

RESOLUTION NO. _____

WHEREAS, the Austin Strategic Mobility Plan (“ASMP”) (Ordinance No. 20190411-033) is the transportation element of the Imagine Austin Comprehensive Plan; and

WHEREAS, the ASMP establishes that the policy of the City is to invest in a high-capacity transit system to meet our 50/50 mode share goals, stating that the City “must work with our public transportation partners and enhance services to create an experience that attracts and retains riders” and “unprecedented collaboration between the community, the City, and Capital Metro is critical;” and

WHEREAS, City Council adopted Resolution No. 20190808-081 directing the City Manager to “analyze and report on options for the City of Austin and other related or interested public or private entities to leverage resources to support the creation, operation, and maintenance of a high-capacity transit system;” and

WHEREAS, the City and Capital Metro have engaged with community members and other stakeholders to develop and refine the Project Connect System Plan, (“Project Connect”) a high-capacity transit system, to address the City’s transit needs for safer, faster, and more reliable transportation that will improve access to essential services, such as education, health care, grocery stores, childcare, and jobs, especially in historically underserved and underrepresented communities; and

WHEREAS, City Council adopted Resolution No. 20200610-002, directing the City Manager to amend the ASMP to include the Project Connect System Plan and Locally Preferred Alternatives for the Orange, Blue, Gold, Green, and MetroRapid Lines, as adopted by Capital Metro; and

WHEREAS, the ASMP also establishes that the policy of the City is to proactively assess displacement impacts of transportation projects, stating “it is important that we recognize this fact during the planning phase of all transportation infrastructure projects and that, before we begin the implementation of these projects, we work with our partners, develop strategies, and utilize tools to support current neighborhood residents and businesses, stopping or limiting their displacement;” and

WHEREAS, City Council adopted Resolution No. 20200423-038 supporting an equitable transit system to benefit the whole community, and calling for data-driven policies and funding to “prevent transportation investment-related displacement and ensure people of different incomes can benefit from transportation investments;” and

WHEREAS, Capital Metro also supports an equitable transit system, as reflected in its Transit Oriented Development Policy and Guidelines; and

WHEREAS, to receive funding through its Capital Investment Grant Program, the Federal Transit Administration (FTA) evaluates on economic development criteria which includes “the extent to which a proposed project is likely to induce additional, transit-supportive development,” specifically including “adopted financing tools and strategies to preserve and increase affordable housing in the project corridor;” and

WHEREAS, City Council adopted Resolution 20200727-002 directing an initial investment in the Project Connect System Plan (Initial Investment Map and associated Implementation Sequence Plan are attached as “Exhibit A” to this resolution) and directing the City Manager to include an additional \$0.0875 per

hundred dollar valuation in the proposed Fiscal Year 2020-2021 property (ad valorem) tax rate; and

WHEREAS, Project Connect is a citywide rapid transit system that comprises a fixed rail and bus rapid transit system, including associated roadway, bikeway, sidewalk, and street lighting improvements; park & ride hubs; on-demand neighborhood circulators; innovative customer technology; and improved services for seniors and persons with disabilities; and

WHEREAS, Project Connect also comprises transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors; and

WHEREAS, the City Council will order an election to be held on November 3, 2020 for the purpose of asking voters to approve a tax rate of \$0.5335 per \$100 value of which \$0.0875 is to be used as a dedicated funding source for the Austin Transit Partnership (such \$0.0875 is hereinafter referred to as the “Project Connect Tax Revenue”) to further the objectives of the development and implementation of Project Connect, including funding for transit-supportive anti-displacement strategies, and for the purpose of approving funding for a fixed rail system; and authorizing Capital Metro to expend its funds to build, operate, and maintain such a system as required by Section 451.071 of Texas Transportation Code; and

WHEREAS, the City Council and Capital Metro Board each approved an interlocal agreement, committing to, upon voter approval of the Project Connect Tax Revenue, create a joint local government corporation with articles of incorporation and bylaws, to be named Austin Transit Partnership; and

WHEREAS, the purpose of Austin Transit Partnership is to be the principal

entity responsible for the implementation of the Project Connect System Plan, including the financing of acquisition, construction, equipping, and operations of Project Connect; and funding the Project Connect associated transit-supportive anti-displacement strategies; and to work with the City and Capital Metro to execute a Joint Powers Agreements to delineate the roles and responsibilities of all three parties; and

WHEREAS, Capital Metro, as a rapid transportation authority serving the Central Texas region by statute, is currently partnering with surrounding communities in the region to provide transit service, and will coordinate and facilitate future regional transportation programs which may be in conjunction with Capital Metro directly or the Austin Transit Partnership; and

WHEREAS, the City recognizes the commitment of Capital Metro to dedicate the balance of its Capital Expansion Fund and any funding received from grant agreements with the U.S. Department of Transportation to Austin Transit Partnership; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council, by this official action, clarifies and declares its intent and commitment to the voters to create a contract with the voters that specifies and commits that the proceeds from the Project Connect Tax Revenue collected shall be used to invest in a citywide rapid transit system, known as Project Connect, which includes associated transit-supportive anti-displacement strategies. Further, the City Council by this official action, clarifies that if Project Connect, or the associated Implementation Sequence Plan, require modification, such action may be taken only upon the joint concurrence of City Council and the Capital Metro Board. The

following Be It Further Resolved clauses describe how the Project Connect Tax Revenue is to be allocated to the jointly created local government corporation, Austin Transit Partnership, and the clauses direct the City Manager to include certain provisions in a draft Joint Powers Agreement, to be reviewed and approved by City Council, with Austin Transit Partnership and Capital Metro to guide the expenditure of the Project Connect Tax Revenue.

BE IT FURTHER RESOLVED

Upon voter approval of the tax rate, beginning in Fiscal Year 2020-21, the City Manager is directed to transfer the Project Connect Tax Revenue to Austin Transit Partnership. Further, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership, a procedure to transfer the Project Connect Tax Revenue in a proportionate amount on an annual or more frequent basis. The transfer of the Project Connect Tax Revenue will continue until such time as all debt issued and financial obligations incurred by Austin Transit Partnership are paid off and funds are no longer required for operations, maintenance, or state of good repair for assets funded by Austin Transit Partnership. It is acknowledged that under State law, particularly Chapter 1202 of the Texas Government Code, the issuance of obligations by Austin Transit Partnership is subject to the review and approval of the Attorney General of the State of Texas, and conditions established by the Attorney General of the State of Texas to receive the approval. To the extent that those conditions, State law, and Federal law, apply to the requirements of this contract with the voters, those conditions and those laws supersede this contract.

Further, if funding from the City's transfer of the Project Connect Tax Revenue is sufficient to fund both the initial investment and additional transit

infrastructure components of Project Connect (as shown in Exhibit A), Council contracts with the voters that the Project Connect Tax Revenue may be used to fund those additional components.

Finally, if federal matching funds are not available to complete components of the initial investment, or additional components, Council contracts with the voters that the Project Connect Tax Revenue shall be used to fund as much of the initial investment in Project Connect as possible.

BE IT FURTHER RESOLVED

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro, a provision to provide a total of \$300,000,000 of the Project Connect Tax Revenue, in accordance with the Implementation Sequence Plan as shown in Exhibit A, to Austin Transit Partnership for the purpose of (1) acquiring real property, and (2) financing tools and other anti-displacement strategies related to the implementation of Project Connect. The following two Be It Resolved clauses provide direction for the expenditure of these funds.

BE IT FURTHER RESOLVED

Regarding the use of funding for the acquisition of real property, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a provision that the funds may be used to acquire real estate for transit supportive development that will preserve or increase the amount of affordable housing proximate to transit corridors. Austin Transit Partnership should prioritize land banking for future affordable housing. The real property acquired should be an FTA-compliant investment, eligible for federal matching

funds, when possible. In other instances, real property should be acquired in accordance with the policy objectives approved by the City Council as documented in the Austin Strategic Housing Blueprint or subsequent policy. The real property acquisition should also be compliant with Capital Metro's Transit Oriented Development Policy and Guidelines.

BE IT FURTHER RESOLVED

Regarding the use of funding for financing tools and other anti-displacement strategies related to the implementation of Project Connect, the City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro, a provision that documents a procedure to create neighborhood-level tools and strategies with the community. These tools and strategies may include the construction or development of new affordable housing; preservation, repair, and rehabilitation of existing affordable housing; financial assistance for home ownership; home repair; rental subsidies; right-to-return assistance that grants current tenants of affordable housing the option to lease a unit of comparable affordability and size following completion of rehabilitation of affordable housing; or other strategies that build economic mobility opportunities for residents along the transit corridors and increase transit-supportive economic development and ridership.

The City Manager is directed to include in the Joint Powers Agreement provisions for the roles and responsibilities for the financing tools and other anti-displacement strategies related to the implementation of Project Connect as follows:

The City shall:

- within six-months of voter approval, provide a process for the creation

of neighborhood-level strategies with community members and organizations; and

- create an Equity Assessment Tool as outlined in the Response to Resolution No. 20200423-038 specific to Project Connect and the City in order to analyze, on a neighborhood level, both (1) potential, unintended, or undesirable effects of the transit investment that contribute to difficulties for people to remain living in an area, such as gentrification and displacement, and (2) opportunities to make investments to build economic mobility for residents along the transit corridors; and
 - create with the community, neighborhood-level prevention and mitigation strategies based on the Equity Assessment Tool, including (1) recommendations that leverage other programs managed by the City, other local governments, and community organizations, to create a connected effort for anti-displacement strategies, and (2) recommendations for funding proposals and implementation of identified strategies; and
 - provide the professional services of representatives from City departments, which may include employees from Neighborhood Housing and Community Development, Austin Transportation Department, Equity Office, Innovation Office, Sustainability Office, or other employees to Austin Transit Partnership to assist with developing proposals, as described below, for approval by City Council and the Capital Metro Board.
 - make publicly available a performance dashboard to track progress on strategies identified for implementation for each neighborhood.
- Capital Metro shall:

- serve as the FTA Project Sponsor and conduct an environmental justice analysis as required under National Environmental Protection Act (NEPA) for each eligible project and provide any recommendations to Austin Transit Partnership for financing tools and strategies based on the NEPA review.
- Austin Transit Partnership shall:
 - develop proposals on an ongoing basis, based on the recommendations from the City and Capital Metro, and provide a budget for approval by City Council and the Capital Metro Board; and
 - enter into interlocal agreements and/or grant agreements with the City to timely develop and implement anti-displacement strategies.

BE IT FURTHER RESOLVED

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership take steps to address potential impacts to businesses during construction through development and implementation of a business impact mitigation strategy that includes approaches for establishing robust business outreach and communications, supporting business access and operations, and creating effective project scheduling and sequencing that minimizes the length of construction impacts.

BE IT FURTHER RESOLVED

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership develop a comprehensive program that meets the federal Disadvantaged

Business Enterprise laws and regulations to ensure that maximum opportunities are available to women, minority, and veteran-owned businesses and small businesses to participate in Project Connect and related projects implemented by Austin Transit Partnership.

BE IT FURTHER RESOLVED

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that Austin Transit Partnership participate in the Better Builder Program® or a similar program with worker protections for all construction workers, including completion of OSHA 10-hour training, workers' compensation, and compliance with all applicable state, federal, and local laws.

BE IT FURTHER RESOLVED

The City Manager is directed to include in the Joint Powers Agreement with Austin Transit Partnership and Capital Metro a requirement that all contracts awarded by Austin Transit Partnership ensure a living wage as established by the City of Austin or prevailing wage under the Davis-Bacon Act for all workers under the contract, ensure access to health care and paid sick leave to the extent possible, and that local workers be afforded a hiring preference where allowed by federal law and regulation.

ADOPTED: _____, 2020

ATTEST: _____

Jannette S. Goodall
City Clerk