- from a recommendation standpoint, working with Greg and his shop. >> Renteria: I really support this. We went through the homestead preservation act, and lucky that we're now able to do a land trust, not just restricted to the area, which my home -- the homestead preservation district. We only have one. We were planning to expand throughout the city. We had identified four other locations that we could expand, because it's being gentrified very quickly. We knew it was going to be able to support and helping lowering the cost of rentals on these units. Unfortunately, we're not able to do with that with the governor vetoing some legislation that was passed last session, and we

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have to come up with a creative way of financing our housing. There's a big major rush in developing all of the major corridors. We're investing a huge amount of bond money to fix up these roads, you know, and we need to take advantage of it. We're not talking about taking tax-based money. We're talking about recapturing some of the added value that we're going to be adding to those corridors, and if we don't take advantage of that, then we're going to lose the ability to provide a lot of affordable housing for our citizens here in Austin. >> Mayor Adler: Mayor pro tem. >> Tovo: And if you don't have an answer now, that's fine. I guess I would be interested in knowing when some of those additional questions from the 9/28 agenda q&a would be answered. It sounds as if one or two might have answers now, but there were some other -- it brought me back to that council agenda and the q&a, and I see that there are some other questions there about the use of hotel/motel tax, and some other things, and I'll look through it again. But I'm seeing that some of those questions are still marked pending. >> Mayor pro tem, let me go back, let me check off the ones and just see if we're missing something, and I'll not only send out that memo that we had that was pretty inclusive of some options for financing, giving some pros and cons, but also make sure that we have addressed all of those answers. >> Tovo: Thank you so much, I appreciate it. >> Mayor Adler: Council member alter. >> Alter: I just wanted to ask if you

could clarify from your perspective what additional direction this is providing you beyond what you've already got on your plate with respect to tif. >> The conversation that occurred at the housing committee was really looking at it from updating the existing policy, so I think that's value added that we have a policy and

[11:10:39 AM]

not looking at just additional funds and how they can be used, because I think that kind of comes from September about both the legal and financial issues around debt and o&m and the interplay between homelessness and housing. But we also have a policy and we know the policy is broader than that, how a policy is part of our overall financial picture, our tax rate, our tax base, and so I think having that helps complete the lens on how to look at that. So the policy look is important. >> Mayor Adler: Okay. We're done. Thank you very much. Council, I think that has everything. Let's move into executive session. So we're now going to go take up six items -- oh, yes. >> Alter: Council member Poole has asked if we can do the planning commission discussion on Thursday, when she can be there. >> Mayor Adler: I don't think there would be any problem with that. Any objection? Okay. City council will now go into closed session to take up five items, pursuant to the government code, city council will discuss personnel matters related to items e2, e3, e4, which is the evaluation performance of the city clerk, auditor, and municipal court clerk. And then pursuant to 551071, we're going to take up legal matters related to e5, which is the city minority women owned business enterprise procurement program. Also e6, which is the pay for success contract. We will not take up item e7. When we get back, we can talk about whether we want to hit all of these five items or whether we want to put anything else off until Thursday. It is 11:12, and with that, we'll go into executive session, and I'll come back out after

[11:12:40 AM]

executive session for the sole purpose of just closing down this meeting.

[1:12:55 PM]

(Mayor Adler) It is now 1:13 p.m. it was 1:12 p.m. We are now out of executive session. In executive session we discussed the three personnel matters. We also discussed items: E5 and E6. Did not discuss E7. We are back out. No further business. This meeting is adjourned at 1:13 p.m.