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Can >> Garza: Good morning. I'm mayor pro tem Delia Garza. I will be calling work session to order. We have a quorum. The mayor won't be joining us today. His wife is having knee surgery and we wish her well and a speedy recovery. He also wanted -- the mayor also wanted to let everyone know that we will continue the commissions appointments on Thursday. We'll continue to have that discussion on Thursday. And he's going to be posting something on the message board. So we have a quorum. We're in boards and commissions in city hall, 301 west second street. It's Tuesday, February 5th. It is 9:10. I think I already called the meeting to order. We're going to start with a staff briefing on our budget process. Then we're going to do -- councilmember Casar is going to do a presentation, then we're going to move to pulled items, and right now the items are 34, 35, 47, 48 and 55. Does anybody have any other items that they wanted to pull now? Okay. And we will be breaking -- I think there's more than about five people going to a lunch at 11:30, so we're breaking for that unless for whatever reason we don't lose our quorum, then we can continue the meeting and hopefully we'll get -- we can finish everything by 11:30. Did you have something? >> Mayor, council, as we kick off the presentation on the budget outline, just a little bit of context. As you remember, late last year we talked about some dates for this discussion and how it would roll out throughout the year. We wanted to make sure that our new councilmembers were a part of that discussion before anything was finalized, so here we are today to talk about how the

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2020 budget process will play out. So Ed van eenoo, our budget director, will walk through that presentation. >> Good morning, mayor pro tem, members of the council. My name is Ed van eenoo, deputy chief financial officer for the city. It's a pleasure to be before you again talking about the city's budget. I'll warn you in advance this is our 2020 budget so expect a bunch of quippy bringing things into focus, vision, improving the clarity. [Laughter]. And even our designer when we worked with our

fabulous friends at Pio with design, I said I wanted something that looked like 2020, vision, this is supposed to be bringing things into 2020, an eye thing like you would see at your doctor's office. Just be forewarned on that. So in starting our discussion about the 2020 budget direction and process, we really wanted to go back to last year's budget process. You all adopted the budget on September 12th, I believe, and you can see on September 13th here the city manager had already put out a memo congratulating staff, thanking staff, but also warning staff that -- not expect the 2020 budget to be a repeat of the 2019 budget. I had told you last year that the 2019 budget was really one of the best fiscal situations I had experienced as a person who had been involved in budgets for 19 years. There was just a lot of things that fell the right way for us last year where we were in the fortunate position of being able to fund a lot of priorities, which was a great position to be in the first year of having our new strategic plan sd 23, we were able to implement a lot of new initiatives to move the ball forward on that plan, but the manager warned folks last year, kind of highlighted one of his quotes here about we can't count on that in future years and that his direction to staff was to start getting ready to focus this year's budget on continuous improvement, effectiveness and efficiency. And that's particularly

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salient advice given the threat that looms from the state legislature about us having a very significantly different and worsened revenue situation as we move forward, as the discussion about revenue caps continues on at the state legislature. But with all of that as backdrop, we have been since early January, we have been pushing out to our department directors, to our department budget staff, to boards and commissions this message in fiscal year 2020 it will be a year where it's focused on holding the the line on budget increases other than cost drivers. When I say hold the line on budget increases, there will be budget increases. We have contracts that we've agreed to with our public safety unions. We anticipate that there will need to be some degree of . Civilian wage increase to keep pace with the rising labor market. Health insurance costs, things of that nature are going to go up. That always happens. But other than those types of things, we are really going to be focusing our departments on holding the line on budget increases and instead taking the opportunity to focus internally and really challenging our departments to look for ways to improve the efficiency and the effectiveness of their existing city services. How can we deliver even better it was quality at a better price? So that would be one of the focus areas. Of course, continuing the efforts to focus department missions, goals and programs on sd 23. Kim allover president in the office of performance management have already launched an effort with that. Now that we have strategic direction 2023 we need to make sure all our missions and goals and what departments are doing are in alignment and support the objectives of that plan. And then finally we really want to target equality-related issues through our community input this year. I'll talk a little bit more about that on the next slide, but we had some great success with our quality of life commissions last year. Our process was very well received by them and that's something that came from direction from council was to change that process and

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the way we engaged our quality of life commissions, and we're building on that. We already started building on that success from last year for this next year's process. This is what our timeline looks like. At least from January through June I've divided it into three tracks. These are three things going on concurrently and they'll all come together in June. The first of those tracks is kind of the most neck kel of tracks. It's -- mechanical of the tracks. It's just developing our base budgets. We've already kicked that off. We had a budget kickoff with financial staff on January 16th to lay out some directions in regards to development of their base budgets. When the you hear me say base budgets just by this business as normal, but costs typically go up from one fiscal year to the next. So we need to adjust for those costs. It's not focusing on new initiatives or new programs or realigning activities, it's just business as normal base budget. So that's what our departments are doing right now. They're working on developing their baseline expenditure and revenue forecasts for our enterprise departments. They're also forecasting at what rates they'll need to charge and if there will need to be any increases in rates in order to pay for their base cost increases. We will be before this body on April 9th to talk about our base financial forecast. I'll just mention right there that the few little squares on this table that are highlighted, those are council meetings, so that April 9th is highlighted in blue. That is a council meeting date. So that's our base budget track. Our second track that we are concurrently working on, boards and commissions, we had great success last year and we wanted to build on that. One of the things we heard commissions is they really wanted to get out in the community and hear from their constituents more directly leading up to them making budget recommendations. So that's one thing we're working with them on.

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Another thing you might notice on this schedule is that it brings the dates way forward. So typically we would be doing community engagement and working with our boards and commissions more intensively in the april-may time frame. That really is too late for us to do as much and we would like to with the recommendations because our departments are already well, well into budget development by may. You'll see in a little bit that we as -- asked departments to submit their budgets to us for final review in early June. So if we're not getting feedback from boards and commissions until late may, it's just too late in the process. So we've really tried to front load this process and asking our boards and commissions to get us their recommendations to us by may 3rd. I do also want to talk on this section that last year we did a lot with the quality of life commissions. There's a working group of those four commissions. And with their support we're going to be kind of broadening some of our emphasis out this year to include all eight of the commissions that comprise the city's joint inclusion commission. We have a meeting of the joint inclusion committee coming up this Saturday, and we're going to be talking to them and trying to finalize a community engagement plan and talk to them about this whole process of bringing forward their budget recommendations. And while we're focusing on those joint inclusion commission groups, we're going to be working with all of our boards and commissions as always, so the public safety system, parks commission, et cetera, departments will be engaging those commissions in the conversations, but the same way that we would stress to you, we have been stressing to them throughout our conversations that this year's budgets process is not going to be focused on creating a long list of budget wants and asks. We just are not viewing it as that being the type of budget we're

looking at this year. So we're going to be focusing them on the same types of issues, efficiency of programs, alignment to the strategic plan and improving equity.

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Then the final track is your track, the city council and your priorities. As you can see, we're here on the 5th just talking about our budget process and timeline. The next colored date, the green one there, is March 5th. That will be council priority setting. So that's earlier than we've done it in the past. In the past we've been talking to you about your priorities in April. We want to do that on March 5th. So that's the next thing that's really coming up in just one month from today, we'll be sitting here talking to you about what your priorities are for the 2020 budget and that one is coming up so quick I have one slide just on that date to talk to you about that we have planned for it. Before we get to that date, though, we are planning on doing some one on one's with you. I think one of the real improvements we made to our budget process and one of the real ways we were able to communicate with you all better and get feedback from you all was just to have one on one meetings with you where we could just talk directly about what you're hoping to achieve in the budgets and help you with any questions or information needs you had. So we will be continuing to do that in this budget process early and often throughout the year. After we get your priorities, the city management team, the city manager and his assistant city manager group, his executive team, will get together and provide another round of directions to the departments. So we've already provided direction to the departments in regards to the base budget, but in regards to addressing council priorities, there will be another round of input in March and then the expectation is for departments to provide responses to that direction by late May and then all of this comes together with proposed budgets coming in to the budget office in early June. Once we get the proposed budgets from the departments, we'll do a lot of vetting of those numbers and then we will work with the city manager's office again to craft all of this into a balanced budget

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proposal to the city council. On this next slide you will get that balanced budget proposal on August 5th. Again, just highlighting that we will be doing one on one with council prior to that budget proposal coming out. We've got to go through a number of administrative, you know, legal hoops to get to a budget adoption date so we'll be setting the maximum tax rate on August 8 -- rate on August 8th. You can see we have budget work session scheduled on August 20th, September 9th and September 4th. And then finally our public hearings are on August 22nd and August 28th, all leading up to a planned budget adoption on September 10th. The only other thing I want to highlight on this slide is all the dates that are not in bold are already on your calendar, you don't need to worry about, but the dates that are in bold are being proposed by staff, they're not currently on your calendars, so they would need to get added. So you can see them there, the budget presentation on August 5th and the two latter work sessions on August 29th and September 4th would be new dates on your calendar. So the last thing I wanted to talk about is just this March 5th priority setting work session that comes up, that is coming

up. Most of you were at that. Course, our two new councilmembers were not, but we met over at the new central library to look at the strategic plan and ask council to help us, of all the things that are in the strategic plan, we understand they're all important or they wouldn't be in your strategic plan, but of all those things in your strategic plan, what are the things that you think are most important for the city to focus its attention on and to get better at? And over on the right, those are the 10 indicators that you said you thought were the most important things. I won't read them all, but just to give you a flavor, it was housing and homelessness and the skills and capability of our community workforce. These are the indicators that you really want us to focus on, and that was hugely helpful to staff because then we were able to work with our departments to

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develop budget proposals that really were focused on those areas and then we were able to present the budget to council around those themes as well. So we have a variation of that plan for March 5th. At the time we met last year, we did not have the detailed metrics developed yet. So all of these indicators, like housing, have more detailed metrics defined for each of them. There's about five or six metrics for each one of those indicators. The office of performance measurement has coordinated that effort with departments to develop those metrics and they've actually developed these really nice graphical burrieds for each of those -- dashboards for each of those indicator areas. They have already scheduled open houses on those dashboards for February 18th and the 22nd. So the idea behind those open houses are for you all and our staffs to have the dashboards, present them to you, respond to any questions you might have about them. But we would like those metrics as presented in the dashboards to be the foundation for our March 5th work session. What we would like to do is kind of similar to last year where we polled you all and said hey, of all these indicators in the plan, let's do some polling first and see what council's priorities were and then start looking for consensus from that. We want to do the same thing. So if you think about five or six metrics related to housing, hey, if they're all of equal importance to you, we'll put equal importance on all of them. But if some related to homelessness you feel are really credit fell kel for us to get better at, maybe you think the level of service is just fine, but some we need to do better at, that's what we hope to get out of the March 5th work session. We're going to put together an exerce where we can do some prepolling so when we get here on the a of 5th we could say that could be a conversation for. These are the metrics that seem to rise to the top of the priority list. Within homelessness these are the metrics that seem to rise to the top of the priority list because that will give us some really

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granular information from this body to take to our departments and say look, we need budget proposals that are going to improve these areas. Even if that's not about new money, right, we're talking about not having a budget year we will fund a lot of new initiatives, but that doesn't mean we should be improving the metrics that council said are important. That's our schedule for the 5th. That is all I have for you. I do

want to highlight the more information weblinks there at austintexas.finance online. You can see all the presentations we make in this process will be available in the Austin austintexas.gov Wyatt. Hole wealth of information. At budget@austintexas.gov. Is where you can get to the really cool budget tool where you can point and click and drill down into the city's budget in as much detail as you want and see what budget was and what departments have spent to date. Generally when you all ask me age about the budget over the phone I'm going out to open budget Austin and digging into the data. So it really is a wealth of information for you all and I just wanted to bring the website to your attention again. Still a fairly new tool. But it's a very useful tool. I'd be happy to answer any questions you have. >> Garza: Councilmember kitchen, did you have a question? >> Kitchen: Yes, I wanted to talk about -- I think this is probably inherent in what you're talking about. I'm hoping that when -- that I guess I would characteristics it maybe differently as in can't fund any initiatives, but I'm hoping that we really are asking our departments to look closely at what's happening right now. So perhaps there's room for and should be room for new initiatives while we're phasing out old initiatives that perhaps aren't working as well or perhaps have accomplished their purpose.

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We've talked about that before, councilmember alter has raised that before. I would hope that this is the time that we really do look at that. Is that the direction? >> That was the intent of my comments. So yeah, I like the way you worded it. If I worded it differently -- that is absolutely the intent just because there's this looming threat of revenue caps from the state legislature, that doesn't mean we just sit on our hands and what we're doing is what we're doing. There's lots of latitude to be looking at programs that aren't working effectively and reinvesting in new programs that we think will have better outcomes. >> Kitchen: Okay, thank you. >> Garza: Councilmember Flannigan. >> Flannigan: I know, mayor pro tem, you've talked a lot about that same issue about finding programs that maybe could be better allocated to other things. And it's just -- we just have to acknowledge that it is not going to be an easy thing for us to do. I think we should do it and it's not necessarily programs that have completed their purpose, but maybe that the purpose they're completing is a smaller impact than where those dollars could otherwise be spent. But with the acknowledgment that there's going to be, you know, 40 people that show up at a council meeting, yelling and screaming about that program, but to those 40 people, we have to be pretty straightforward about the coming up on a million people that we have to serve with this budget. I -- I really, really hope staff can find a way to daylight these choices up to the council because I'm excited to finally fulfill some of that stuff that the mayor pro tem and councilmember alter and many of us have been talking about. >> Garza: Councilmember Renteria. >> Renteria: Yes. Ed, can you tell me, I would like to see on March 5th a report back of how much tax breaks and tax credits that we're offering. In one instance like the domain, you know, we waived a lot of taxes there and I want to find out exactly the amount. Because if the state is going to come after us we might just are have to pull back on some of these tax

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credits that we offer to these, quote, businesses, because it's -- it was under the understanding that we were supposed to let growth pay and they were going -- and we gave these groups a lot of tax breaks and tax credits, and I want to see how much do we offer them so that the state legislators know exactly what were given to these businesses so business can grow. And if they're going to be out here restricting us, I want to make sure that we're going to be able to recover a lot of those resources that we might go without. >> Andy tell you off the cuff it's in the neighborhood of \$15 million in aggregate, but we have that information. We'll get it posted as a budget question in the next day or two. >> Renteria: Thank you. >> Garza: Councilmember Casar. >> Casar: And I just want to say out loud what I think is already in the room. That this is an awful presentation to receive, right? I mean, what we do -- it's not your fault obviously. [Laughter]. But I don't want 40 people coming in and yelling about which program we would cut when there are a thousand people or two thousand people coming in about the fact that in a time of unprecedented prosperity in the city we're having serious conversations about not helping more people. In fact, if we keep our budget similarly the same, because dollars run shorter, we will be helping fewer people when we absolutely don't have to because there's forced austerity that is being declared by statewide leaders as on the way. I mean, it sounds like a winters coming type presentation, right? I mean, we're talking about not just not adding programs, but not adding programs so that we can store money away so that we have -- have conversations about not just saving those \$15 million, but that probably won't cut it,

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talking about which fire stations we do or not staff or which libraries we do or not consolidate or close or not open, which staff we do or don't layoff, how people deal with not getting cost of living increases. Those are the conversations that we will be forced to have. And so I just don't think that even if we find programs that aren't working as well, even if we find those, there is just no way that we can help the people that it is we've been talking about in our strategic work sessions that we want to help. We'll be talking about how to mitigate hurt. And depending on where -- my hope is of course that legislators recognize that they're not going to provide real tax relief and indeed they'll just hurt everyday Texans. And I think it makes sense for us to prepare in this way, but I say out loud in this room, which is that our strategic meetings have been about who it is we want to help and how it is we can use the city's budget to help more people. And what we're being presented is the unfortunate fact that given that it seems like the legislator is more -- legislature is more interested in forcing austerity rather than helping them, that we have to start preparing for that potential. And I appreciate all of our staff and our manager and the budget office for looking at that in a clear eyed way, but I just don't want it to go unsaid. I appreciate your work and we'll do everything that we can to make it -- to have made this just an exercise in what if something horrible happens, but it is important for us to plan for something that could really, really hurt people in Austin without saving them very much money. In fact, I think it will end up costing them. >> Garza: Councilmember alter. >> Alter: Thank you. I think it's important that we recognize that there are two parts to the budget situation that we're facing this year. One is that last year when we got to budget we had done a lot of things right over the prior year that put us in a good financial position to have options and things

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that we could reinvest our money in. And this year we are not going to have necessarily the advantage of that with the way the revenues are coming in and just because we took advantage of a lot of those things last year. Then in addition, there is the potential threat of the revenue cap. So there's two things working. We had a very fortunate year last year because we did some hard work that was necessary to get us into that position. And then this year we don't have all of those things coming together. The revenue caps, I think we need our community to recognize these decisions that may be before us and we need our community to be raising their voices at the capitol and recognizing that there will be things that we will not be able to fund. When they're new things or old things. Those additional police officers that you're asking for, where is the money going to come from? The additional firefighters, where is the money going to be coming from? That park where you want to have equipment that is safe for your children to go on, that pothole that you want fixed, they're really very real choices that will be before us as we move forward if these revenue caps are imposed. And as I'm understanding the current proposal, which I don't have all of the details since we don't know them yet, it seems like not only are they imposing revenue caps, they are going to punish us for growing, for being the innovative city that we are that is attracting capital and saying that we can't grow it approximate more than 2.5% even with our growth, if I'm understanding the numbers correctly. And that just seems totally counter to what the state of Texas should be asking us to do. Instead they should be nurturing and cultivating Austin and imagine what we could do if we were working in support -- with the support of the state government.

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So I would ask our community to recognize that revenue caps, although complicated, are real. They come with a twin, which is school finance reform. And if you want to know where your property taxes are going, it is going to pay for schools all over the state because the state is not paying its share. And we really have to understand this math and we can't let ourselves be -- be set up in a situation that we are blinded by what is the reality of these numbers. I wanted to echo also what was said a little bit earlier with respect to finding ways to invest in our priorities. We do need to stop doing some things and start doing others. But fact of the matter is a huge portion of our budget is spent on personnel. And there's just only so much room to maneuver. We have to pay for the water chemicals that go into treating our water and we have to go able to put our pools up and service them and do all of these things. We don't -- there are a lot of things where we really don't have a choice if we want to provide the safety that we deserve. There's a lot that could be said here, but I did want to make these few points. >> Garza: If I could piggyback off those comments and the previous ones. This isn't just about our community members speaking up at the capitol. Our business community needs to be there as well. We approved millions of dollars in contracts, procurement contracts, every single council meeting. I know we've had discussions about possibly having some kind of presentation where we can bring in the business community and do some kind of presentation that shows here are the millions of dollars in

contracts that the city approves and these revenue caps could affect our ability to continue to extend those contracts as

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well as those company's ability to employ some austinites. So I think that needs to be part of the conversation as well. There was a resolution on retrospective review and I was just curious if -- if we don't have an answer right now I can circle back, but that was about looking at old programs that maybe aren't doing exactly what we need them to be doing or aren't necessary anymore. Just back to the conversation about efficiencies and improving the efficiency. So if I could get an update on where that was. >> Just real quick, that effort is well underway, a very comprehensive process has been launched. Our departments have provided information. It's currently being looked at. Council will get a memo asking for an extension. It's well under way, but we won't be able to meet the deadline that you asked for. But we are working on it and I'd say in a month or two just off the cuff, I'm not directly responsible for that, but I would think in a month or two you will be able to see the results of that effort. >> Garza: And are the biggest changes the earlier process? I was trying to see what the biggest change. So the early February boards and commissions, like a change from previous budget processes as well as the community forums in March and April, I feel like those happened a little later. >> Well, they definitely happened later. I'm glad you said that because we would still love the opportunity to come out to your town hall meetings. I was out at yours just last month, but next month, but may, June, July, August, throughout the budget process I would love to come out to your town hall meetings and support those, but these community forums would be focused on the different equity commissions. So the community forum related to the African-American advisory commission, a community forum related to the commission on seniors. So that those commissions, they've said they want to get feedback in advance of making recommendations to the city. So we're trying to help them

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and facilitate that conversation and to get those recommendations early enough where the departments can do something with them. So that's why we're bringing those up so far. But we still would be having other community engagement opportunities throughout the process. >> Garza: Okay. And lastly, I think it's great that we're changing this to an earlier timeline and I think it's -- all of us need to make sure that we're educating our constituents and are educating the public on this new process. I know that many times we get these requests like in late August or something, and sometimes it's so hard to add additional things so I think it's incumbent on us to have -- as councilmembers to have -- setting -- managing expectations and making it clear that we're doing budget different this year and we really need input as early as possible. I know there's a point -- I know there are emergency initiatives, but there comes a point where we need to say most of the budget process is done and to listen, but I think it's important that we have maybe a little bit more discipline as councilmembers to manage expectations, especially with looming revenue caps. >> So just real quick on that topic, we are working

with our corporate public information office on outreach efforts and messaging and we want to provide that to all of you. So to the extent you want to use it in your messaging to your constituents, you would have access to that as well. >> Garza: Councilmember Tovo? >> Tovo: Thank you for this presentation and the opportunity to begin to think about how we're going to approach this year's budget. I completely agree with councilmember Alter and others who have really talked about the state and what needs to happen there. And I would urge our legislators who are considering tax caps to really think through how this will impact cities

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throughout the state. It is going to be -- if it moves forward, would really have a dire impact. My particular question is how we're soliciting community impact on the work that the staff is doing with existing programs. I think it's very important that the resolution has asked our management and our staff to look at the programs and determine effectiveness, but I think we also need to make sure that the community has an opportunity to provide that feedback as well as in many cases they're the ones engaging directly in those services. And I just want to say I appreciate the comments about early needs being identified. We will always need to remain somewhat flexible to those needs that come up. And while it's true that we have organizations that come in and we need to manage the expectations that we will not be -- this is a very different budget year and all of the things you all have said, it's also true that we sometimes have groups coming down and rising concerns because of desired needs that are going to be happen if needs are not met. I will just remind this group again that in some budget years those last minute needs have preserved meals for seniors at our congregate meals programs. In one year it preserved childcare for women in our women and children's shelter. I want to be sure that members of the public listening to this discussion don't get the wrong impression about the needs that we hear late in the budget process that we're trying to meet. And we will always need to have that. In my opinion we always need to provide for that flexibility to meet those really important basic needs. And so that makes the work that you all are doing to identify the programs that may be less effective really critical. So they do figure out a way to get that community impact on this as well -- feedback on this as well. >> Councilmember Pool? >> Pool: Thanks. I just had two quick questions. Will we be doing a midyear budget amendment this year? Are there any plans for

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that? >> Councilmember Pool, not that I'm aware of, but there will be things that do come up and we'll make sure that those are presented well in advance so you can contemplate them before they are decisions before the council. >> >> Pool: Thanks. And for Mr. Van Eenoo the fee schedule. How are we doing on our enterprise funds paying for the work that they provide to the community? And will we be having updates on our fee schedule to ensure that rising costs are covered by the folks that are -- who go to those departments for services? Which has been a policy of the council in the past too. >> So when it comes to the rising costs and having our fees keep pace with them, the enterprise departments gentry

a very good job of that out of necessity. Financially they're islands unto themselves. So if the resource discovery department is not covering the fees for curb side collection they can go into a negative and we'll have to remedy that. On the general fund departments is where we've been focusing our efforts to take a look at different services the departments charge a fee for and trying to keep those fees -- have them at least to have degree keep space with growing costs. So you saw last year a number of fee recommendations staff brought forward. I anticipate we will do that again this year, bring forward a number of fee proposals to help offset tax burdens, which I think is going to be more important this year. But I can follow up with you to see if there are specific departments or specific fees you're concerned about and we can focus our attention on some of those. >> Pool: That's great. One of the places I would like to look is development services and make sure that the staff from various departments are in fact receiving compensation through that process for the efforts, the time and effort that they're putting in to Revis. E and we have been working on that. You will see that. And of course, the development service department now set up as an enterprise has done a great job of that. But some of the departments, parks, for example, we have not done as good a job

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assessing the fees to offset those costs. So you will see that this year for sure. >> Pool: Good. Thank you. >> Garza: Did you have something else, councilmember kitchen? >> Kitchen: Yes, one last thing and I apologize if you already talked about it. In years past we have received a list of resolutions that the council has passed that has not been funded. Did y'all talk about this already? I would like to see that list earlier in the process. Eye thinking for our March 5th that that would be the time to make us aware of the things that we've passed that -- some of those things were contemplated for the next budget cycle or there may be other things about them, about why they're not yet in programs. I'd like to understand that. For the most part I think in terms of those as the new initiatives that we've already set as a priority. And so I would want -- I would want them to be -- I would want departments to think in terms of how -- of operating those, making those operational and considering what other kinds of programs they might need to adjust in order to do that. Again, we lead neisd to look at the list again to think through whether our memory -- my memory is correct on that. But that's why I would like to see it on March 5th. Would that be possible? >> It would be. >> Kitchen: Okay. Thank you. >> Garza: All right. Well, thank you for that sharp presentation. >> Appreciate it. >> Garza: Very focused. Very focused presentation. [Laughter]. >> I'll put my glasses on. [Laughter] >> Casar: Good morning, y'all. I've just handed out a copy of a resolution that we're putting on for the February February 21st agenda.

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I wanted to start out just by saying how proud I've been to be part of a council and a community that's really unanimously supported affordable housing in so many different ways between passing the housing bonds, the homestead preservation district, funding the housing trust fund at unprecedented levels. All the nine and four percent tax credit deals we've supported and some we have coming this

week, finally moving forward on city land. I think we are really are part of a council and a community that's really prioritized that issue. At the same time we are facing things like revenue caps, the trump tax bill or law which I like to call the trump tax scam really. Both of two things are really putting a strain on our national and city ability to fund affordable housing, even though we're trying to do as much of it as we can. And so the presentation I'm going to give here today on an initial we've been working on for awhile with our co-sponsors and folks in the affordable housing community is really to make sure that the dollars that we've worked so hard to dedicate can go as far as possible to provide as much affordable housing as possible because we all know how dire the need is. We really want to do the most we can with the limited dollars and the limited real land we have to help families that are really struggling to afford the cost of living in this city. So I'll put the presentation on and walk you guys through it. So we're calling the initiative affordability unlocked. I would like to thank my co-sponsors, councilmember harper-madison and the mayor pro tem, councilmember Renteria, as we've been working on this together, but obviously within our quorum rules I wanted to make sure that we had as much time between here as a resolution passing and then obviously since there would be necessary changes to the code to address some of these issues, it would go through planning commission and come back to us. I'm giving this brief presentation and handing this out today so we have time to take any questions or discussions that we have

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time for today that again on February the 19th at a work session and then putting on the agenda for the 21st for a vote on a resolution, which would then of course if passed on that day go through planning commission and then come back to us. But the real goal of this is for the affordable housing that we already plan on funding and supporting, making sure that we support those developments as much as possible to get as much affordable housing for those developments as we can. So in order to stretch those dollars, there are city requirements that this proposal asks to ease, but only really for those affordable housing developments that are meeting a very high bar and are doing at least 50% affordable housing. Essentially those that qualify for our subsidy. We know that in areas experiencing gentrification we want to get as many units on the ground as possible to be able to turn the tide on gentrification and then considering our segregation problem, we also know that sometime city restrictions are sometimes what limit our ability to build more units in areas where there usually aren't enough affordable units. This project stands apart and alone from any future sort of code rewrite because what I'm going to propose here is -- was never contemplated in codenext, and in conversations with the manager it's something that was never really contemplated to be done for a comprehensive rewrite. Really what we're talking about is as we go and spend these affordable housing bond dollars, as we go and implement the HPD at levels we never have and at housing trust fund at levels we never have, to get as many units out of those funding streams as possible. So we looked at some case studies because of lots of cases that we've worked on in the past, and have found that sometimes our own restrictions are reducing the number of affordable units we get by 20%, 50%, 100%. A great case study is one that's happening right now,

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a project under construction called aria I can't understand. We all supported it as the last council with one and a half million dollars of our bonds. It also got the nine percent housing tax credit which are the biggest subsidies that you can get from the state and federal government as a project. It's in Travis heights so a high opportunity area. A project I think we supported unanimously. And it's getting 60 units that are affordable to low income and very low income people, which is great. But in conversations with the folks executing that project, we could have gotten 30 more affordable units if Ty doesn't have to overbuild their parking, and if they could have just built under their height in their base zoning as opposed to the height that's reduced because of capability. There is no way that the council could have voted at the time to waive those two things. If the council could have done that I think we would have advocated for them to do so, but there is no way for us to just vote on that project to have released them from capability in parking. So with 30 more affordable units we could have gotten a 50% increase in the amount of affordable housing in that key location. And it would have required very little additional subsidy, so we would have been able to stretch our limited dollars much further. There are examples, though, that aren't counterfactuals like that one. Here Guadalupe neighborhood development corporation, because they are in an nccd where their headquarters is just east of 35, adjacent to downtown, that nccd actually largely basically waives compatibility for the site where their office is and they have affordability at. And so there we actually have seen how they were able to build 22 affordable units at this site. It's another project that we supported. And because capability was largely waived for them, there are six more affordable units, which is 38% more than if they had had to comply with code on capability. So we can actually see how if we were to provide some

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waivers to folks -- more waivers to folks that are providing truly affordable housing that we could be getting a lot more affordable housing on the ground as we can't go and drive and see today. And the last one I want to show is apart from just an incremental increase in affordable housing, we as a council I think last year -- it might have been two years ago, but I think it was last year, provided waivers to parking, capability, southbounds and height to habitat for humanity at fourth and onion site to provide 56 low income units at really low levels and really low price for these 56 affordable units, which they never would have built at all if it weren't for these waivers. So in this case we actually unlocked the entire lot to be able to provide affordable housing. So in this case it wasn't just an incremental increase, it actually got us those 56 because they wouldn't have been able to do this project otherwise. So in thinking about this, instead of trying to go case by case and -- or little area by area, we tried put together a citywide program that would really get us more affordable housing across the city with our limited dollars and limited land without increasing impervious cover anywhere in the city. So we wanted to set a high bar for participation, and we've set that bar essentially at the requirements for getting housing subsidy. That is 60% mfi or below for rental, 80% mfi or below for home ownership. And the requirements for those tax credits is 50% affordable housing. Those levels of affordability at 50% affordable housing is not something that traditional market rate developers go and do. Really that is the

bar that we tend to set for people that are truly doing affordable housing. On top of the traditional requirements we have already for affordable housing, I know that -- we know that council has really had an emphasis on trying to get multibedroom units along with permanent supportive

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housing and senior housing. So even though it's not a requirement technically for four percent and nine percent tax credits, the resolution that -- as proposed and handed out does require for some number of units to be multibedroom and/or psh or senior housing. So again, in that case we really wanted to line it up to the existing requirements, but because that's such a council priority and because affordable housing developers tend to be able to do this, we did include that additional protection along with the tenants rights protections that are already existing in our program. And then in order to achieve that higher level of units and of course this is the starting proposal, but this is why we have, you know, several weeks to talk about this, not just at council, but at planning commission and then a significant amount of time looking at actual ordinance changes before they come back to council, but the current proposal is to have the zoning govern the height rather than capability so that -- so capability being waived. Parking not being -- having specific requirements, also being waived. We know that affordable housing builders are still going to build parking for their residents as needed, but we don't want to mandate an overbuild of parking because then essentially our affordable housing subsidy is going to build parking spaces. A waiver of floor to area ratio, which means they will still have to build on an existing -- on their existing footprint, but not limiting floor space bus because if we limit floor space on affordable housing development, then we're limiting the number of affordable bedrooms. Not applying the residential design standards and super duplex rules that were really designed for market rate development, but for affordable housing development don't seem to make lots of sense. This means that if somebody 'wants to build a duplex where both of the units are affordable, they wouldn't have to share a common wall or have the little connecting trellis that you see on duplexes. And the residential design standards are really meant

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to limit the size and number of bedrooms in something. That makes sense to me for market rate development, but when we're reducing that -- the amount of floor space in affordable housing, then we're technically reducing the amount of affordable housing. -- Affordable housing. Removing some of the administrative >> Site plan for 12 or fewer units of course when you get to a bigger development it just makes sense to have site plan. And an additional boost of height by 25% reduction in front and rear setbacks, that doesn't mean there would be more pavement. It just means if an affordable development needs to be reconfigured a little further forward or further back, giving that flexibility. An increase in the amount of units that can be built, again, with a 50% minimum for affordable housing, so of course the more units that are built the more affordable housing that is built. Setting a floor at six units and a ceiling at increasing density by 50% in Zones that allow more. I've included a little photograph here of a

4-plex that I walk by pretty regularly when I go on a long walk. This 4-plex used to allowed to be built, essentially three units in the front, one unit in the back, you can see how on a single-family lot that 4-plex fits nicely. There can be a discussion over the course of the year or whatever where this sort of development should be allowed to be built by right, but at a minimum I haven't heard very many objections that if this were included two affordable low-income units that were low rent and required to be set aside for low-income people, to me that is a no-brain they are I've regularly heard from the community before. So always allowing a minimum of six and increasing density up to 50%. Of course with existing lot constraints and trees and all of that stuff. We know we're not gonna be getting all the units that we need, but at least unlocking the ability of our existing land to do it. And if we're going to allow

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a 4-plex like this we would need our occupancy limits to mirror the ability for more families to live on the lot. Then finally allowing construction of affordable housing in commercial Zones because we know with our existing bond dollars our nonprofit partners and for-profit partners are looking for every piece of land that will work. And allowing them to turn a strip mall into an affordable housing development just makes sense. Of course exempting -- not including things like industrial Zones or places where we wouldn't want residential housing because of an existing health hazard. So all of this is possible. I think on certain lots, like the lots in clarkville recently that I think councilmember Flannigan pulled that, right now we might be limited to one or two affordable housing units there. This could get us three or four if the lot works. And then for some of our larger multi-family this could be getting us dozens more affordable housing units without any increased cost, all without adding any additional pavement. So we would get more affordable housing without any more pavement from the city. We've been working with the affordable housing community on doing our best to put together something that really works for everyone. Again, this isn't about getting people that don't build affordable housing to suddenly start doing so. The program requirements are so high that really this is when somebody is building affordable housing and meeting our affordable housing goals for our comprehensive plan that we want to unlock that football. So the housing coalition, housing works, some of our neighborhood and community development corporations and Austin habitat and foundation communities have been working on putting this together. Of course not all questions are answered. Of course I'm trying to nut out here in front of everybody so we can get questions, make modifications, have planning commission look at it, but I just see this as a really critical step for getting as much affordable housing as we can and making sure we're not getting in our own way

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towards achieving these goals for our community. Thank you all for letting me walk everybdy through that, and happy to discuss now and then also will have work session again in two weeks. >> Garza: Just quickly, when will this be on the -- at what meeting will this be on? >> Casar: February 21st, so next

council meeting in two and a half weeks. >> Garza: Okay. Councilmember Flannigan. >> Flannigan: Thanks for laying this out. I had heard through the grapevine this was being contemplated and originally I was kind of concerned about entertaining code amendments in advance of the rewrite but seeing what you've laid out is really related to projects receiving public dollars I'm very supportive of this idea. I know you only have four cosponsors, if you're interested in a fifth I'd be happy to sign on as a fifth cosponsor. >> Garza: Councilmember Madison. >> Super proud to be a part of it. Something I'd like to point out, it's on all of our minds that the city of Austin is immensely prosperous, right, and we all have to acknowledge the lack of equitable distribution of affordability and I really feel very proud to be part of an initiative like this where, you know, what our voters, you know, elected us to do was essentially come up with bold, innovative ideas that will help to distribute some of that prosperity and help to protect and advocate for the members of our community who are experience in displace. And substantial lack of affordability so I'm really excited to see this go forward and us to create some change that exists in perpetuity as it pertains to affordable housing. Thank you. >> Garza: Councilmember kitchen. >> Kitchen: I applaud this effort. I think it's a great idea to bring forward. I do have a lot of questns about it, so I'm trying to figure out what the best way is to ask those questions.

[10:04:36 AM]

Should we be doing message board things? I can run through them now, but that would take a lot of time. What would y'all prefer? >> Garza: I think in the interest of time message board would be a good -- >> Kitchen: Okay. Then I'll put the series of questions up on the message board. I'll give you an idea of what they are. I'm gonna want to understand -- first off, like I said before, I think this is a really good idea. So I'm wanting to ask about the details. So I'm gonna want to know how it relates to the blueprint and the -- specifically the -- in fact I would -- are you thinking of bringing this to the housing committee or no? Because that would be a place we could talk about it. >> Casar: Yeah. We -- >> Kitchen: If you've got room on the agenda. >> Casar: We just have like I mentioned last work session such a massive presentation happening this month that I think that it just wouldn't fit within the -- >> Kitchen: Okay. That's fine. I would like to understand how it relates to the blueprint. I'd like to understand how it relates to the goals that are in the blueprint. So, for example -- maybe it's in here and I'm just looking quickly. How does it relate to -- some of the things that we've talked about in the blueprint is opportunity geographically throughout the city. So I'd like to understand how it relates to that. I'd like to understand how it relates to permanent supportive housing, services for seniors, the kinds of design standards we have in place for seniors and the Ada. Let's see. And those are my -- I know I'll have more questions. As I read it, it's not -- it talks -- I'll just ask one immediate question if that's okay. So I see it as being designed to be something that helps us utilize our housing bonds, but I don't see it as a precursor or a requirement for the housing bond. Is that correct? Am I looking at that right? >> Casar: That's correct. >> Kitchen: Okay. >> Casar: I think our housing bonds would start

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getting utilized and implemented before this goes into effect and there might be projects that have less units. >> Kitchen: That wouldn't be part of this? Okay. All right. Then the last question is, so, you know, there's a -- well, actually, I'll just save that one for the message board. Okay. Thank you. >> Casar: Thank you. And we'll get working on this. >> Garza: Councilmember pool. >> Pool: Yeah. I think this looks pretty good, and I want to express my support. I'd like to learn more, maybe look at some of the details, maybe see some modeling, the points that Ann brought up with regard to how it aligns with our strategic blueprint would be good. I also was curious about the bottom line on the current -- are we gonna use the baseline on current code, city manager? Are we going to be -- will you be bringing back something that uses bits and pieces of the land development code rewrite we worked on last year, or do you know? >> As I talked about late last year I'll be bringing forward a process for your consideration in a handful of weeks so later this month, early in March. >> Pool: Great. The pieces that you're highlighting track with the concerns that I've had in the past. More ability to have more than one bedroom or a studio, the family friendly pace, ensuring we have housing all around the city for folks who maybe need permanent supportive housing. Anyway, I think this looks really good. I definitely support the requiring developers to provide affordable housing when the city gives development bonuses, I felt like they should do more all along, and I also was hoping we could find a way to have the percentage of income be lower, and I'm glad to see that you're also working on that and having a larger percent of the units be offered for affordable housing. That definitely ticks boxes that I've been concerned about for about four years. We need to ice our leverage for community benefit and not just give away, and I

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think we all feel that same way. We have an opportunity here to get more community benefits that more directly align with what the community needs without giving it away. So I haven't thought through yet what all the specifics would look like, of course, but I tell you on the whole, the package is worthy of consideration and I like forward to working with everybody on this. Thanks for bringing this. >> Garza: Councilmember alter. >> Alter: Thank you. So I really like how this resolution focuses us on our low and moderate income housing goals, which the market is not on its own going to provide. We did pass the \$250 million bond because the market is not going to provide that and I appreciate that the direction of this is to facilitate leveraging those bonds to accomplish as much as we can in terms of delivering the affordable housing and also making it easier for our affordable housing providers to accomplish what they need to accomplish. I think this is very much in line with discussions we've been having over the last year or two in the housing committee about, you know, what do we have at our disposal that will allow us to make things easier for the affordable housing developers to develop their units. I think it's important that we use our entitlements wisely, and so I think this is an important shift to get the supply that we want. The market is supplying the market numbers right now. What they're not doing is supplying the low and the moderate income. So I think using our tools for that is important. I have not had a chance to review this in depth, and I'm sure that I will have several questions, like councilmember pool, I would like to see some modeling. I don't know that that has to be in there for when it passes the resolution, but when it comes back, I think

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we need to see some modeling because it might help us further refine it to have the benefit of that tool. One of the things that I will raise now in terms of questions is how this interplays with mixed-use developments. So we're talking about doing this in areas that were commercial, and I think we did have a lot of agreement through our discussions that we should be allowing residential and commercial not in industrial areas but what does this mean if somebody is doing a mixed-use development that's 80% hotel/office and 20% residential? And we have examples of that where we're looking through that, and I'm not sure that -- whether you've thought about that. I'd like to hear a little bit about that. And I think that the mayor also had brought a proposal, a resolution that we passed related to affordable housing bonuses that I'd like to understand how this interacts with that. I think I was a cosponsor on that, and I'd like to understand how these two interact. >> Casar: Councilmember alter, I think the commercial question is one that is still unresolved, and this resolution, I think we certainly would want to allow affordable housing developers to do the bottom floor commercial as we see in vmu. I think the pending question I'm happy to resolve at council or have the planning commission figure out is if there is a second floor of commercial or office, does it apply -- would you be allowed to do this or not? I think it's obvious if somebody is doing 80% non-residential that they shouldn't be allowed to participate in this. But it seems obvious to me that if it's just the first floor they should. So figuring out what the line is is definitely an

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important question for us to get answered. And as far as the mayor's resolution, which I forget who the cosponsors were, but I appreciate all of them, you know, the way this is different is that this isn't calibrated in the way that that resolution hopes to calibrate things. The calibration being you want private developers who aren't traditionally doing affordable housing to try to hop into the program. In this case, this isn't about setting the program requirements to tempt someone in. This is really about those folks who are doing -- meeting our affordable housing requirements, getting the bonus. So that's how I separate them in my mind. And I do appreciate folks already sort of having comments and questions on this because I only posted on the message board yesterday, and do recognize that if you have new questions after having more time with this, because you haven't had time, that is great and great to put on the message board. I just wanted to get this in front of people as soon as possible but do appreciate the questions already. >> Garza: Councilmember Ellis. >> Ellis: I'm really glad to see this resolution and I'm excited about big ideas like this. I would like to speak to the responsiveness that our transit planning is going to need to have depending on what the echo effects are of ideas like this. I know that we have our strategic mobility plan that is currently pretty well drafted but there's still room for adjustment, and project connect. I know that the mobility bonds have largely already undergone preliminary engineering but I think we have some opportunity to make sure that those transit plans are reflecting what might be happening down the road. Because this is a great opportunity to build that into this plan. >> Garza: Councilmember tovo. >> Tovo: Thank you, councilmember, for bringing this forward.

As others have said, I think it's a long felt community imperative that we make sure that as projects are coming

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forward and asking for increased entitlements that there be substantial community benefits, I think as early as -- I got involved in city issues people were making that claim and advocating for it, and I think this is a good proposal to begin that conversation -- or to advance that conversation. A couple questions that I hope you can help answer, maybe not today but in the next session or between now and then. I am interested in knowing a little bit more about why the percentage is set at 50% market. As I read this, it's about 50% market, 50% affordable. Why is the percentage crafted in such a way and not weighted toward affordable housing? I am very glad to see -- I don't -- I'm not entirely sure I understand some provisions, but those are kind of microlevel, but I'm very glad to see the provision about existing residential development. I think it's extremely important that we're not incentivizing the redevelopment of units that may be providing 100% affordable housing now and shifting those to a different equation. So some of the questions I would have around that is, number 1, the reason you've provided an exclusion or you've crafted it -- the language in such a way that existing residential development would be entitled in this way if the reason is to replace aging or dilapidated residential facilities and I'm interested in knowing more about who would make that determination. I mean, we want to be sure that that's something that can be substantiated by someone other than the person who wants to redevelop the property. Then number 2, in that same section, page 5 of 7, the property owner agrees to replace affordable units one for one. Is your intention that those are subsidized units as well as market affordable units? As you know so much of our multi-family stock is affordable but not

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subsidized, and I'd want to be sure that we're making sure that, again, we're not redeveloping those units that are currently affordable in the market. Do you have a quick answer to that one? >> Casar: Yeah. So on the exclusion is really meant to apply to things like haca's redevelopment, for example, of Chalmers or rosewood, where we are actually always -- where whether it's market-rate affordable, multi-family, or income-restricted affordable multi-family that when those units are taken down they're replaced and we've tried to write it out they're replaced one for one and set at rents so current tenants are able to return and granting those tenants a right to return to that development. Really my hope is that that exception is used very infrequently but at the same time we don't want someone like the housing authority that is, you know, complying with the uniform relocation act and bringing people back into brand-new units to be excluded so really that's the window we're trying to create, and I'm open once they're going through the code-writing process to figure out whether that's something that has to be substantiated by the manager or department director or council, what have you, but the hope is to provide a narrow exception really for people like the housing authority that do that kind of work. >> Tovo: Maybe I misread it. It is not intended to discourage -- >> Casar: It's intended to discourage use of

this bonus, if you're taking down existing affordable housing. Largely -- >> Tovo: In that context are you talking about just subsidized -- >> Casar: No. >> Tovo: Affordable housing? >> Casar: Anything that is affordable to people at low-income rent. So it's meant to discourage redevelopment of income-restricted and non-income-restricted low-income housing and provide the opportunity for someone like haca to do the kind of projects we're supporting them doing. >> Tovo: I would ask that that be made clear in this, that it applies not just to

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haca and section 8 and others, but those that are affordable, are naturally occurring affordable housing right now. >> Casar: We'll do our best to make that even more clear. >> Tovo: I'm happy to bring forward an amendment if that's the intent. Thank you for explaining that clarification. And I think that is -- just one -- >> Casar: You had a question about 50%, sorry, it's so line with the requirements for 4% tax credits currently set at 50% affordable housing and then an average of 60% mfi within that affordability period. That's so -- so when we grant these 4% tax credits they're always majority affordable and if there's any 70% mfi units then another unit has to be 50% mfi. Those are the program requirements as most recently set? >> Tovo: 50% are market rate and -- >> Casar: 50% is the minimum that can be market rate? >> Tovo: So then my question is the same, I think. Why is 50 the right -- why is 50 -- why is 50% market -- I mean, if we're doing this, do we want to adjust that and have the majority be affordable rather than use the lowest -- I mean, it sounds like we would be setting this then at the lowest standard for 4% rather than bumping up that requirement. So that's something I'm gonna give a bit of thought to, but I didn't know if you had had conversations with people that were informing that 50%/50% split or if there were opportunities to increase that beyond 50%, which I would support. My last comment, I would just suggest -- so aria grand is in district 9 and I'm familiar with -- you know, so I'm familiar with that project. And one of the things that I want to just call your attention to, I'm gonna go back and look at the details of the points you've raised on page 3 of 7, but it's my understanding they went through the grandfathering, chapter 245 process and were grant fathered back to 1971 regulations at which point we did not have compatibility. I'm striving to mesh what I

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know about that project and the grandfathering vested rights they received and the claims here about the number of units they could have achieved because they were using much -- it's my understanding they were allowed to develop under much older regulations. Anyway, thank you. >> Garza: Councilmember Renteria. >> Renteria: Yes. And one of the prime examples also is Rebecca Bain, you know, we're going through a major redevelopment of that building there that's 16 stories high, is housing for low-income seniors and people with disability, but it does have a few market-rate housing. Because of the structure, it's very sound. They were -- decided that they were just gonna build an apartment complex right next door to it and move all the people, all the residents back into the apartment and redevelop and rebuilt the existing building there and allow people to return back. And

one of the big questions was always that, you know, do they have the right to return? And it's a big concern to seniors and low-income people. Are they -- will be able to return if they want to? And I think by adding this on, the right to return, guarantees the low-income and senior people the right to return to their buildings, and it just takes all the questions out. So I'm really glad that my colleagues was able to put that in there into this amendment because I think it's really gonna go a long way to reassure our people that are being relocated and that they do have a right to return. >> Garza: Councilmember Flannigan. >> Flannigan: Thank you. I know we're all trying to be very careful not to make this about code rewrite, and I appreciate that, but I do want to say from my

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perspective I consider the building of additional housing itself to be a community benefit, especially if that housing is getting built along transit, where I don't want to build another fire station or park or whatever, it actually generates more tax revenues for existing facilities that doesn't -- when you add new buildings it doesn't come under any tax caps that sets new revenue you get to spend and if you don't have additional expense that's come with it that becomes a community benefit itself. And, you know, just acknowledging that what the market provides now is what we allow the market to provide, not necessarily what it would provide without restriction or with a different set of restrictions. And for a very -- in a very real sense many of us have parts of our districts that are sprawled, certainly almost all of my district you might be able to consider it that way. Building more housing in this way is also a good way to achieve some of our environmental benefits, walkable neighborhoods, less long distance commuters, that kind of thing. Councilmember Ellis, I'm glad you brought up the asmp, I've been thinking about that same thing too, perhaps what we get to on the asmp in the short-term, next couple months as it comes back to us is somewhat of a current conditions plan but then we can do an amendment as it relates to the bigger questions we'll hopefully be addressing by the end of the year. >> Garza: All right. Well, I'm obviously supportive as a cosponsor. Thanks for asking me to be part of this. I think it's a great, bold initiative and I look forward to the continued discussion as it comes up on the agenda. We're going to go ahead -- >> Tovo: One last thing because councilmember Renteria brought up the right to return piece, I want to remind the city manager this council did ask the -- asking the staff to create a right to return policy. In all of the places where we have leverage to do so. So I think there's still high enthusiasm from that. It's my understanding from the memo we'll be updated in

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February about that but as the lead sponsor on that I really want to very much see that program in place and I think it's a huge community interest so I hope we will March forward, not just in thinking about it in terms of programs such as the one that we've discussed today with regard to our density bonus, but in all of the places where we have leverage to have that right to return embedded. >> Garza: All right. We're gonna move to pulled items. The first item is 34, pulled by councilmember Flannigan. >> Flannigan: Thank you, mayor pro tem. 34 and 35 are essentially the same item. This is a service

extension request on a property in my district. Really the question that I just wanted to daylight, we just did a zoning case for this, and in the zoning case, the staff analysis and recommendation came back positive to do -- rezoning. There were no environmental issues. Even though it's a car dealership, there were no environmental issues daylighted during the zoning case. I brought up several concerns during that. Some of you may recall about the need for housing more so than car dealerships, but none the less we moved forward with that zoning case and now the service extension request comes as a staff denial, which is confusing to me because we just approved the zoning case for it and now they're saying they don't want to do -- or the staff doesn't recommend the service extension request. It's not so much on this specific case since we just approved the zoning request, I think it's better to have development in our system and not doing wells and field distribution and septic and stuff, especially in environmental areas, but I am curious that this happens. Even in such a short window, within several council meetings, we went from having staff recommendation and support to now staff recommendation and opposition. I understand it's two different departments, et cetera, et cetera, but I find it very confusing. I don't know if staff wants to explain this just briefly about why we see these conflicting -- what I perceive to be conflicting

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recommendations. >> Good morning, I'm Kevin, assistant director for Austin water utility. The particular item that's before you, the ser, Austin water staff is not taking a position to support or deny the recommendation or that the ser. We have presented this item as a utility matter before water and wastewater commission. They have supported the approval. I think as it's stated in the ser, Austin watershed protection staff is not supporting this particular ser as an environmental policy matter. And so Chris Harrington, the city's environmental officer is here to speak to that. >> Chris Harrington, environmental office that's correct. There's not a lot of explicit guidance from council on how we would evaluate these service extension requests with regard to environmental protection. Our comprehensive plan speaks to directing growth in these environmentally sensitive areas like the drinking water protection zone to be in coordination with our growth concept map so towards the centers and corridors, this area is outside of that. The provision of service in this instance does not solve any known environmental issues, and so in most cases environmental staff will be recommending against the extension of service in these areas. >> Greg Guernsey, director of planning and zoning. When we have a zoning case, there's not an extensive environmental review that's done. It was acknowledged when the zoning case in there was a survey extension request. I think when a property owner first comes in they're asking the question, can I even do this use? And so the zoning is really that first step, and when we're in full purpose or limited purpose jurisdictions about am I even able to do this and if they are then they would continue looking until these environmental regulations, a lot of these come up at the subdivision or site plan stage, that would follow the zoning, which is that first

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step in the process. It is valuable having zoning even if it's limited purpose though because we don't get certain site development standards, building codes, those regulations that might deal with traffic, tree regulations, those are things that we might not find in the etj and think what Chris is saying is some of those other more broad issues are looked at but they come up at a later stage and they're not looked at at this initial stage. >> Flannigan: I think that's something maybe to consider as we move forward as a process matter. This is obviously something that happens in -- not super frequently because it's really limited to etj and I guess limited purpose. This is a limited purpose so where we have this weird space of zoning but not all the other tax requirements of a tax-supported development. But I want to see us get to a place where we're not siloing some of these conversations because if we're going to have a rezoning conversation -- the assumption by me and I think the community is we are considering all the things, and to the extent that we can or can't, I think would be a good conversation to have in the future. That's really all I wanted to bring up. I think we should be supporting this on Thursday. I'll be voting for it myself. >> Garza: Councilmember tovo. >> Tovo: I have a question for staff, really any of our staff. If we deny the service extension request, what options would they have to move forward with the project? >> They would be required to provide their own water and wastewater service, so utilize a well for drinking water and utilizes utilize on-site septic systems. >> Tovo: It was my understanding they could request annexation and receive city services through that means all, at which point they'd become subject to zoning and land use regulations within the city of Austin. Is that correct? >> If they -- so we have to be careful in making sure we're not making service extension requests conditional. The conversation about the connection between service

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extensions and annexation is probably best addressed by the law department. >> Also they are limited purpose so already subject to our zoning regulations, building codes, landscape requirements, our tree regulations. >> So, councilmember, that's a good question. I would say that annexation that's related in any way to the service extension request is really not an option under state law. We could go into that, you know, further if council wants to in a -- you know, in another context, executive session or other communications, but that -- from a high level, that's the issue here. >> Tovo: Sure. I want to be very clear. I wasn't suggesting that we do one or the other. I'm trying to just determine whether that's -- as we talk about what the options are available, beyond site water sources you were talking about are an option, it's also my understanding they have the option of requesting annexation. >> Yes. And imagine Austin does speak to annexation as an important tool for managing city growth. Manage Austin also speaks to managing our water resources and directing growth away from environmentally sensitive area. To councilmember Flannigan's point guidance from council on how we can better coordinate and use service extension requests would be appreciated, less burden on the applicants and we would not be having these situations where coming with either -- you know, moving through the [indiscernible] >> Tovo: Super, thanks. >> Garza: Councilmember pool. >> Pool: Yeah, just had a quick question. What is it that is planned to be built here? >> It's a car dealership. >> Pool: Okay. Thanks. >> Garza: Councilmember Flannigan. >> Flannigan: One other detail is that this particular site already had an approved service extension request for a project of more intense density than this car dealership. That

was also something we discovered in our research. So there's also a question from a staff analysis perspective of if a council does approve a service extension request at a certain level of density,

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then there has been direction on this site that we are willing to support service provided to this site. I think it was only a couple years ago, maybe, right before the 10-1 council came in. This is really a process question, right? Just trying to figure out when is the left or right-hand not talking, when would we prefer them to be talking? >> Tovo: So there was a service extension request approved in 2014 and -- >> Flannigan: Condos, I think. >> Tovo: Because the zoning changed it's no longer -- >> Flannigan: I think they decided not to do it. >> Tovo: Sort of limited time frame? >> It expired and there was a change in the use. >> Tovo: How long do those last? What's the expiration period? >> I think they're six months now but that's a more recent change in our ser process. >> Tovo: I see, okay. Than you. >> Garza: All right. Thank you, staff. The next item is 47, pulled by councilmember Flannigan. >> Flannigan: So I kind of -- this one is really interesting to me, and I'm curious, councilmember kitchen, this is in your district, what your thoughts are, but it seems like we're turning the neighborhood into an office. And I'm not entirely sure I'm comfortable with that, especially when you look at the site and right across the street cs zoned, acres of pavement, like there are other places to put offices of that zero environmental impact, zero -- that's already set up for it. I just don't know why we would do this here, to lose a house to a non-housing use. >> Kitchen: Can I speak to that? I have the same concerns, particularly since that area is more affordable in terms of the housing that's there. So I'm very concerned about it, too, for the very same reason. Thank you for bringing that up and pulling it. I'm not sure it's appropriate. >> Flannigan: Okay. >> Kitchen: I would like to understand the thinking because I -- if you could talk to what y'all's thinking is. >> Greg Guernsey, again, planning and zoning department. When we looked at the case,

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this is actually similar to a case that we had a few years ago, which right next door. There's a -- the owner of the property I understand owns a medical office. Their needs are expanding, their site is very limited. But from a zoning perspective, the zoning district is compatible with residential districts. We did add the mu so it can continue to be used as a residence. We put actually conditions that are similar because it -- concerns had been raised previously when we recommended the case next door, about traffic impacts on the street. It is still subject to those compatibility standards. So the amount of development that occur on this property is greatly limited. This would actually improve their development ability next door to a certain extent because they wouldn't have compatibility impacting on themselves. So they might be able to provide slightly more parking on their property next door. But the district is compatible with the adjacent uses. The no district. The site development standards for the no district are very similar to what you might find in a single family district, limiting heights of buildings to two stories or 35 feet, setbacks in front and side and rear are similar. Building coverage is actually a

little less at 35% and impervious cover is a little bit more. But the zoning that would allow for a development of this property as an office, it might be an administrative office, could be used for parking is compatible to a residential area. So we added some additional conditions that were there from 2014. The vehicle trip limitation, the -- in particular the vehicle prohibition, access prohibition for commercial uses, civic uses to for the view. If they left it as a house certainly a residential use

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could take access to that street. There's a provision also of a limitation on hours. So we thought it was compatible. Obviously your planning commission thought the same because they also recommended it. And that's why we're bringing it to you. The use we believe is compatible. The district is compatible. >> Kitchen: So -- go ahead. >> Garza: Were you asking the questions? I don't remember who -- >> Kitchen: Yeah. I had one follow-up and back to you. >> Flannigan: Whatever, it's fine. >> Kitchen: So the other thing I failed to mention, the other property that you spoke to, again, the concern in this area is that it's a commercial creep into the neighborhood because they've already lost one home along that street, and so this would just continue that process. And so I'm not in favor of this at this point. I need to look into it further. But I'm concerned for the reasons that you raise, because the fort view street along there with residential property and the fact that there are other commercial properties in the area, there's not necessity for victory to grow that way, causes me concern. So -- >> Flannigan: Yeah. And I'm not concerned about creep because we get to have this conversation every time. >> Kitchen: Right, okay. >> Flannigan: So I don't think that it automatically creeps, right? Because we get to decide every zoning case individually. But it's also -- I mean, I really appreciate, Mr. Guernsey, your analysis on it because I think it's one of those places where the guidelines and previous policy decisions aligned in a certain way but I think we have a different perspective now. I wouldn't have supported the case that preceded this one, where the co dollars came from, are is that what you were saying, next door had the same zoning? >> That's correct, councilmember. You know, it is in an area and I didn't bring this up earlier, that it is in a activity center, it's in

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imagine Austin, one of the few areas that we have that are in the environmentally sensitive area of our city. But it -- this discussion is probably more centered on this particular few blocks or few lots in any given direction from this property. >> Flannigan: Yeah. >> That's why I was talking more proximity, what's next door, what's across the street, what the access is. >> Flannigan: Yeah. So I think this is, like -- everyone is doing their job in the right way but I tend to agree with councilmember kitchen, maybe for a slightly different reason but we've come to the same conclusion. >> Garza: All right. We'll move to item 48, pulled by councilmember Flannigan. >> Flannigan: This one is in my district. Get myself caught up here. Oh, there are cos added I think on consent at zap and this is property that is right on a highway. There's very little change in the uses from what's currently on the site. So I'm just gonna be moving to remove the cos on Thursday. >> Garza: Okay. All right. Did you have something else, councilmember

tovo? >> Tovo: Quick question. What was the previous zoning case next to victory medical center? Was it victory as well? Sorry to back up. >> Yes. The prior case we were just talking about owned by the same owner -- >> Tovo: Also victory? >> They had issuing that their site is very restrained, it's at the corner and they were looking for additional space. >> Tovo: Okay. I just wanted to go back and look at it and I couldn't remember. Thank you. >> Garza: And the last item is item 55, pulled by councilmember harper-madison. >> Harper-madison: Thank you. So I have lots of questions and hopefully this is the

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appropriate time to just sort of pose some San Francisco those. -- Some of those. As per the language in the local agreement UT is expected to cover the entire cost of realignment of red river. Any use of financial credit would have to be done either via amendment or a separate resolution, in which case my questions are as follows: Why is red river being tied to the muni deal? Why should the city pay for red river in exchange for credit toward an undefined project when UT is clearly happy to foot the bill? Does central health pay for any of this? What happens north of Dean Keaton on the existing medical arts street? Are we making sure that the work will not preclude, excuse me, dedicated pathways for potential project connect investments, whether that be bus, rapid transit, or light rail? And that's sort of a conclusion of my questions at this time. >> Garza: Is there staff here? >> Harper-madison: That's what I was hoping for. I know I saw somebody out in the -- >> Garza: Okay. >> Hi, councilmember. Jason John Michael, city of Austin acting director for rob spillar and with me is Paul, our project manager for the red river project. So if you could -- did we want to start with the questions again perhaps? >> Harper-madison: I'm happy to repeat if that's what you're asking. >> Yes, ma'am,, please. >> Harper-madison: Sure. Question one, why is red river being tied to muni, in my mind's eye they're two separate projects. >> I can answer any transportation-related questions. You mentioned something about the dedicated pathways along to red river. >> Harper-madison: I'll skip to that one, are we making sure we're working not to include dedicated pathways for -- whether that be bus,

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rapid transit, or light rail. >> Yes, ma'am. Actually the realignment and straightening of red river would actually enable more and better usage of project connect's plans. That would allow more dedicated pathways with less bends and turns in the road and, therefore, that particular run would see a level of increase in travel time/reliability through that corridor. >> Harper-madison: I guess ultimately the question is -- or maybe not the question but the concern is any sort of duplicative efforts, just to be clear that we're not duplicating one another's efforts. >> Yeah. I don't believe so. This would -- would enable cap metro to be able to we believe run a more elaborate bus service through that corridor. There's also the ability to connect to what txdot is doing with mobility 35 and the opportunity to create direct connections on both the north end and south end of the realignment to assist with other types of congestion mitigation that will happen due to the vast amount of constructions that happening in that particular area of town. >> Right. Hence my concern. >> Yes, ma'am. >> Harper-madison: Then I think

the only other question that would be applicable to your capacity may or may not be, why should the city invest in red river if the university is offered to cover the cost of the alignment of red river? >> It's merely at the direction of mayor and council. We are going to be doing some things in and around the area in order to assist with the mobility 35 construction, so there's already signing and striping and other signalized intersection improvements that we might likely so to make. Paul can go into more details on that. But it could mean that we're perhaps spending some money

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now, city money now, in order to make what traffic improvements we can in preparation for whatever construction might take place in the future. >> Harper-madison: Would you mind elaborating there? >> So, like, timing of the intersections as well as restriping of left turns and things like that at intersections will overall improve intersection performance during those construction activities. >> Harper-madison: Understood. Any sort of preliminary idea about what the timing on that looks like in terms of, like, how long will that last? Our need to mitigate those sort of traffic impediments during the course of the construction process? >> As far as a high level construction, I think -- >> Harper-madison: Just generally. >> Yes. Paul terra nova, transportation department. We're aware that the university intends to go to construction very, very soon on their new arena, which will need the existing red river right-of-way, and so there will be need for traffic control operations throughout the course of their construction for that, and so we're working with them to understand what their traffic control phasing will be in order to maintain north-south continuity on red river street. And the adjacent streets if needed. And also I'd like to add, in 2013, council approved negotiation and execution of a similar interlocal agreement for the realignment of red river between 15th and east mlk junior for the Dell medical school, so largely this is -- that's being used as a template and then capitalize

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on lessons learned and things that we want to improve from that and the amendment to it. >> Garza: Manager. >> Councilmember, just want to address your first question, if that's all right. >> Harper-madison: Sure, thank you. >> So this is a transportation-related item regarding the alignment of red river. What you're referring to is in backup there is a reference to, if the city funds any portion of the design or construction the university would credit an amount agreed to by the parties towards city projects and then references the golf course as one of those projects as a possibility. It is merely a mu of the options. I mean this would obviously come back to council if there were any reimbursement that would be discussed, but to your point if we want to eliminate that reference, I mean, that could be a motion that you could propose at the council meeting on Thursday. >> Harper-madison: Thank you. >> But broadly it's for any projects that would be agreed upon and those would obviously come back to council before any further negotiation. >> Garza: Did you have more questions, councilmember? >> Harper-madison: I do but I'm getting the impression that this is exclusively a transportation-related item and may not be appropriate in this venue, in this case I'll abstain. >> Garza: Okay. If -- I have a couple. If

the city were to fund, use transportation dollars -- I don't know if you answered this -- where would that money be coming from? >> The current -- the money is not currently appropriated. It would have to come from probably some type of other mechanism, either a co, a tuf or a tuf and parking revenue or a combination of all of that. There's no money earmarked for it. >> Garza: So there's no money earmarked now. We'd have to find the money, but we would essentially -- but it feels like from the backup we're essentially agreeing that if the city does have to pay for it,

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we're gonna find money. It's hard to talk about this outside of this being connected to muni because it feels like it has been. So the city would have to find money, and that could be credited towards some other project? We don't know what that project is? Right? Is that right? >> Correct. I think that's because there's land that needs to change. >> Garza: Yeah. >> S and that's why. >> Garza: Okay. >> I think that's why there's this association with another type of land issue with the university. >> Garza: Oh. >> That's why, to city manager's point, is one of the current ones, but there's probably a list of plenty of other opportunities for us to have that city to UT negotiation. >> Garza: Okay. >> Of what this is. >> Garza: And, manager, I appreciate the -- that muni is listed as a possible menu, but it's the only thing on the menu, and I do have similar concerns to councilmember Madison about why not list ten other things throughout the city that we could possibly need and if we're gonna list -- I don't think there needs to be mention of a particular project if we haven't made that decision. I don't think there should be mention of that. And last question, it's negotiate and execute. I understand the university is under a quick time line. What -- could you -- I don't know if it's transportation or real estate or the manager. What -- are there concerns about if we just did negotiate and bring back mou to council? >> I would say that that would be fine. The reason negotiate and execute is in there, to Paul's point, was part of the Dell go-by that we went by, and then also the time line, as you mentioned, mayor pro tem. So we're more than willing

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to come back and handle the execution part later, with the understanding that that time is the controlling factor. >> Garza: Thanks. Councilmember Flannigan. >> Flannigan: Yeah. I have some similar concerns. I'm not -- I understand that the ledger question comes later, if I'm understanding that correctly. I'm hesitant about ledgers. They're not already in existence and have a lot of transactions on both sides over many, many years like we do with some of our other jurisdiction -- our other partners. Little concerned about the ledger question. And also the costs and the dollars aren't just in transportation. Some of it will be dsd. Which as an enterprise department I have ongoing questions, not just about this, but when we do fee waivers and other things and now that that's enterprise, is there a budget amendment that comes in now that -- so there's kind of moving parts on that side too I'm less comfortable with. I don't really have issues with the red river project itself, but the financial details are concerning, and I don't know if I'm with you or not on -- I'm not sure where you are, actually, on if we

just authorize and execute later or if we execute at the same time. So I also don't want to drag things out unnecessarily. >> On that point we'll get you more information about the timing because, again, I think the reference was that the university is under some specific time frames that they're contemplating, but we'll make sure to have that clarification before Thursday. >> Garza: Councilmember Casar. >> Casar: And I appreciate councilmember harper-madison's questions on these. There's similar questions I have asked in executive session and have been thinking through on this myself. I think that it -- you know, the questions of transit are obviously gonna be really important from a transportation perspective. And then from sort of what is it that we're potentially getting at in the

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negotiation, I think that the mayor pro tem's points are really salient to me because I tend to like to just give authority to negotiate and execute because I know really clearly what the terms are that we're going out to negotiate. But it sounds to me just even from the discussion here on the dais that it isn't exactly -- and if we got to a point where we were -- where everyone was really clear on what it is we were getting back, that we could just go ahead and negotiate and execute, but sounds like there are still moving pieces around exactly what it is that we're getting back, and I would want, you know, for the manager to feel really clear about what the negotiation is supposed to look like, and I'm not sure if that is entirely clear right now. And so that's, you know -- that's how I sort of split the difference here on when we negotiate and execute versus when we just negotiate things. Because I think it's really important for the manager going into negotiations to really know, especially given some of councilmember harper-madison's questions, exactly what it is that the -- exactly what the city's goals are in that negotiation and because some of that seems to be partly in question in this public forum. I think it's important for us to discuss that to the extent that it is that we can or at least have an opportunity to review that to make sure it aligns with the majority goals. >> Garza: Councilmember kitchen. >> Kitchen: Well, I'm just wanting to make sure I'm understanding what the concerns are. And just wanting to repeat it back to make sure that I'm hearing right. Is the concern that we -- within the negotiation and execute, that we don't know yet what we would be potentially getting as opposed to not liking what we think we might potentially be getting? Is that what I'm hearing? >> If I may speak for myself, absolutely. >> Kitchen: Okay. >> Harper-madison: I think you're accurate there.

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>> Kitchen: Okay. >> Harper-madison: I don't understand with complete clarity. >> Kitchen: Okay. >> Harper-madison: What it is that we're getting or why we want it? >> Kitchen: Okay. >> Harper-madison: Thank you. >> Kitchen: Is that mayor pro tem's and councilmember Casar's concern too? >> Garza: Mine is just a little different, in that -- >> Kitchen: Okay. >> Garza: You know, there's ongoing negotiations about muni. There's room for that discussion. There's time to figure that out. I'm concerned about -- because I've seen it, you know, as a councilmember. Ten years from now, councilmembers will be told red river was supposed to be for muni. And no one is gonna go back to check the rca and say, muni or

other things. >> Kitchen: Okay. >> Garza: I'm not saying that anyone tries to, you know, deceive anybody. >> Kitchen: Sure. >> Garza: But I've experienced on my own, it feels we're on a path to one direction and we haven't had that discussion, we haven't decided what we're gonna do. And to create something in the rca that specifically continues on that path even though it says "Or," it just, you know, it's in my mind can set in place the dominoes falling in one direction. And without having had that discussion, I'm not comfortable with one project being spelled out when there are -- we haven't even decided what are the other options, what are -- is there affordable housing that -- land UT could give us? Maybe it's a package. Maybe it's something for muni and something for, you know, district 1 and something for district 5. We don't know what that is, but to spell out one project concerns me. >> Kitchen: Okay. Is that your concern, councilmember Casar? >> Casar: For me, I know that on some of these issues we're able to talk about negotiations in executive session, so I feel like I could be more clear in a setting where I don't feel like I'm prejudicing the council in any way.

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But I think that my two colleagues have expressed generally what I've been talking about. I think to your first question, though, of, like, what -- do we feel like these aren't things worth pursuing? To me the city or UT realigning red river seems like something worth pursuing. >> Kitchen: Okay. >> Casar: And being in -- in good-faith conversation with UT about how the city and UT can talk about utilizing the land that we have rights to in a way that benefits us both and benefits everybody to me seems also like a good thing. >> Kitchen: Mm-hmm. >> Casar: But to councilmember Garza's point, exactly how it is we structure those negotiations to me seems a little bit more fractured right now than I would like it to be. So we could either, you know, in executive session align ourselves best with the manager or authorize negotiation and then in the interim period work together to align that. I just don't want to send our staff into a negotiation, in to execute something without that sort of best aligning what people think about those negotiations. >> Kitchen: Okay. I would just be curious and I'm just thinking out loud but I'd just be curious about whether some of that could be addressed with some policy kind of direction. So. . . >> Garza: Councilmember alter. Like. >> Garza: Councilmember alter. >> Alter: I appreciate these are valid concerns and I have shared the concern about what we're getting in this transaction. I think that councilmember Casar was sort of suggesting that these might be better taken up in an executive session. I think there are many more elements than what we've taken up here that concerns in transaction. And those might be more appropriate done in executive session. That being said, I have been working on muni for two years with the mayor and

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previously with councilmember Houston. There are lots of moving elements and we are able to discuss, and in a position to be able to think about red river for the arena because of those discussions and the work that we've done to try to move the city and UT to a point in time where we can collaborate for the good of the city on multiple dimensions. And to move from a transactional relationship to one of

partners. As you know, the mayor's not here for personal reasons this morning, and this afternoon, so we would not be able to have that executive session today. And it's my understanding that he has asked to be present for those. The other thing that I do want to say is that we are going to have to resolve muni one way or the other in the next year or so and presumably everybody who is here will be here for those discussions and so you will have an ability to be able to talk about how you feel about those different things. And the last thing -- and I've sort of talked about this a little bit, but we have a real opportunity before us both with red river and with muni to restart the way that we work with the university of Texas and how we think about that relationship. If we as a community, we as UT and the city come together, recognize that we are part of the same community, that we share common challenges of affordability, mobility, of wanting this to be a quality place for people to live in, we can do more together. And I know that not everyone has been through all of the conversations. We've had several executive sessions, but I would just remind you that there's a broader picture that we need to keep in mind as a city in how we get from here to there in partnership with UT UT, can have an enormous effect on many of the things that we talk about all the

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time. And so I would just -- I invite my colleagues to think of this more broadly and to understand the larger picture. We are able to talk about the arena and be able to move quickly in a manner to make that happen because we've had these conversations, because we've changed the way the city side has been doing things, I'll speak for the city's side. And so we need to recognize that, and I want to thank the staff who have been working really hard to get us to a point to have the conversations. And the last thing I will just say is that part of it GHT now, why lions is mentioned specifically is that is the one project where there was some mutual recognition of a shared interest in moving forward with a solution. That's not to say that there are not other projects, and that is exactly why it is written in the way that it is written, but in a negotiation we have to also be working on things that are shared interests, and I know we have new councilmembers and we have to have conversations about muni, but we do have to recognize that this is not something we get to pull out of a bag and decide what we want to do. We have to come together to this point of collaboration. And trying to get it so that the whole city all around is benefiting from how we proceed and how we reframe this partnership. >> Garza: Councilmember Renteria. >> Renteria: Yes. My big concern is are we really getting our true value out of this project? You know, it's -- I hear 25 million, but is that the real cost? We do have a lot. We're going to not only do the road, but we're also going to deed the land over for that is stadium to UT. And are we just going to get credit and that's it?

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I have a lot of concerns about the ledgers that the state has given and are we really getting -- and what are we going to get? That's the big question that I have is what are we getting in return from UT? Is it just like my colleagues said, are they just going to set there and tack credit and not even knowing if

we're going to get anything back in return any time soon. So I have a lot of questions on that. >> Garza: The mayor has expressed that he would like to be part of this conversation, but I'm happy to recognize you, councilmember tovo. Because we'll have time on Thursday to discuss it too. >> Tovo: I just want to be very clear that nothing in the ifc is committing us to pay for this project. Thank you. >> Correct. >> Andky just answer councilmember Renteria's question about that. Alex gale with the office of real estate. In the discussions with UT, that right-of-way for the current red river, they would go through our typical -- what we would talk about as our right-of-way vacation process where we would have an appraisal and have an understanding of the value of that, but then in exchange for the right-of-way that they would be looking to dedicate to the city as well. >> Renteria: And I understand that, but still, there's a lot of questions to me what are we getting back in return for this that we're going to be investing? And I know that one of these days we'll probably end up straightening the street, but we're delaying a whole bunch of projects so that we can get this bun done, and that's what -- this one done, and that's what we're going to be doing. I don't know. It wasn't my first priority to get that road done right away when we have so much traffic problem in Austin. So you know, even though we know that it probably will be about \$25 million, but the trueru costs of what we're

[11:05:06 AM]

really doing by putting this project upfront, it has value, you know? And I hope that when y'all do negotiate with UT that we are aware of that fact that, you know, if we say give you the greenlight to go ahead, then we are negotiating with them and we want some value in return. >> Garza: Councilmember alter. >> Alter: I just want to say that I agree completely with councilmember Renteria that those are questions that we need to be asking. And we need to distinguish between what UT has offered and what we demand. And those are discussions that we need to have in executive session. >> Garza: Did you have anything else, councilmember Madison? >> Harper-madison I don't know if it was so much as a question as a statement to councilmember alter's discussion about equitable distribution. I'll start by saying as a new council person it is imperative that I understand exactly sort of historically institutionally where we come from so that I can in the most substantive fashion possible represent my district well. And this absolutely affects district 1. And then ultimately just -- this project and others, but specifically as it pertains to this project, my primary concern is how does this affect district 1? How does it affect the city of Austin as a whole and how do we addressee quitable distribution of highest, best community benefit? So I feel it's absolutely imperative that I point that out. So thank you. >> Garza: All right. I think those are all the concerns. We can continue this conversation on Thursday. I believe we could also have executive session on this item. Okay. And if there are no other pulled items or issues, and no objection, we are adjourned at 11:06.

[11:07:10 AM]

>> Kitchen: I had one question. Do we have any -- >> Garza: We are not adjourned. [Laughter]. Kim I'm sorry. >> Garza: Unadjourned. [Laughter]. >> Kitchen: Do we have any time certain on Thursday? I

didn't notice anything, but I thought I would double-check? >> Garza: I haven't heard of any time certain requests. >> Kitchen: Okay. >> Renteria: I think that we have someone in our presence that just recently came aboard and I'd like the city manager to introduce him. >> Sure. Mayor and council, I'll take the opportunity to introduce Chris shorter, our assistant city manager over health and environment and culture and lifelong learning. I will also be presenting both Rodney and Chris at the council meeting on Thursday where they can be introduced to the broader public as well. But please welcome Chris. [Applause].